



Board of Livestock Meeting

Agenda Request Form

From: Gary Hamel	Division/Program: Meat and Poultry Inspection	Meeting Date: June, 23, 2020
<u>Agenda Item: Board Report in Lieu of a Presentation (Consent Agenda)</u>		
<u>New Inspection Inquiries Since COVID-19</u>		
<ul style="list-style-type: none">• Official Establishments• Custom Exempt Operations• Meat Depots		
Recommendation:		
Time needed:	Attachments:	Yes X No Board vote required? Yes No
<u>Agenda Item:</u>		
Background Info:		
Recommendation:		
Time needed:	Attachments:	Yes X No Board vote required Yes X No
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Background Info:		
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Time needed:	Attachments:	Yes No Board vote required: Yes No
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Background Info:		
Recommendation:		
Time needed:	Attachments:	Yes No Board vote required: Yes No

Meat and Poultry Inspection Bureau
Board Report in Lieu of a Presentation

June 23, 2020

New Inspection Inquiries Since COVID-19

Since April 2, 2020, the Meat and Poultry Inspection Bureau has been gathering information on inquiries for various inspection services. Since that day, Montana MPI has received 31 inquiries from members of the public seeking information on various inspection services. The following is a summary of those inquiries as of May 29, 2020:

Official Establishments

Montana MPI received a total of seven inquiries for official inspection. Of those seven, one applicant filled out the application and returned it completed. Six of the inquiries were in various stages of readiness or were seeking more information.

Custom Exempt Operations

A total of four inquiries for custom exempt facilities were received since April 2, 2020. Of the four, two licenses were approved and two are on hold waiting for a facility to inspect.

Meat Depots

Since April 2, 2020 we have received 20 inquiries from people wanting to start meat depots. Of the 20, seven licenses have been approved and mailed out while 13 were needing licensure at the county level because they were only conducting retail sales, or they were seeking additional information on meat depots.

Summary

Official Establishments – 7 inquires -- 1 application returned, 6 seeking additional information

Custom Exempt Operations – 4 inquiries – 2 licenses approved, 2 pending a plant to inspect

Meat Depots – 20 inquiries total – 13 seeking additional information or are retail only, 7 licenses approved



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: June 23, 2020			
<u>Agenda Item:</u> General Updates - consent agenda items								
Postcards mailed to select milk retailers regarding milk jugs with multiple date codes								
Raw milk press release								
E-mail to milk producers regarding COVID-19 relief program								
Loss of another dairy								
Recommendation: Approve								
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>								
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

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

1. Postcards to certain milk retailers: In March we were advised a milk distributor was preparing to start using multiple dates on gallon milk jugs that would be coming into Montana. The sanitarian for the area worked with the company to ensure their new date coding complies with our updated rule 32.8.203 which requires the Montana "Sell-By" date to be above any other date codes and no other codes in a larger font. We had some concern that retailers may be unsure of what date should be used to pull the product from shelves and decided a brief postcard explaining the additional dates and reminding them that the Montana date takes precedence was warranted. Postcards were mailed to approximately 150 retailers across the state, mostly convenience stores, that are receiving the product.
2. Raw milk press release: After multiple incidents/inquiries regarding sharing and giving away raw milk and raw milk products, Bureau staff decided the most effective way to communicate the current laws which prevent such actions was by press release. In addition to reminding the public that sharing raw milk & raw products is illegal, we also reiterated the dangers of consuming raw product and advised that, despite minor disruptions due to the COVID-19 pandemic, pasteurized Montana products are plentiful and widely available.
3. Email to producers: As discussed at the last Board meeting, the Coronavirus Food Assistance Program (CFAP) opened May 26, 2020 for producers to apply for relief from losses due to the pandemic. The Bureau thought it appropriate to contact our milk producers to make sure they are aware of the program so that they can apply for funds, if qualified. Bureau staff contacted FSA Public Affairs/Outreach Specialist, Jennifer Cole, to coordinate on the email and ensure we included the proper links and verbiage and we included the original press release from FSA. Hard copies were sent to the few producers who do not have email on file or whose emails failed.
4. Dairy loss: We were advised the week of June 8 that one of our smaller dairies has quit and transferred their quota. Reported herd size for the dairy was 75-85 for 2020. It is our understanding most of the herd was sent to slaughter though there are a few bred cows remaining that will be going to Idaho. They are the fourth dairy we have lost this year.



Board of Livestock Meeting

Agenda Request Form

From: Gregory Juda	Division/Program: MVDL	Meeting Date: 6/23/2020
<u>Consent Agenda Item: MVDL Operations Update</u>		
Background Info: An overview of recent MVDL operations will be provided		
Recommendation:		
Time needed:	Attachments:	Yes X No Board vote required? Yes No
<u>Agenda Item:</u>		
Background Info:		
Recommendation: N/A		
Time needed:	Attachments:	Yes No Board vote required Yes No
<u>Agenda Item:</u>		
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

MVDL Operations Update

Date: 6/16/20

Prepared by Gregory Juda, Director MVDL

- MVDL welcomed Erika Schwarz-Collins, DVM, PhD to the lab on a full-time basis on May 27, 2020. Erika has assumed technical oversight and personnel management of the bacteriology, serology, virology, and molecular diagnostics lab sections. With this addition, the MVDL is now fully staffed and has addressed a key regulatory deficiency noted by the AAVLD during our last site audit.
- The MVDL has purchased and received two new pathology microscopes. One scope was budgeted as part of the FY20 HB2 OTO funding and the second was part of the FY20 federal NAHLN grant agreement. We have now made all equipment purchases planned as part of these two funding requests for FY20.
- Through May 31, 2020 the MVDL has brought an increase of \$76,979 in test fee revenue compared with the prior year through the same reporting period.

Environmental Quality Council
May 27, 2020
Chronic wasting disease

Dr. Debbie McKenzie, University of Alberta and Dr. Brent Race, Rocky Mountain Laboratories, Hamilton

- 8 different strains of CWD prions with different properties
- Different strains attach different species via prion receptors,
- CWD prions attach to undulates, beaver, maybe antelope, maybe goats, not cows or bison, etc.
- Scrapie – sheep – not in humans
- BSE – cows – rarely in humans
- CWD – usually undulates
- CWD prions are spread by urine, feces, saliva, body fluids, body parts
- There is no evidence at this time that humans who eat meat from CWD positive animals have a higher incidence of prion disease, possibly because of the long incubation period
- Rocky Mtn. Lab: Squirrel monkeys are very susceptible to CWD, the other type of monkey at the lab was not
- Trans-genetic mice are susceptible to human prion disease, not to CWD
- Winter seems to compromise susceptibility to the infection
- Prions are not recognized by the body as foreign so the body does not produce antibodies against the prions
- Kuru prion infection in New Guinea came about through cannibalism. Symptoms still persisted 40 years after the practice was stopped
- No timeline for infection to show in humans
- Work is ongoing to discover a vaccine

Dr. Darlene Konkle, WI State Veterinarian and Dr. Amy Horn-Delzer, WI Division of Animal Health

- It may be possible for CWD to be in waterways
- Prions have been found in the soil at least 10 years after CWD infection
- Don't know how long soils may continue to be infected. Iceland had prion positive soil 15-20 years after infection
- At this time there is no proof that prions ever leave the soil
- Prions stay on the surface of clay soil but move down through the soil profile in sandy soil
- It is thought that CWD moved from CO north along wildlife corridors and into WI and Canada through game farms.
- Herd reduction is the best approach
- Ear punch being tried to test live deer (skin in the lower ear)
- Bison appear to be relatively safe from CWD
- WI: sterilize contaminated soil in high traffic areas; total cleansing and bleach treatment similar to sterilizing the lab; completely scrub/bleach fences, feeders, etc.
- CWD spread to one facility through pumpkins from a field wild deer had been in grazing in

Dr. Zaluski, DOL

- 1st CWD in a game farm in 1999 near Anaconda. Depopulated and incinerated
- 2nd CWD in January 2020. Quarantined and will depopulate soon

- DOL working with FWP on fencing inspections on game farms
- 18 game farms in the state and about 550 animals

Ken McDonald, FWP

- CWD first observed in deer in Montana in October 2017
- FWP Management Plan sent out this spring received only 1 response
- FWP has talked to VDL re: CWD testing starting this fall but the lab has issues
- CSU lab needs to know soon re: number of tests needed for this fall
- FWP will need to sign contracts soon with CSU and DOL VDL for fall testing

Dr. Greg Juda, DOL VDL

- The lab has put together Best Practices for dealing with CWD and decontamination procedures
- Equipment rep will come from GA soon to calibrate equipment and train technicians
- Will work with FWP over the next week re: contract for testing
- CWD and Brucellosis testing come at the same time
- Would like info on the "fast test" (ear tissue sample)
- Dr. Juda will contact Ed Cooper, CSU for details on the "fast test"

Questions:

- MDT will be contacted by FWP re: road kill samples for year round testing
- Glandular scent used by hunters may be a carrier
- Pitman/Roberts dollars maybe used to harvest urban deer
- Dr. Szymanski participated in a summit call with Sec. Purdue and Sen. Daines last week
- Hamlin: Covid virus has shown that the lab is needed. Use some of the \$1 billion for the lab
- Keane: get it done
- Zaluski: the new lab will cost about \$25 million
- White: letter from Sec. Purdue saying there may be grants for lab money
- White: approached by a couple of investors re: build to lease
- White: has not seen the lab blue print

Proposed 2021 Session Legislation

Agency Name & No: Department of Livestock

Priority Number: **Filename:**

Short Title: Revision to Indemnity Paid for Animals Destroyed Due to Disease

Agency Contact Person/Phone: Marty Zaluski, 406-444-2043

1. Purpose:

Revision to Title 81, Chapter 2, Part 2 updating the process by which the state will pay indemnity for animals destroyed due to disease and creating an indemnity fund to be used for claims.

2. Background:

The Department of Livestock is requesting that MCA Title 81, Chapter 2, Part 2 be revised from current language and that new language be implemented that creates an indemnity fund reserved exclusively for indemnity for depopulation associated with Foreign Animal Diseases or USDA program diseases. The fund would be isolated, would allow the Department of Livestock to contribute a fixed amount to the fund on an annual basis, and would have a monetary cap, excluding interest, that could be added to the fund. As an example, an annual accrual of \$10,000 per year with a limit of \$100,000 to the fund.

Payment of indemnity from the fund would be based upon an assessed fair-market value of animals. Indemnity would be restricted to cattle, sheep, goats, poultry, and alternative livestock.

3. Fiscal Impact by Fund Type: *This impact should be as specific as possible.*

Up to 10,000 per year from the Department's budget (per capita fees) would be directed to an indemnity fund.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only Federal Requirement Audit Recommendation (Audit No.) Major Legislation
- Anticipated to be Controversial Legislation Bill Draft has been included in Legislation Submittal (if available)
- Supports Submitted EPP Item Number: Local Government Fiscal Impact
- Increases FTE, or Decreases FTE by List FTE amount and program
- Increases Existing Revenue Tax Fee Penalty [amount in #3]
- Decreases Existing Revenue Tax Fee Penalty [amount in #3]
- Establishes New Revenue Tax Fee Penalty [amount in #3]

USDA-APHIS INDEMNITY PAYMENTS – CODE OF FEDERAL REGULATIONS

SPECIES	DISEASE	DETAILS	REFERENCE
Cattle, bison or captive cervids	Tuberculosis	Payment may not exceed the appraised fair market value of the animal. USDA will in no case pay more than \$3,000. USDA will consider their breeding value, as well as dairy and meat value.	9 CFR 50.3, 50.9
Cattle and bison* (individual reactors)	Brucellosis	\$250 for registered cattle and dairy cattle, \$50 for bison and non-registered cattle	9 CFR 51.3
Cattle and bison* (whole herd depopulation and individual animals who are exposed)	Brucellosis	Option (1): fair market value minus salvage value Option (2): \$250 for bison and non-registered beef cattle, \$750 for registered cattle and dairy cattle	9 CFR 51.3
Sexually intact female calves	Brucellosis	\$50 per head	9 CFR 51.3
Swine (individual reactors)	Brucellosis	\$10-\$25 per head of breeding swine	9 CFR 51.3
Swine (whole herd depopulation)	Brucellosis	Fair market value for all swine. \$150 for registered/hybrid breeding swine, \$65 for all other breeding swine.	9 CFR 51.3
Sheep, goats, or horses*	Brucellosis	Fair market value. Goats/sheep must be depopulated as part of a whole herd/flock depopulation to be eligible. Maximum of \$20,000 for horses.	9 CFR 51.22, 51.24
Swine	Pseudorabies	Fair breeding or meat market value.	9 CFR 52.2
Sheep and Goats	Scrapie	Fair market value. Premiums will be paid for certain types of sheep and goats, including, registered animals, flock sires, pregnant animals and early-maturing ewes.	9 CFR 54.6
Captive cervids	Chronic Wasting Disease	95% of the fair market value as determined by the meat or breeding value. Payment shall not exceed \$3,000.	9 CFR 55.2, 55.3
Poultry (Domesticated fowl, including chickens, turkeys, ostriches, emus, rheas, cassowaries, waterfowl, and game birds, except doves and pigeons,	Avian Influenza (HPAI/LPAI)	Fair market value of birds and eggs destroyed. For laying hens, the appraised value should include the hen's projected future egg production.	9 CFR 56.1, 56.4

which are bred for the primary purpose of producing eggs or meat)		To receive 100% indemnity, the state must have and Initial State Response and Containment Plan.	
Multiple	Foot-and-mouth disease, contagious pleuropneumonia, Newcastle disease, highly pathogenic avian influenza, infectious salmon anemia, spring viremia of carp, or any other communicable disease of livestock or poultry that in the opinion of the Secretary constitutes an emergency and threatens the livestock or poultry of the United States.	Fair market value determined by the meat, egg production, dairy or breeding value. USDA-APHIS to pay 50 percent (and in the case of Newcastle disease or highly pathogenic avian influenza, up to 100 percent, and in the case of infectious salmon anemia, up to 60 percent, of the expenses of purchase, destruction and disposition of animals, eggs, and materials required to be destroyed because of contamination or exposed to such disease.	9 CFR 53.1, 53.2, 53.3

Fair market value is based on available price report data that most accurately reflect the type of animal being indemnified and the time at which the animal was indemnified.

* The Administrator will authorize payment of Federal indemnity by the U.S. Department of Agriculture provided sufficient funds appropriated by Congress appear to be available for this purpose for the remainder of the fiscal year.

*Requested changes to Montana Code Annotated
Animal Health Bureau
January 2020*

Title 81
Chapter 5
Part 5
Treatment
of
Garbage
Fed to
Swine

Requested Change:

Revision to Title 81, Chapter 5, Part 5 to make the act of feeding garbage to swine illegal in Montana.

Content with proposed language:

81-2-501. Definitions. When used in this part, the following definitions apply:

(1) "Garbage" means wastes resulting from the handling, preparation, cooking, and consumption of animal products, including animal carcasses or parts of animal carcasses, or other refuse of any character that has been associated with any animal products, including animal carcasses or parts of animal carcasses. Garbage does not include rendered animal products or pasteurized milk products.

(2) "Garbage feeder" means a person who handles, prepares, cooks, or otherwise treats garbage to feed to swine or other animals, as well as a person who feeds garbage to swine or other animals.

(3) "Person" means the state, any municipality, political subdivision, school district, institution, public or private corporation, individual, partnership, or other entity.

81-2-502. Illegal to Feed Garbage to Swine Licenses. (1) It is unlawful to handle, prepare, cook, or otherwise treat garbage to feed to swine or other animals or to feed garbage to swine or other animals. ~~without first securing a license for that purpose from the department. One license issued to the entrepreneur, corporation, or individual responsible for a particular garbage feeding enterprise covers all garbage feeders concerned with the enterprise. The license provided for in this section expires on December 31 of the year in which it is issued. The department shall establish a fee to be charged for all licenses issued under this part. All license fees collected must be paid into the state special revenue fund for the use of the department.~~

(2) This part does not apply to a person who feeds only the person's own household garbage to swine or other animals owned by them and for home consumption.

81-2-503. Applications for licenses. REPEAL

81-2-504. Power to adopt rules. The department shall administer and enforce this part and may adopt and enforce rules or orders necessary ~~for the supervision, control, and inspection of persons who handle, prepare, cook, or otherwise treat garbage to feed to swine or other animals or who feed garbage to swine or other animals.~~ The rules or orders shall apply to and govern the method of applying for a license, standards and methods of operation, sanitary conditions of premises where garbage is treated for feeding or fed, the control and inspection of equipment used to store, treat, or feed garbage, and equipment, including vehicles, used for the transportation of garbage.

81-2-505. Entry of premises for inspection -- keeping of records. REPEAL

81-2-506. Power to administer oaths, subpoena witnesses, and receive evidence. The department or its agent may administer oaths, subpoena witnesses, and receive evidence in order to carry out this part.

81-2-507. Power of department and board to restrain operation of garbage feeder. REPEAL

81-2-508. Power to revoke license of garbage feeder. REPEAL

81-2-509. Cooking or other treatment of garbage. REPEAL

81-2-510. Garbage originating on or removed from airplanes not to be treated or fed. Garbage originating on or removed from airplanes landing in this state may not ~~be treated for feeding or~~ be fed to swine or other animals. ~~The powers granted in 81-2-505 to the department to enter on private or public property for the purpose of inspecting and investigating conditions relating to the treating of garbage to be fed to swine or other animals or the feeding of garbage to swine or other animals include the inspection and investigation of garbage disposal methods employed at airports and all facilities at airports and aircraft.~~

81-2-511. Penalties. Any person who shall violate any of the provisions of or who fails to perform any duty imposed by this part shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than \$50 or more than \$250 or by imprisonment for a term of not more than 6 months or by both such fine and imprisonment. In addition, thereto, such person may be enjoined from continuing such violation. Each day upon which such violation occurs shall constitute a separate violation.

Reason:

The Department of Livestock is requesting the content of this rule be changed to prohibit garbage feeding in the state of Montana, except for the feeding of one's own household garbage to animals owned by them for home consumption. The feeding of rendered animal products or pasteurized dairy products is not considered to be garbage feeding.

Garbage feeding is a practice that can contribute to the spread of disease if contaminated meat products are fed to pigs. The Swine Health Protection Act requires owners to be licensed to feed garbage to pigs. The Act also allows states to determine whether garbage feeding is allowed within their state. Currently 23 states prohibit the feeding of garbage.

With the recent impact of African Swine Fever across Asia and Europe, the United States has been working diligently to prevent the introduction of the virus into the United States. Within Montana, the Department has worked on education of swine producers about good biosecurity practices and has also worked to educate the public about the potential risk materials that could be brought back into the US and Montana from international travel.

Montana has not had a licensed garbage feeder within the state since 2013. As this change would not impact any current livestock producers in the state and it would address one area of potential disease introduction, the Department is requesting this change.

Title 81 Requested Change:

Chapter 2 Revision to Title 81, Chapter 2, Part 2 updating the process by which the state
Part 2 will pay indemnity for animals destroyed due to disease and creating an
Indemnity indemnity fund to be used for claims.

Content with proposed language:

81-2-201. Classification of animals as to compensation for slaughter. Animals slaughtered under the direction of the department due to disease and by order of the board may be paid for at 100% of the appraised value.

(1) Eligible animals include cattle, domestic bison, sheep, goats, swine, alternative livestock, and poultry.

(2) Diseases for which animals are eligible for indemnity include foreign animal diseases as classified by the United States Department of Agriculture, bovine tuberculosis, brucellosis, and Chronic Wasting Disease.

~~are divided into two classes for the purposes of compensation:~~

~~(1) Animals determined by the department to be affected with an incurable disease that are destroyed by order of the board are designated as animals of class 1, and unless otherwise provided, each of the animals must be paid for on the basis of 75% of its appraised value. The county in which the animal was owned at the time it was determined to be affected with an incurable disease is liable in part, as later provided, for an indemnity to be paid for the animal. The ownership and county are determined by an affidavit of the owner of the animal or the owner's agent. Each animal directed to be destroyed must be appraised by a representative or an authorized agent of the department with the owner agreeing in writing as to the value of the animal. When appraised, due consideration must be given to its breeding value as well as its dairy or meat value and the condition of the animal as to the disease and the present and probable effect of the disease on the animal. In the absence of an agreement, there must be appointed three competent, disinterested parties, one appointed by the department, one by the owner, and a third by the first two, to appraise each animal, taking into consideration its breeding value as well as its dairy or meat value and the condition of the animal as to the disease and the present probable effect of the disease on the animal. The judgment of the majority is the judgment of the appraisers and is binding on both parties as the final determination of indemnity to be paid for each animal. The total compensation of each group of appraisers is limited to \$5 for the group appraisal, one-half of which must be paid by the department. The total amount of indemnity paid by the state and a county for an animal may not exceed the actual sound value of an animal of its class, and the total combined amount of indemnity paid for the animal by the state and a county may not exceed the sum of \$100 for a registered purebred animal or the sum of \$50 for a grade animal. Animals~~

~~presented for appraisal as purebreds must be accompanied by their registration papers at the time of appraisal, or they must be appraised as grades. If purebreds are less than 3 years old and not registered, the department may grant a reasonable time for their registration and presentation of their registration papers to the appraiser. Registration papers must accompany the claim for indemnity.~~

~~(2) Animals of class 1 must be paid for on the basis of their full appraised value as determined in this section if no evidence of incurable disease is disclosed by autopsy, bacteriologic, serologic, microscopic, or other findings. The total combined amount of indemnity paid by the state and a county for an animal may not exceed the actual sound value of an animal of its class. The total combined amount of indemnity paid by the state and a county for the animal may not exceed \$100 for a registered purebred animal or \$50 for a grade animal.~~

~~(3) Animals that are determined by the department to be affected with or exposed to foot and mouth disease, rinderpest, contagious pleura pneumonia, surra, or other infectious, contagious, communicable, or dangerous disease, which is not of its nature necessarily fatal, and that are destroyed by order of the department as a sanitary safeguard are designated as animals of class 2, and each animal must be paid for on the basis of its full appraised value. The appraised value must be determined in the manner set out in subsection (1). The appraisal of the animals must be based on the meat, dairy, or breeding value of the animal, but when appraisal is based on breeding value of the animal, an appraisal may not exceed three times its meat or dairy value. The total amount of indemnity paid by the state for an animal may not exceed the actual sound value of an animal in its class. An indemnity for a class 2 animal may not be paid by a county. In the case of destruction of an animal afflicted with brucellosis, also known as Bang's disease, an indemnity may not be paid for the animal unless the board, in its discretion, determines the best interests of this state will be served by payment of an indemnity. In this event, the board shall set out standards of indemnity by rules and may not pay in excess of \$100 for a registered purebred animal or \$50 for a grade animal. In all cases in which the federal government or an agency other than the state compensates the owner in whole or in part for livestock destroyed as a sanitary safeguard, the amount of compensation from the state must be determined under **81-2-210**.~~

(4) Animals that are injured or killed while they are being inspected or tested under an order of the department or its agent ~~and that do not come within either class 1 or class 2~~ may be paid for at their full appraised value if the claim for the animal is recommended for payment at a meeting of the board ~~when~~. ~~When~~ it is shown that the injury or death of the animal was not proximately due to the negligence of the owner or the owner's agent, ~~the whole claim, when approved, must be paid out of department funds. The limit of indemnity for an animal paid for by the state may not exceed that fixed by this section for class 2 animals.~~

81-2-202. Payment for other personal property. REPEAL

81-2-203. Indemnity -- ~~from what funds paid~~. Indemnity funds will be set aside by the state in a separate fund. The Department may contribute up to \$10,000 per year to the fund, up to a fund total of \$100,000 dollars. The fund will be allowed to accrue interest beyond \$100,000 and cannot be diverted for other purposes. In payment for animals or property destroyed by order of the

~~department, the state shall pay one-half of the indemnity out of the money at the disposal of the department. The county liable in part for the indemnity shall pay one-half of the total indemnity out of the general fund of the county.~~

81-2-204. Presentation of claims for indemnity. Claims against the state ~~and county~~ that arise from the destruction of animals or property by order of the department ~~must be made on forms provided by the department. They~~ must contain an affidavit by the owner or the owner's agent with knowledge of the animal or property, certifying to the ownership of the animal or property, ~~the county in which they are owned,~~ and that the animal or property has been destroyed under the law and the rules of the department. ~~These claims must be accompanied by a certificate from the department that the animal or property was ordered destroyed.~~ The claims must also be accompanied by a certificate of appraisal ~~as appraisal is determined under 81-2-201,~~ together with an account of sale showing the net proceeds from the sale of the animal, if any, paid to the owner of the animal.

81-2-205. Indemnity for class 2 animals in state less than 120 days. ~~REPEAL~~

81-2-206. Verification and payment of claims. ~~REPEAL~~

81-2-207. Payment from county funds. ~~REPEAL~~

81-2-208. Sale of condemned carcasses -- disposition of proceeds. When the carcass of an animal ordered destroyed under this chapter is found on official postmortem inspection to be fit for human consumption, the owner must receive the net proceeds from the sale of the carcass. The proceeds must be deducted from the owner's claim against the state and county for the slaughter. ~~A representative of the department may, when considered advisable or necessary or when it is desired by the owner, sell the carcass on terms that the representative considers to be in the best interests of this state, and the net proceeds obtained from the sale must be paid to the owner. This procedure does not invalidate the owner's claim for indemnity for any balance due the owner.~~

81-2-209. When no indemnity. (1) The owner of an animal or property destroyed under this chapter is entitled to indemnity, except in the following cases:

- (a) animals belonging to the United States;
- (b) animals brought into this state that violate this chapter or rules of the department;
- (c) animals that the owner or claimant knew to be diseased or had notice of the disease at the time they came into the owner's or claimant's possession;
- (d) animals that had the disease for which they were slaughtered or that were destroyed because of exposure to the disease at the time of their arrival in this state. ~~However, a class 2 animal shipped into this state under department rules and accompanied by the proper certificate of health from a recognized state or~~

~~federal veterinarian may be paid for when payment is authorized by the department.~~

(e) animals that have not been in this state for at least 120 days before the discovery of the disease. ~~However, class 2 animals that have not been in the state for 120 days may be paid for when payment is authorized by the department.~~

(f) when the owner or agent has not used reasonable diligence to prevent disease or exposure to disease;

(g) when the owner or agent has not complied with the rules of the department with respect to animals condemned;

(h) when animals condemned are not destroyed within 60 days after they are determined to be affected with or exposed to a disease that requires them to be destroyed by order of the department.

(2) Compensation or indemnity will not be paid for the destruction of livestock affected with tuberculosis or other infectious, contagious, communicable, or dangerous disease unless the entire herd or band of affected livestock is under the supervision of the department for the eradication of the disease.

81-2-210. Compensation from federal government or other agency. (1) If the federal government or an agency other than the state ~~or county~~ compensates the owner for livestock or property destroyed by order of the department, the amount of the compensation from the federal government or other agency shall be deducted from the owner's claim as filed against the state ~~and county~~, that is, from the balance that remains after the net salvage price received from the sale or other disposal of the condemned animal has been deducted from the appraised value.

(2) If the owner or agent of the livestock or property destroyed by order of the department forfeits an indemnity, which the owner would otherwise be entitled to from the federal government or compensating agency other than the state ~~or county~~, by violation of the rules of the federal government or other agency, an amount equal to the indemnity which would have been paid by the federal government or other indemnifying agency but for the forfeiture shall also be deducted from the owner's claim; that is, the balance that remains after the net salvage price received from the sale or other disposal of the condemned animal has been deducted from the appraised value.

Reason:

The Department of Livestock is requesting that MCA Title 81, Chapter 2, Part 2 be revised from current language and that new language be implemented that creates an indemnity fund reserved exclusively for indemnity for depopulation associated with Foreign Animal Diseases or USDA program diseases. The fund would be isolated, would allow the Department of Livestock to contribute a fixed amount to the fund on an annual basis, and would have a monetary cap, excluding interest, that could be added to the fund. As an example, an annual accrual of \$10,000 per year with a limit of \$100,000 to the fund.

Payment of indemnity from the fund would be based upon an assessed fair-market value of an animals. Indemnity would be restricted to cattle, sheep, goats, poultry, and alternative livestock.



Board of Livestock Meeting

Agenda Request Form

From: Ethan Wilfore		Division/Program: Brands Enforcement Division			Meeting Date: 6/23/20		
<u>Agenda Item:</u> Fort Supply Maintenance Contract Renewal							
Background Info:							
<ul style="list-style-type: none"> Fort Supply Maintenance Contract expired March 30th 2020 No changes of note on contract renewal Fort Supply has continued service despite not having contract renewed/paid yet this year 							
Recommendation: Approval needed for support for current contract year							
Time needed: 10 minutes		Attachments: Yes		No	Board vote required? Yes		No
<u>Agenda Item:</u> Discussion of Livestock Crime Investigator Pay							
Background Info:							
Recommendation:							
Time needed: 15 minutes		Attachments: Yes		No	Board vote required Yes		No
<u>Agenda Item:</u> Update and Planning on Vacant/Recently Filled Brands Positions							
Background Info:							
<ul style="list-style-type: none"> Progress on Vacant Market Inspector Positions Progress on Vacant Brands Compliance Position Progress on Vacant Glasgow District Position Progress on Vacant Western Region Supervisor Position 							
Recommendation:							
Time needed: 10 minutes		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



www.fort-supply.com

Invoice

Date
4/7/2020

Invoice #
10193

Bill To
<p>Montana Department of Livestock PO Box 202001 Helena, MT 59620-2001</p>

Ship To
<p>Montana Dept of Livestock 301 N Roberts Helena, MT 59601 (406) 444-2985</p>

P.O. Number	Terms	Rep	Ship Date	Ship Via	F.O.B.
LIV-12-BE1201	Due on receipt	NTH	4/7/2020	Online	Kaysville, Ut

Line	Part Number	Description	Qty	Price Each	BO	Amount
1	Misc Services	<p>Extended service and support for desktop and hand held Brand Inspection systems installed in thirteen livestock markets and one primary central office plus two additional secondary logons. The contract takes effect on April 1, 2020, and terminates on March 31, 2021.</p> <p>Contract#: LIV-12-BE1201 CONTRACT AMENDMENT NO. 8</p>	1	15,600.00		15,600.00

Total (US\$)	\$15,600.00
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Please remit payment by check or money order to:
<p>Fort Supply Technologies, LLC 1773 West 200 North Kaysville, Utah 84037 Phone: 888-650-6446 Fax: 801.991.9181 Wire transfers to be handled per special instructions</p>

Warranties and Trademarks
<p>All warranties and terms and conditions are per Fort Supply Technologies, LLC, HP and Juniper Systems, Inc. FaST EID is a Trademark of Fort Supply Technologies, LLC. Please contact Fort Supply Technologies for information on extended licenses, database updates, and Archer warranties before the end of the first year of use. All other trademarks are owned by their respective companies.</p>

CONTRACT AMENDMENT NO. 8
CONTRACT FOR
LIVESTOCK IDENTIFICATION SYSTEM (LIS) CONTRACT # LIV-12-BE1201

This CONTRACT AMENDMENT is to amend the above-referenced contract between the State of Montana, **Department of Livestock** (STATE), whose address and phone number are **301 North Roberts, Helena MT, 406-444-7323** and **Fort Supply Technologies** (CONTRACTOR), whose address and phone number are **1773 W. 200 N., Kaysville UT, 888-650-6446**. This Contract is amended for the following purpose(s):

To continue extended service and support for desktop and hand-held systems installed in thirteen livestock markets and one central office in Montana.

1 EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. This contract shall take effect on April 1, 2020, and terminate on March 31, 2021, unless terminated earlier in accordance with the terms of this contract.

2 SCOPE OF WORK, SERVICES AND/OR SUPPLIES

The State requires the use of a knowledgeable professional employed by the Contractor for the maintenance and support of the LIS. Contractor agrees to perform the following:

2.1 Support Hours:

- a.** Hours are rounded to the nearest half-hour with a minimum half-hour charge per activity.
- b.** All hours will be logged and tracked by the Contractor.
- c.** Contractor shall not accrue State of Montana leave, retirement, or insurance benefits as a result of this agreement.
- d.** There is no State compensation for travel, lodging, vehicle use or per diem.
- e. Standard Service Hours:** The Contractor shall be compensated at a rate of \$110.00 per hour for 110 standard service hours.
 - i.** Standard service hours may be used for user support, software enhancements/modifications.
 - ii.** Upon renewal of this contract, unused hours, not to exceed 50 standard service hours, will roll over into the next contract year.
- f. After-Hours User Support:** The Contractor shall be compensated at a rate of \$150.00 per hour for 10 service hours outside regular business hours of 8:00 AM to 5:00 PM Mountain Standard Time, Monday through Friday.
 - i.** After-hours user support hours may be used for user support when requested by the State.
 - ii.** Upon renewal of this contract, unused hours, not to exceed 10 after-hours support hours, will roll over into the next contract year.

2.2 Mobi Control

- a.** Mobi Control service for 25 devices at a rate of \$92 per device is included for this contract year for a total cost of \$2,300.

2.3 Service Level Agreement

- a.** The Contractor shall notify the State's Liaison:
 - i.** Prior to updating or modifying the State's systems,
 - ii.** Prior to updating or modifying other software that could potentially affect the State's systems.
 - iii.** Upon completion or resolution of a service request, the Contractor shall provide email or phone notification to the State's Liaison that the issue(s) were resolved.
- b.** The Contractor shall maintain a shared document, referred to as the Montana Issue Tracker, for the State. The Montana Issue Tracker documents the date and type of service, service

provider, requesting party, actual hours worked, and a description of the issue and resolution.

- c. The Contractor shall update the Montana Issue Tracker within 2 business days following service provided by the Contractor.

3 CONSIDERATION/PAYMENT

3.1 Payment Schedule. Payment will be made in full (\$15,600) at time of signing this addendum

- a. Standard Service Hours: \$12,100
 - i. Quantity: 110 hours
 - ii. Rate: \$110/hour
- b. After Hours Support: \$1500 - \$300 = \$1,200
 - i. Quantity: 10
 - ii. Rate: \$150/hour
 - iii. Leftover hours from 2019 contract: 2 at value of \$300
- c. Mobi Control: \$2,300

3.2 Purchase of Additional Support: If all service hours in the contract are exhausted, additional hours may be purchased at the rates specified in the contract. Additional hours should be logged on the shared document and invoiced monthly.

4 OWNERSHIP AND USE OF INFORMATION

4.1 Data collected by the State using the Contractor's software is owned exclusively by the State. Data may not be used by the Contractor or any third party for marketing or business development, and may not be sold or distributed to any third party.

5 WARRANTIES

5.1 Warranty for Hardware section 22.3 of the original contract is void for all hardware purchased under previous contracts.

6 LIAISON AND SERVICE OF NOTICES

All project management and coordination on behalf of the State shall be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that includes a primary point of contact and at least one secondary point of contact, or multiple primary points of contact for management and coordination of Contractor's work. All work performed pursuant to this contract shall be coordinated between the State's liaison and the Contractor's liaison.

The State's Liaison includes both of the following:

livit@mt.gov (MDOL IT Team)

ethan.wilfore@mt.gov (Administrator, 406-444-2925)

Department of Livestock

P.O. Box 202001

Helena, Montana 59620 – 2001

Phone 406-444-7323

Karl Calderwood, will be the Primary Fort Supply technology service liaison for the Contractor.

Fort Supply Technologies

1773 W. 200 N.

Kaysville, UT 84037

Phone: 435-760-7688

karl@fort-supply.com

Stosh Harvey, will be the secondary Fort Supply technology service liaison for the Contractor.

Fort Supply Technologies
1773 W. 200 N.
Kaysville, UT 84037
Phone: 801 540-5660
stosh@fort-supply.com

Except as modified above, all other terms and conditions of Contract # **LIV-12-BE1201** remain unchanged.

STATE OF MONTANA
Department of Livestock
301 North Roberts
Helena, MT 59620

FORT OF SUPPLY TECHNOLOGIES
1773 W. 200 N.
Kaysville UT, 84037
FEDERAL ID # 26-0680929

Mike Honeycutt (Date)
Executive Officer

Nephi Harvey 6/18/20

Nephi Harvey (Date)
CTO

Approved for Content:

Evan Waters (Date)
Finance and Accounting Bureau Chief, CSD

Approved for Form:

State Procurement (Date)
Department Administration



Board of Livestock Meeting

Agenda Request Form

From: George Edwards	Division/Program: Livestock Loss Board	Meeting Date: 6/23/20				
<u>Agenda Item:</u>						
Background Info: General claims numbers update						
Recommendation:						
Time needed:	Attachments:	Yes		Board vote required?		No

June 12 2020

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	1	2					3	\$1,383.64
Carbon	7						7	\$5,816.57
Flathead		5					5	\$1,121.31
Gallatin	1						1	\$816.30
Glacier	5						5	\$4,514.04
L&C	3						3	\$2,932.17
Madison	6						6	\$5,490.99
Missoula	1	1				1	3	\$1,465.29
Pondera	3	11					14	\$4,975.29
Powell	10						10	\$8,767.35
Sanders			2				2	\$531.25
Totals	37	19	2	0	0	1	59	\$37,814.20

2019 January - June 12

Totals	32	27	14			2	75	\$58,097.09
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Wolves

Confirmed	16	2				
Probable	2					
Value	\$15,785.61	\$565.54				
Owners	11	1				

Grizzly Bears

Confirmed	15	6				
Probable	3	5				
Value	\$15,881.25	\$2,234.65				
Owners	12	1				

Mtn Lion

Confirmed	1	3	2			1
Probable		3				
Value	\$811.92	\$1,404.08	\$531.25			\$600.00
Owners	1	3	1			1



Board of Livestock Meeting

Agenda Request Form

From: Chad Lee		Division/Program: Milk Control Bureau			Meeting Date: 6/23/2020		
<u>Agenda Item:</u> Milk Control Bureau - Update							
Background Info: General updates regarding the Board of Milk Control and Bureau activity							
Recommendation:							
Time needed: 15 minutes	Attachments:	Yes	No <input checked="" type="checkbox"/>	Board vote required?	Yes	No <input checked="" type="checkbox"/>	
<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	



Board of Livestock Meeting

Agenda Request Form

From: Gary Hamel		Division/Program: Meat and Poultry Inspection			Meeting Date: June 23, 2020		
<u>Agenda Item: Administrative Rules - Labeling and Recall</u>							
<u>Recall Rule</u>							
<p>The Meat and Poultry Inspection Bureau is proposing this new rule to formalize the recall process that was drafted and adopted by the department following a series of public meetings with the meat and poultry industry. The industry encouraged the department to implement a more rigorous and transparent recall process, and this rule is the outcome of that recommendation. This rule does not create a new recall process; it puts into administrative rule an existing process that has been published and followed by the department for the last two years</p>							
<u>Labeling Rule</u>							
<p>The Meat and Poultry Inspection Bureau 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 two-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.</p>							
Recommendation:							
Time needed: 30 min	Attachments:	Yes X	No	Board vote required?	Yes X	No	
<u>Agenda Item:</u>							
Background Info:							
Recommendation:							
Time needed:	Attachments:	Yes X	No	Board vote required	Yes X	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>							

BEFORE THE DEPARTMENT OF LIVESTOCK
OF THE STATE OF MONTANA

In the matter of the adoption of NEW) NOTICE OF PROPOSED
RULE I pertaining to recalls) 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 RECALLS (1) A recall is an establishment's voluntary action to remove product from commerce to protect the public from consuming adulterated or misbranded products.

(2) Each establishment inspected by the department must have a recall plan that it must implement whenever it has produced and put in commerce adulterated or misbranded product.

(3) Recalls are initiated by the manufacturer or distributor of the meat or poultry. These establishments must notify the department within 24 hours of the establishment's decision to conduct a recall.

(4) The department will coordinate with the establishment initiating the recall to ensure the product has been properly identified and removed from commerce.

(5) If the department has reason to believe adulterated or misbranded product has entered commerce and no recall has been initiated, or if an establishment requests assistance determining whether a recall is necessary, the department will:

(a) Conduct a preliminary investigation, which may include some or all of the following steps:

(i) Contacting the manufacturer of the food for more information;

(ii) Interviewing consumers who allegedly became ill or injured from eating the suspect food;

(iii) Collecting and analyzing food samples;

(iv) Collecting and verifying information about the suspected food;

- (v) Discussing the situation with departmental field inspection and compliance personnel;
- (vi) Contacting State and local health departments; and
- (vii) Documenting a chronology of events; and
- (b) Convene a recall committee using the following process:
 - (i) The recall committee will review available information and make a consensus recommendation about the need for a recall; and
 - (ii) The recall committee will consist of five to seven members representing the following types of individuals:
 - (A) Meat science specialist, who may be retained from an appropriate entity outside of the department;
 - (B) Microbiologist, who may be retained from an appropriate entity outside of the department;
 - (C) Board of Livestock member or the department's Executive Officer;
 - (D) The department's Animal Health and Food Safety Division Administrator or chief meat inspector; and
 - (E) Meat and Poultry Inspection Bureau Enforcement, Investigations, and Analysis Officer or equivalent; and
 - (iii) If the recall committee recommends a product recall, the committee will prepare a report to be sent to the establishment confirming the evaluation of the hazard, the scope of the recall, the area of distribution, and the department's understanding of the establishment's recall strategy.
- (6) After the committee recommends a recall, the establishment has 48 hours to declare its intent to accept or deny the recommendation in writing to the department's chief meat inspector.
- (7) If an establishment refuses to recall a product following the recommendation of the committee, the department may notify the public of the refusal to conduct a recall and may detain or retain affected products.
- (8) The department will notify the public of any recall or detention of state inspected meat and poultry food products and conduct effectiveness checks.
- (9) If a recall is not recommended but a potential health risk to consumers exists, the department may notify the public of that risk through a public health alert.
- (10) All public notifications from the department concerning recalled products, products that an establishment chooses not to recall, and products that are not subject to recall but that may pose a potential health risk will include the name of the producing establishment, the official establishment number, the name of the product, and any other available identifying information such as lot numbers, production dates, or use-by dates.

AUTH: 81-2-102, 81-9-220, MCA
IMP: 81-9-220, 81-9-226, 81-9-234, MCA

REASON: The Department of Livestock is proposing this new rule to formalize the recall process that was drafted and adopted by the department following a series of public meetings with the meat and poultry industry. The industry encouraged the department to implement a more rigorous and transparent recall process, and this rule is the outcome of that recommendation. This rule does not create a new recall

process; it puts into administrative rule an existing process that has been published and followed by the department for the last two years.

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 37 current business that will be impacted by this rule.

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.

BEFORE THE DEPARTMENT OF LIVESTOCK
OF THE STATE OF MONTANA

In the matter of the adoption of NEW) NOTICE OF PROPOSED
RULE I pertaining to label review) 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 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

MAR Notice No. 32-20-308

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 two-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 37 current businesses that will be impacted by this rule.

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: Gregory Juda	Division/Program: MVDL	Meeting Date: 6/23/2020
<u>Agenda Item: Personnel status change request</u>		
Background Info: The MVDL is requesting to transition a 0.5 FTE to a 1.0 FTE. The employee works in the milk lab and the 0.5 FTE would be transitioned from one of the recently vacated sanitarian positions within the milk program.		
Recommendation: Approval of status change		
Time needed: 5 minutes	Attachments:	Yes X No Board vote required? Yes X No
<u>Agenda Item:</u>		
Background Info:.		
Recommendation:		
Time needed:	Attachments:	Yes No Board vote required Yes No X
<u>Agenda Item:</u>		
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

The MVDL is requesting to transition a part time employee (Erin Burns) to full time moving forward. In order to do this, we are proposing to transition a 0.5 FTE from one of the recently vacant sanitarian positions to the MVDL. There remains one vacant position at the MVDL that we do not intend to fill at this time. The justification for this request is as follows:

- Tess needs additional support to perform the QA/QC duties that are being driven by evolving AAVLD regulations. Erin is qualified to provide help in this area due to her regulatory knowledge and her recent FDA certification as a Laboratory Evaluation Officer for the milk program.
- The MVDL is evaluating a quality systems software platform to assist with the organization and administration of routine quality functions that are essential to lab operations. Our current system is a manually administered system of hundreds of files with little automation. It is anticipated that the software will be financed as part of the annual NAHLN funding cycle and we are currently evaluating the commercial options. Without additional resources in QA, we will be at risk of an unsuccessful implementation a new quality system software platform.
- Erin has taken a leadership role in driving the milk lab integration into the VADDS system. An increased presence in the lab will help keep this integration project on track.
- With the anticipated increase in CWD sample receipt during the peak testing season, receiving staff will need additional assistance and Erin can help provide surge capacity.
- Erin will be travelling on a more routine basis in place of Julie to perform milk plant audits as a result of her recent FDA certification.
- Year to date, Erin's average hours per pay period have been 54.62 (0.68 FTE) so the additional financial commitment to move to full time equates to \$596/pay period.

- This transition will provide continuity for the milk lab and QA in the event of a staff departure within either of these departments.



Board of Livestock Meeting

Agenda Request Form

From: Tahnee Szymanski, DVM	Division/Program: Animal Health Bureau	Meeting Date: June 2020
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Agenda Item: Proposed Rule Change 32.3.219 Special Requirements for Swine

Background Info: Montana ARM currently requires swine to be inspected within 10 days of importation into Montana. The federal standard for the issuance of certificates of veterinary inspection is inspection within 10 days of certificate issuance and inspection within 30 days of movement. MT would like to change our import rule to be consistent with the federal standard and other states. The rule requiring inspection within 10 days of shipment frequently causes a need for a second inspection of animals. AHB staff researched state and federal laws to find supporting language for the use of 10 days and are unable to explain the origin or intent of the rule.

32.3.219 SPECIAL REQUIREMENTS FOR SWINE (1) Swine may enter the state of Montana provided they are transported or moved in conformity with ARM 32.3.201 through 32.3.211 and Title 9 CFR part 85 and are accompanied by an official health certificate of the state of origin issued by an accredited veterinarian attesting that:

- (a) the swine have been inspected within ~~ten~~ **thirty** days of the date of shipment; and
- (b) the swine are free from evidence of any infectious, contagious or communicable disease, or known exposure thereto; and
- (c) each swine is identified by eartag, tattoo, or any permanent identification and such identification is recorded on the health certificate, if required, or permit application;
- (d) the swine have not been fed raw garbage; and
- (e) the swine originate from a state free of any USDA quarantine for any swine disease.

(2) With regards to Brucellosis all breeding swine four months of age and over must:

- (a) be from a validated Brucellosis free swine herd or from a validated Brucellosis free state, or
- (b) enter by permit only after a negative result to a Brucellosis test performed not more than 30 days prior to entry, as evidenced by an official brucellosis test result form.

No Pseudorabies vaccinated swine will be permitted. The state veterinarian may impose a retest on swine originating from states with a stage four (surveillance) or less as classified in Title 9 CFR part 85.

(History: 81-2-102, ~~81-20-101~~, ~~81-2-707~~ MCA; IMP, 81-2-102, ~~81-20-101~~, ~~81-2-703~~ 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; EMERG, AMD, 1/20/78; AMD, 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; AMD, 1987 MAR p. 1994, Eff. 10/30/87; AMD, 1991 MAR p. 1145, Eff. 7/12/91; AMD, 1996 MAR p. 2300, Eff. 8/23/96.)

Recommendation: NA – First preview of proposed rule change

Time needed: 5 minutes	Attachments:	No	Board vote required?	No
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Agenda Item: NAEBA Request Regarding Interstate Brucellosis Testing Requirements

Background Info: The North American Elk Breeders Association submitted the attached letter to the Department requesting the Board of Livestock reconsider the elimination of interstate Brucellosis testing requirements for interstate movement of farmed Cervidae. This change would only apply to movements that originate outside of the Greater Yellowstone Area (GYA). As background, at the 2017 USAHA Annual Meeting, a resolution was passed supporting the elimination of this requirement. NAEBA presented a similar letter to the Department for evaluation during the February 27th board meeting. No action was taken during this meeting and members of the industry are requesting reconsideration.

32.3.221 SPECIAL REQUIREMENTS FOR ALTERNATIVE LIVESTOCK

(1) All sexually intact alternative livestock six months of age and older imported into Montana 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: Proceed with proposed rule change – AHB would return with proposed language at next BOL meeting.

Time needed: 10 minutes	Attachments:	Yes	Board vote required:	No
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Agenda Item: Proposed Rule Change 32.3.217 Special Requirements for Poultry

Background Info: The proposed changes will provide consistency with National Poultry Improvement Plan (NPIP) guidance. NPIP is a nationally recognized poultry program, run by USDA, that focuses on health and biosecurity. Many states, including Montana, allow NPIP participation to satisfy their import requirements. These 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.

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: NA – First preview of proposed rule change

Time needed:	Attachments:		No	Board vote required		No
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Agenda Item: Adoption of Proposed Changes to Boundary of the Designated Surveillance Area (ARM 32.3.433)

Background Info: Following the detection of brucellosis exposed elk in the Ruby Mountains outside of the current boundary of the DSA, the BOL approved rulemaking that would adjust the boundary of the DSA. Public comment on the proposed rule closes on June 18th. The AHB will present to the Board a summary of comments on the rule and a recommended final action. Providing the AHB does not receive substantive comments against the proposal, we will request the board adopt the rule.

Recommendation: Final Adoption of Rule

Time needed: 15 minutes	Attachments:		No	Board vote required:	Yes	
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Agenda Item: Renewal of USAHerds Contract

Background Info: The current USAHerds Contract expires on June 30,2020. This is a request to renew that contract for another year.

Recommendation: Approve

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

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No
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April 29, 2020

Dr. Marty Zaluski
State Veterinarian
Montana Department of Livestock
301 N. Roberts St.
Helena, MT 59620

Dr. Zakuski,

On behalf of the North American Elk Breeders Association, we respectfully request the Montana Board of Livestock to consider the elimination of interstate Brucellosis testing requirements for farmed Cervidae that enter the state.

In 2017, the United States Animal Health Association (USAHA) adopted a resolution urging state animal health officials to eliminate interstate Brucellosis testing requirements for cervids that originate outside the Greater Yellowstone Area (GYA). The request was thoroughly vetted by state animal health officials and ultimately unanimously approved by the USAHA membership at the 2017 conference.

No farmed cervid outside the GYA has been found to be infected with Brucellosis in the last twenty years. By carving out the GYA, our industry believes this change will not pose a risk to states.

Since Brucellosis interstate testing requirements are currently regulated by state agencies, our industry is concurrently requesting states to independently make the change. In response, the Colorado Department of Agriculture, Idaho State Department of Agriculture, Indiana Board of Animal Health, Minnesota Board of Animal Health, Oklahoma Department of Agriculture, South Dakota Animal Industry Board, Tennessee Department of Agriculture and the Texas Animal Health Commission have officially dropped their state's brucellosis import requirement. Several additional states have the repeal in progress by amending their administrative rules.

USDA APHIS has told the cervid industry the proposed federal rule for Brucellosis is now off the table with a new working group developing a new proposal. In an effort to be forward thinking, the USAHA resolution informs APHIS of the change for if, and when, a rule is ever republished.

Our industry has submitted a request to Dr. Jim Logan, who chairs the National Assembly's work group of the Brucellosis side of the proposed rule, to not have a Brucellosis federal rule for cervids. According to subsequent communication with USDA APHIS, it appears our request will be granted and there will not be a cervid component in the new federal rule, thus leaving this a state issue.

We also note that in May 2017, USDA APHIS provided a report on Brucellosis testing for farmed cervids between FY 2014- 2016 and concluded the current testing is "sufficient to detect 1.1 infected animals per 10,000 farmed cervid in population tested." The state animal health officials at USAHA agreed the data speaks for itself.

On behalf of our members that reside in Montana, we sincerely appreciate your consideration. This change would greatly reduce veterinarian expenses for our members as well as stress and potential injury to animals. Our association can provide any testimony needed throughout the rule making process, including remarks during the Board of Livestock meeting.

Respectfully,

Travis Lowe
Executive Director
North American Elk Breeders Association
tlowe@naelk.org

BEFORE THE DEPARTMENT OF LIVESTOCK
OF THE STATE OF MONTANA

In the matter of the proposal of ARM) NOTICE OF AMENDMENT
32.3.433 designated surveillance)
area)

TO: All Concerned Persons

1. On May 15, 2020, the Department of Livestock published MAR Notice No. 32-20-310 pertaining to the proposed amendment of the above-stated rule at page 844 of the 2020 Montana Administrative Register, Issue Number 9.

2. The department has amended the above-stated rule as proposed.

3. The department has thoroughly considered the comments and testimony received. A summary of the comments received and the department's responses are as follows:

COMMENT #1: For producers that are leaving the newly proposed DSA boundary in the spring to go to summer pastures I believe it would be acceptable to grant them a variance to test in the fall instead of the spring prior to leaving. Not only for the convenience of the producer but more importantly it seems that it would be unlikely for cattle, that were exposed in the spring, to seroconvert prior to testing in the spring, making it a less effective time to test when compared to Fall testing.

RESPONSE #1: Thank you for your comment. MDOL encourages the development of herd management agreements with DSA producers to assist in determining disease risk. Test variances may be granted based upon a combination of risk factors and/or mitigation efforts. The variance suggested by this comment is consistent with past variances given but will need to be done at the individual producer level.

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

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

Certified to the Secretary of State June 30, 2020.



May 20, 2020

Dr. Tahnee Szymanski
Montana Department of Livestock
301 N. Roberts
Helena, MT 59620-2001

Dr. Szymanski,

Please accept this statement of work and quotation from Acclaim Systems, Inc. (ACCLAIM) to provide Software Maintenance, Support and Problem Resolution, of the **USAHERDS** solution for Montana Department of Livestock. We are pleased to quote **\$ 26,522.50** as a fixed price amount for 12 months of maintenance and support as described in this agreement, based on the terms and conditions of the current contract. For an additional cost, clients can request enhancements where the cost and process is outlined in this document. The period of performance is for one year, July 1, 2020 – June 30, 2021.

Thank you for the opportunity to provide these Acclaim Systems Inc. services for the above applications.

Sincerely,

John Kucek

Executive Summary

In this statement of work, we detail the scope, tasks, and pricing for continuing Software Maintenance, Support and Problem Resolution, of **USAHERDS** for Montana Department of Livestock:

1. Software Maintenance Agreement
2. Support and Problem Resolution Agreement

In addition, Montana Department of Livestock can request additional enhancements where the cost and process is outlined in **Appendix A: Procuring Enhancements**.

A brief description of the deliverables and Pricing:

DESCRIPTION	COST
Software Maintenance Support and Problem Resolution SOW for USAHERDS with 75 support hours	\$26,522.50
Total Amount due:	\$26,522.50
Optional: USAHERDS VET CVI / TB / Brucellosis <ul style="list-style-type: none"> • Configuration Vet CVI - \$7000 • Maintenance VET CVI - \$3500 • Configuration TB / Brucellosis - \$1000 • Maintenance TB / Brucellosis - \$1000 	\$12,500.00

Additional support and enhancement hours may be purchased for **\$90.00/hour**.

Support hours can be used for: Support, Training, Enhancement.

ACCLAIM is very pleased to support the Montana Department of Livestock. If you have any questions, please contact:

John Kucek
johnku@acclaimsystems.com
 773 495 8307



Software Maintenance Agreement

Software Maintenance

USAHERDS is an AS-IS application. All features either wanted or unwanted are the current set of features of the **USAHERDS** system. Software Maintenance is defined as the modification of a software product after delivery to implement approved service requests for either new functionality or to fix a current unwanted feature. Warranty services solely provide for resolution of any problems, defects, and/or deficiencies introduced by Acclaim Systems in the process of software maintenance that have been reported with in the current contract where the intended results do not meet the documented and agreed upon specifications of the service request.

The following elements reflect items that are supplied as part of Software Maintenance and Support:

What constitutes the use of maintenance hours?

Any request submitted to the serve desk for investigation, requested code change, requested reseach, emailed question with required response, 3rd party interfaces resulting in errors not created by Acclaim, request for participation of meetings, request for discussions with a 3rd party for intergration.

Break-Fix

Under this Statement of Work (SOW), ACCLAIM will provide services to modify the **USAHERDS** software in order to remedy an unwanted feature or implement approved service requests. Acclaim Systems does not take on liability from the previous vendors code. If Acclaim Systems introduce a bug or break-fix error to the system Acclaim will remedy the issue. Existing bug within the code not introduced by Acclaim are considered features of the current system and will be considered a change order / enhancement.

Quality Assurance Process & Testing

Acclaim has several Quality Analysts at our development center in Harrisburg, PA.

Acclaim will test each major and minor release prior to delivery to the client in accordance with technical and business specifications agreed upon for the release, perform regression testing to validate that the new functionality has not negatively impacted existing functionality within the product, and provide the release for User Acceptance Testing (UAT).

Release Deployment

Acclaim will work with the business area to provide a maintenance release schedule that will include agreed-upon change requests in a structured process:

- Standard releases: Acclaim will provide 1 standard release annually; in addition to up to 2 as needed “Hot Fix “during the service period if the issue is related to a customer facing issue or required financial requirement.
- Emergency release: Acclaim will exercise all commercially reasonable efforts to test such emergency fixes in accordance with the requirements of this section.

Acclaim also will deliver or make available to the client, with the delivery of each release, detailed release notes describing the release content.

Release Management

Acclaim's Release Management process provides customer support, improved planning, and testing. This standardized approach to software delivery management provides for full quality assurance, communication, and consistency in versioning. Items to be included in a release are prioritized between our Product Management team and Montana Department of Livestock. Acclaim will work with the client to develop a maintenance release schedule, which will include agreed-upon change requests in a structured process.

Acclaim will provide support, as defined in this agreement, for the current major production release of the software and the current major production release – 1. Customers who choose to remain on older production release versions may be charged additional costs/hours for the added work effort in supporting older versions.

Product Management

Acclaim will provide product management to assist in coordination of support activities. As part of our maintenance service, our Product Manager, a subject matter expert in **USAHERDS** will provide:

- Bimonthly (every other month) meeting to discuss the operations of **USAHERDS** that focuses on:
 - Current support/training hour usage
 - Discussion of any new feature sets (enhancements) for changes that can be prioritized in a product release listing and product roadmap per a separate SOW
 - Shared discussion on other client activities or enhancement requests for prioritization
 - Discussion on internal infrastructure changes
- Coordinating with the client POC for prioritization and release dates of future releases

Product Management further includes:

- Providing information on enhancements or customizations made by other clients at no additional charge unless additional configurations are required to enable the functionality.
- Supporting User Group administration and meetings lead by the license holder of the software.
- Reviewing requested feature sets for prioritization across clients to be able to address high priority items as quickly as possible
- Assisting the user community in coordinating requirements, including potential cost sharing across clients

- User group conferences and user workshop coordination which is lead by the License Holder.

Client Responsibilities:

This section describes the responsibilities of the Montana Department of Livestock under this agreement.

- **Designated Support Contacts**

The client will designate one (1) single point of contact (POC) with an optional backup. The POC is responsible for coordinating with Acclaim POC for prioritization and release dates of maintenance items as well as reporting and management of incidents.

The client will designate one (1) or more product administrators to serve as the primary client contact for Acclaim's Support and Maintenance Services.

- **User Support**

The client will provide end-user first-level support. Acclaim will provide and be responsible for Level 2 and 3 support of the product.

- **Backups and Procedures**

For products hosted by the client, the client will be responsible for maintaining staging and production environments and for performing all necessary back-ups, database monitoring and tuning, recovery, and required product operating procedures. If Acclaim does not provide Production hosting for the solution, the State will be required to host their own staging environment. For products hosted by Acclaim, Acclaim will perform these tasks.

- **Remote Access**

For products hosted by the client, the client will provide Acclaim remote access to the servers on which the product resides. For products hosted by Acclaim as an outsourced hosting service, the client will not have direct access, e.g., via virtual private network (VPN), to any of the hosted servers.

- **Client Assistance in Resolving Unwanted Features**

The client will provide such assistance and cooperate with Acclaim in helping to identify and address unwanted features. Client delays in providing assistance affecting the total elapsed time of the maintenance task(s) related to the request may result in delayed completion of the task, charge of additional maintenance hours, or both.

When providing a detailed description of the issue you are experiencing, please remember to include such items and details as:

- User name experiencing the issue.
- Identify what you expected to happen vs what happened.
- Document steps to reproduce issue.
- Identify the module/page - menu item selected to get to the page/report
- Parameters/data values populated, button clicked, etc.
- If any error message is displayed, please copy/include in the report.
- Finally, be sure to select the appropriate Priority and click the Submit button.



Support and Problem Resolution Agreement

Support and Problem Resolution

The ACCLAIM Service Desk provides a single Point of Contact (PoC) for issue tracking and resolution for the Level 2 and Level 3 support requests. ACCLAIM provides SMEs on the **USAHERDS** solution in conjunction with our Service Desk team to ensure a timely incident response and resolution to any issues or needs identified. Our Service Desk is available 8:00 a.m. to 7:00 p.m. Eastern Time on business workdays. Timeframes outside of these normal business hours are negotiable.

Additional details of support scope such as resolution times and issue resolution plan are provided in [Appendix C: Service Level Agreement](#).

Product Contact Information

Acclaim supports contact information: Phone and Email

MODULE	EMAIL	TELEPHONE
USAHERDS	USAHERDS_support@tnatc.org	(888) 999-2125

Figure 1: Solution Contact Information

Support Process

This agreement includes hours of support indicated on page 2; these allocated hours of support will expire if a new annual renewal contract is not processed before the end of the contract term. Hours which are being “rolled over” to the new calendar year must be allocated to a “project” and used within 90 days of the new contract term in which time they will expire. Support hours include issue resolution for items outside of software maintenance (i.e., data fixes), meetings to discuss software changes outside of Product Management monthly meetings, and enhancements or code changes, such as cosmetic changes on a report. Training includes webinars, continuing education training, and additional meetings to educate staff at the client request. Hours can be purchased should a client need additional support/training assistance. Support hours can be used for maintenance, enhancements and training.

Support and Maintenance Services History Tracking System

Acclaim will maintain a customer- specific Support and Maintenance Services history, including updated records of the client’s product configuration. Acclaim is committed to creating a transparent relationship and will log all of these support hours and classify them in the monthly statement:

- a) the date, time, title and time spent on each contact to support desk
- b) the total number of contracted hours, total used and remaining hours available.

Reporting and Management of Incidents

Reports of incidents (an "Incident Report") will be made by the client to the Acclaim Service Desk. If there are multiple Incidents, the client will prioritize their incidents with respect to each other. The

Service Desk will log the reported incident and provide the client with an Incident tracking number for reference when making follow-up inquiries.

The Incident Report will contain:

- a) the date and time of the call
- b) the name of the product
- c) the client contact name, e-mail address if available, and telephone number
- d) a description of the incident

The client will provide Acclaim with as much information as possible to enable Acclaim to investigate and attempt to identify and verify the reported issue or defect. The client will work with Acclaim support personnel during the problem isolation process, as reasonably needed. Acclaim will manage and maintain records with respect to the resolution of all reported Incidents ("Incident Resolution Report") and may facilitate status calls for 'High Impact' or 'Work Stoppage' classifications. Acclaim will maintain the working history of Incident Reports and provide the client with expected resolution dates, and – for unwanted features – a status of where the update is in the Acclaim release and quality assurance process.

Appendix A: Procuring Enhancements and RFID Tags

For requested changes, Acclaim will draft a fixed-price SOW that details the scope, approach, assumptions and associated cost to meet the requested change. Acclaim's process for reviewing and estimating product enhancements/modifications is:

1. Client submits a work request to the Acclaim Service Desk as a support ticket.
2. The Acclaim business analyst documents the request with the high-level objectives of the request. This Enhancement Request Document defines the scope and the objectives of the request. An authorized client representative reviews and approves the document.
3. Acclaim schedules requirements gathering meetings, during which time ACCLAIM works with the client to fully capture requirements, validate our assumptions, and establish scope and acceptance criteria for the requested changes.
4. Acclaim creates an SOW that contains the documented requirements, assumptions, and cost. That SOW is delivered to an authorized representative from the client for review and signature approval. The timing of this deliverable, in our experience, is dependent upon the scope and complexity of the requested enhancements.
5. Upon receipt of a signed work order, Acclaim schedules the work based upon the estimated start date specified in the approved work order and associated prioritization as well as the resource bandwidth.

Acclaim Systems has signed an exclusive partnership agreement as the North American sales, marketing and distribution partner with the Australian Ear Tag Manufacturer, Wuxi Fofia Technology (FOFIA). FOFIA is beginning the approval process with the USDA to bring their Australian approved National Livestock Identification System (NLIS) HDX Ear Tag to the USA. Upon approval from the USDA, Acclaim will make these HDX tags and other approved technologies available for purchase through this contract. The max price for the approved HDX tag is \$1.60 with incremental discounts bases on order size.

The USAHERDS User Group is creating a shared cost USAHERDS module called, VET CVI. This new progressive web application will be available to participating states (states which helped fund the build) within the USAHERDS user group. The annual maintenance for this additional module is \$3,500. Acclaim is allowing states to utilizing 10 hours of their support contract to lower the annual maintenance to \$2,600 if the state chooses. At this time maintenance for the application includes: Security and Framework updates, XML messaging updates, App Store configurations. States will be responsible to field calls from practicing Veterinarians within their state.

- Configuration Vet CVI - \$7000 (one time fee)
- Configuration TB / Brucellosis - \$1000 (one time fee)
- Maintenance VET CVI - \$3500
- Maintenance TB / Brucellosis - \$1000



USAHERDS - Software Maintenance and Support

July 1, 2020 – June 30, 2021

Appendix B: Terminology and Definitions

Acclaim's Quality Assurance Process includes:

- **Test Case Development** – These cases are derived directly from the business. Test cases cover both positive and negative test scenarios.
- **System Integration Testing (SIT)** – The objective of SIT is to verify the correctness of the newly designed items, and their interaction with the other functional areas of the system. Testing focuses on new or altered functionality of application.
- **System Acceptance Testing (SAT)** – The goal of SAT is to logically combine all the key components described in the integration section of this document in strategic end-to-end testing flows to validate that core functionality is processing correctly.
- **Regression Testing** – Regression Testing is done to confirm that a recent program or code change has not adversely affected existing production features. Regression Testing is a full or partial selection of previously executed test cases which are re-executed to ensure existing functionalities work to specification.
- **Test Results Reports** – Acclaim will prepare reports documenting testing efforts as well as any known issues prior to handing over the release for UAT.
- **User Acceptance Testing (UAT)** – Acclaim provides initial test cases, test monitoring and defect tracking during the UAT test period as well as correct critical defects that are related to the agreement's business and technical specifications and will deliver each release to the client only after such release has been approved by the client.

The following terms relating to Incidents and Defects are defined as follows:

- **Unwanted Feature:** Any non-conformance of the Product to operate in accordance with the Documentation, or the Product to operate in accordance with the Performance Standards that currently exists in the application.
- **Defect:** Any non-conformance of the Product to operate in accordance with the Documentation, or the Product to operate in accordance with the Performance Standards that was introduced by features created by Acclaim Systems.
- **Emergency Release:** Corrections to a small number of known errors used to remediate a Major Incident and/or a potential security breach that might cause a Major Incident. Acclaim Inspection Services will follow the Emergency Change procedure and ensuing Emergency Release procedure to implement an Emergency Release for the impacted Customers.
- **Incident:** An unplanned interruption to an IT Service or a reduction in the Quality of an IT Service. Failure of a Configuration Item that has not yet impacted Service is also an Incident.
- **Incident Response:** A email, and/or update from the Acclaim Service Desk or telephone call from Acclaim acknowledging that an Incident Report has been received and that appropriate technical personnel have been assigned to work on the Incident.
- **Interim Resolution:** Acclaim: (a) reinitiates or restarts, as applicable, the product, if the reported Defect caused the product to be inoperative; (b) enables the client to access the product, as

applicable, if the reported Defect caused the client to be unable to access the product; or (c) provides the client with a workaround acceptable to the client that solves or mitigates a reported Defect.

- **Issue:** Any of the following: (a) any presently identified event, circumstance, or problem that adversely affects the ability to meet project requirements, or a missed Deliverable Due Date or Critical Milestone Due Date, whether by Acclaim or the client; or (b) any event, problem, difficulty, or circumstance which affects or may affect the Product or the operation of the Product by the client, including the failure to meet the Performance Standards. Issues do not include unwanted features (see definition of Unwanted Features).
- **Major Release:** Contains large areas of new functionality, some of which may eliminate temporary fixes to problems. A major release usually supersedes all preceding minor releases and emergency releases. Acclaim Inspections Services must push a full (as opposed to partial) set of software components to the appropriate customer environment.
- **Minor Release:** Contains small enhancements and fixes, some of which may have already been issued as an emergency release. A minor release usually supersedes all preceding emergency releases. Release and Deployment Management will determine the frequency of minor releases. Minor releases will be deployed as follows:
 - *Full Release:* Acclaim Inspections Service must push a full set of software components to the appropriate customer environment. The software will incorporate all changed components from prior releases.
 - *Partial Release:* The Release and Deployment Management Process will define criteria for a partial Minor Release for CI items.
- **Resolution:** A correction or modification that permanently corrects the unwanted features or Defect, or for non-Defect-based Incidents, a permanent product that ensures the Incident will not be repeated.
- **Service Request:** A request from a user for information, or advice, or for a Standard Change or for Access to an IT Service.
- **Work Stoppage:** Defined as an unwanted feature or defect that directly impacts the daily operation of the business and provides no suitable work around.

Appendix C: Service Level Agreement

Resolution Times

The service is available 8:00 a.m. to 7:00 p.m. Eastern Time on Federal business days, unless stated otherwise in the contract. ACCLAIM will respond within the timeframe noted in Figure 2. “Medium” and “Low” severity reported system defects and product deficiencies will be prioritized and corrected in a future product release. Extended support is offered until 7:00 pm EST exclusively for USAHerds application outage situations, not routine maintenance requests.

LEVEL OF SEVERITY	DESCRIPTION	TIME TO:	
		ACKNOWLEDGE	RESOLUTION PLAN
1. High Impact	Software does not execute	1 hour	4 hours
2. Medium Impact	Software execution is significantly restricted or severely impaired		1 business day
3. Low Impact	Software executes with minor errors		5 business days

Figure 2: Resolution Times

Issue Resolution Plan

Client support is initially handled by Acclaim’s Service Desk which will provide responsive and professional service for less complex support and will quickly transfer complex support needs to Acclaim’s Product SMEs. Acclaim logs and tracks all problem contacts through resolution. Monthly reports to each licensee provide details on all calls and use of support time.

Technical support will be offered by telephone, email, and/or direct viewing of the production environment or mobile device. Acclaim requires direct access to client infrastructure (e.g., VPN) in order to execute this service agreement. Device-level support is optionally available via GoToAssist.

As part of the Acclaim release management process, items will be prioritized between our Product Management team and the Montana Department of Livestock . Acclaim will provide aging reports to review older support requests/bugs to ensure these items are being addressed as appropriate based on priority. All issues are reviewed prior to each minor release and targeted for a future release based on priority.

Acclaim's goal is to resolve all priority 1 items not considered for an emergency release in the next available minor release. Priority 2 items will be scheduled within the next two maintenance releases after submission to Acclaim. Any modifications to source code will follow standard release management for the specific product.

If you are impacted by a High Priority issue the process is to email the support desk, followed by a phone call to the Support Desk. If you do not reach a support desk specialist then please call please call John Kucek, 773-495-8307.

Escalation Procedures

Figure 3 describes the escalation path that is followed if the Montana Department of Livestock escalates service requests and defects for which an Interim Resolution has not been provided and/or has not been addressed in a timely or appropriate manner. The client has the right to require ACCLAIM to assign an appropriate support and/or technical resource from ACCLAIM to coordinate and oversee resolution of such defect or request. In this case, resolution efforts will be communicated through daily calls. If these escalation procedures fail to produce a satisfactory resolution, the Executive Sponsors will discuss a corrective action plan to resolve the timeliness of correcting defects or requests.

Escalation Level	Contact Details
Lv. 1	AgraGuard Project Manager: Yda Mitzy G. Torres Email: mtorres@acclaimsystems.onmicrosoft.com
Lv. 2	Solution Account Manager: John Kucek Email: johnku@acclaimsystems.com Phone: (773) 495-8307
Lv. 3	Executive Director: David Burgess Email: David@AcclaimSystems.com

Figure 3: Escalation Path

Notice to Proceed

This Proposal, dated May, 20, 2020 for Acclaim Systems, Inc. (Acclaim) to provide Montana Department of Livestock with services as described in the Software Maintenance Agreement, Support and Problem Resolution Agreement is hereby submitted for approval. The parties acknowledge that they have read this document, understand it, and agree in principle to be bound by its terms and conditions. This proposal, and the terms and conditions contained herein, are subject to and conditional upon the negotiation and execution of a final, binding agreement between Illinois Department of Agriculture and ACCLAIM.

This Notice to Proceed will serve as acceptance of this Proposal, as set forth in this document.

MONTANA DEPARTMENT OF LIVESTOCK

By

Name

Title

Date



Board of Livestock Meeting

Agenda Request Form

From: Evan Waters		Division/Program: Centralized Services			Meeting Date: 6/23/2020		
<u>Agenda Item:</u> PCF Status Report							
Background Info: Report out on this year's number of PCF reports filed and amounts collected and amount due for PCF collections.							
Recommendation: n/a							
Time needed: 10 min	Attachments:	Yes X	No	Board vote required:	Yes	No X	
<u>Agenda Item:</u> May 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	
<u>Agenda Item:</u> May 31 Cash Balance Report							
Background Info: Report for month end cash balances of the departments significant fund accounts.							
Recommendation: n/a							
Time needed: 10 min	Attachments:	Yes X	No	Board vote required:	Yes	No X	
<u>Agenda Item:</u> June 2020 Expenditure Projections							
Background Info: Report expenditure projections by division and/or bureau and attached boards.							
Recommendation: n/a							
Time needed: 10 min	Attachments:	Yes X	No	Board vote required?	Yes	No X	
<u>Agenda Item:</u> May 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: 10 min	Attachments:	Yes X	No	Board vote required	Yes	No X	

**MONTANA DEPARTMENT OF LIVESTOCK
PER CAPITA FEE COLLECTION REPORT
JUNE 12, 2020**

**MONTANA DEPARTMENT OF LIVESTOCK
PER CAPITA FEE REPORTING AND COLLECTIONS REPORT
JUNE 12, 2020**

	2020	2019
Total Per Capita Fee reported	\$ 4,982,928	\$ 4,954,467
Amount Paid	<u>4,584,085</u>	<u>4,656,011</u>
Amount Due	<u>\$ 398,843</u>	<u>\$ 298,456</u>

Per Capita Fee Reported by Livestock Class

	2020			2019	
	Rate	Head Count	PCF	Head Count	PCF
Cattle	2.29	1,896,518	\$ 4,343,026	1,889,060	\$ 4,325,947
Horses	5.85	52,887	309,389	52,654	308,026
Sheep & Goats	0.54	159,108	85,918	159,139	85,935
Swine	0.78	86,136	67,186	81,922	63,899
Poultry	0.05	1,108,093	55,405	878,542	43,927
Bees	0.41	42,453	17,406	49,588	20,331
Llamas	9.73	1,070	10,411	1,094	10,645
Bison	6.38	12,345	78,761	12,349	78,787
Domestic Ungulates	26.33	550	14,482	612	16,114
Ratites	9.73	97	944	88	856
		<u>3,359,257</u>	<u>\$ 4,982,928</u>	<u>3,125,048</u>	<u>\$ 4,954,467</u>

As of June 12, 2020 the total amount of revenue reported was \$4,982,928 which is \$28,461 more than last year. The amount of 2020 PCF revenue collected to date is \$4,584,085, which \$71,926 less than the same period last year.

The reports are due March 1 and the Per Capita Fee payments are due May 31.

**MONTANA DEPARTMENT OF LIVESTOCK
STATE SPECIAL REVENUE
CASH BALANCES
MAY 31, 2019**

**MONTANA DEPARTMENT OF LIVESTOCK
STATE SPECIAL REVENUE CASH BALANCES
MAY 31, 2020**

	CASH & INVESTMENTS
02426 PER CAPITA FEES	\$ 12,411,087
02425 BRAND INSPECTION FEES	2,766,569
02427 ANIMAL HEALTH FEES	110,115
02262 SHIELDED EGG GRADING	13,896
02701 MILK INSPECTION FEES	58,598
02817 MILK CONTROL	169,913
02124 LIVESTOCK LOSS REIMBURSEMENT	53,077
02125 LIVESTOCK LOSS REDUCTION	385,610
02117 PREDATOR CONTROL	<u>3,411</u>
TOTAL SSR CASH & INVESTMENTS	<u>\$ 15,972,276</u>
UNEARNED REVENUE	<u>\$ (1,648,802)</u>

PROPRIETARY FUNDS

06026 VETERINARY DIAGNOSTIC LABORATORY FEES	\$ 173,842
ACCOUNTS RECEIVABLE	<u>36,789</u>
TOTAL PROPRIETARY FUND CURRENT ASSETS	<u>\$ 210,631</u>

Unearned revenue is the amount of cash and investments that is not available. This comprises of the brands rerecord fee that must be amortized over the ten year rerecord period. New brands and transfers are included in the unearned revenue balance and amortized over the same ten year period.

**MONTANA DEPARTMENT OF LIVESTOCK
STATE SPECIAL REVENUE REPORT
MAY 31, 2020**

**DEPARTMENT OF LIVESTOCK
STATE SPECIAL REVENUE COMPARISON FY 2020**

	FY 2019 as of May 31, 2019	FY 2020 as of May 31, 2020	Difference May 31 FY19 & FY20	Budgeted Revenue FY 2020
Fund Description				
02425 Brands				
New Brands & Transfers	\$ 302,440	\$ 424,799	\$ 122,359	\$ 413,725
Re-Recorded Brands	425,980	425,979	(1)	464,705
Security Interest Filing Fee	22,165	40,524	18,359	47,500
Livestock Dealers License	101,301	85,878	(15,423)	76,764
Local Inspections	323,980	250,808	(73,172)	334,800
Market Inspection Fees	1,362,778	1,402,418	39,640	1,625,200
Investment Earnings	70,794	46,021	(24,773)	85,000
Other Revenues	73,249	56,802	(16,447)	129,225
Total Brands Division Revenue	\$ 2,682,687	\$ 2,733,229	\$ 50,542	\$ 3,176,919
02426 Per Capita Fee (PCF)				
Per Capita Fee	\$ 4,421,857	\$ 3,770,609	\$ (651,248)	\$ 4,900,040
Indirect Cost Recovery	355,121	349,401	(5,720)	219,930
Investment Earnings	171,964	154,004	(17,960)	195,000
Other Revenues	166	1,512	1,346	75,322
Total Per Capita Fee Revenue	\$ 4,949,108	\$ 4,275,526	\$ (679,302)	\$ 5,558,592
02427 Animal Health				
Animal Health	\$ 35,636	\$ 38,874	\$ 3,238	\$ 9,650
Investment Earnings	854	1,037	183	1,000
Total Animal Health Revenue	\$ 36,490	\$ 39,911	\$ 5,581	\$ 49,100
02701 Milk Inspection				
Inspectors Assessment	\$ 316,812	\$ 291,331	\$ (25,481)	\$ 345,000
Investment Earnings	1,795	1,767	(28)	3,000
Total Milk Inspection	\$ 318,607	\$ 293,098	\$ (25,509)	\$ 348,000
02262 EGG GRADING				
Inspectors Assessment	\$ 114,257	\$ 138,763	\$ 24,506	\$ 140,000
Total EGG GRADING	\$ 114,257	\$ 138,763	\$ 24,506	\$ 140,000
06026 Diagnostic Lab Fees				
Lab Fees	\$ 856,710	\$ 933,689	\$ 76,979	\$ 1,196,667
Donated Equipment	-	31,003	\$ 31,003	31,000
Other Revenues	949	1,937	988	4,000
	\$ 857,659	\$ 966,628	\$ 108,970	\$ 1,231,667
Combined State Special Revenue Total	\$ 8,958,808	\$ 8,447,155	\$ (515,212)	\$ 10,504,278

Voluntary Wolf Donation Fund - per 81-7-123 MCA

Donations	\$ -	\$ 38,031	\$ 38,031	\$ 5,000
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The voluntary wolf donation fund is donations that will be transferred to wild life services for predator control.

The diagnostic laboratory received two pieces of equipment through donations. The Montana Public Health & Human Services donated a bio safety cabinet valued at \$8,003 and NVSL donated an FPA reader for brucella testing valued at \$23,000.

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 \$933,689 are for the period ending April 2020. At fiscal year end, revenues earned in June 2020 will be recorded in FY 2020.

**MONTANA DEPARTMENT OF LIVESTOCK
EXPENSE PROJECTION REPORT
MAY 31, 2020**

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

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

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
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BUDGETED FTE	137.62
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HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 5,330,735	\$ 925,993	\$ 6,256,728	\$ 6,652,118	\$ 395,390
61200 OVERTIME	175,329	5,280	180,609	164,926	(15,683)
61300 OTHER/PER DIEM	2,450	550	3,000	6,200	3,200
61400 BENEFITS	2,369,127	387,926	2,757,053	2,855,889	98,836
TOTAL PERSONAL SERVICES	<u>7,877,641</u>	<u>1,319,749</u>	<u>9,197,390</u>	<u>9,679,133</u>	<u>481,743</u>
62000 OPERATIONS					
62100 CONTRACT	1,216,364	134,220	1,350,584	1,819,586	469,002
62200 SUPPLY	678,859	164,132	842,991	888,919	45,928
62300 COMMUNICATION	160,591	31,082	191,673	208,445	16,772
62400 TRAVEL	166,386	30,730	197,116	147,801	(49,315)
62500 RENT	476,462	90,635	567,097	622,199	55,102
62600 UTILITIES	45,998	4,534	50,532	56,228	5,696
62700 REPAIR & MAINT	156,599	46,713	203,312	175,897	(27,415)
62800 OTHER EXPENSES	531,450	82,698	614,148	747,632	133,484
TOTAL OPERATIONS	<u>3,432,709</u>	<u>584,744</u>	<u>4,017,453</u>	<u>4,666,707</u>	<u>649,254</u>
63000 EQUIPMENT					
63100 EQUIPMENT	294,835	55,551	350,386	350,386	-
TOTAL EQUIPMENT	<u>294,835</u>	<u>55,551</u>	<u>350,386</u>	<u>350,386</u>	<u>-</u>
68000 TRANSFERS					
68000 TRANSFERS	176,952	158,921	335,873	342,481	6,608
TOTAL TRANSFERS	<u>176,952</u>	<u>158,921</u>	<u>335,873</u>	<u>342,481</u>	<u>6,608</u>
TOTAL EXPENDITURES	<u>\$ 11,782,137</u>	<u>\$ 2,118,965</u>	<u>\$ 13,901,102</u>	<u>\$ 15,038,707</u>	<u>\$ 1,137,605</u>

BUDGETED FUNDS

01100 GENERAL FUND	\$ 2,440,011	\$ 310,450	\$ 2,750,461	\$ 2,979,851	\$ 229,390
02262 SHIELDED EGG GRADING FEES	142,499	29,680	172,179	349,393	177,214
02425 BRAND INSPECTION FEES	3,000,334	94,648	3,094,982	3,094,982	-
02426 PER CAPITA FEE	2,891,375	1,089,328	3,980,703	4,556,130	575,427
02427 ANIMAL HEALTH	-	5,721	5,721	5,721	-
02701 MILK INSPECTION FEES	365,816	40,901	406,717	356,308	(50,409)
02817 MILK CONTROL	213,222	42,901	256,123	289,718	33,595
03209 MEAT & POULTRY INSPECTION	860,152	234,088	1,094,240	1,094,240	-
03032 SHELL EGG FEDERAL INSPECTION FEES	10,639	3,130	13,769	23,059	9,290
03427 FEDERAL UMBRELLA PROGRAM	624,416	76,917	701,333	779,930	78,597
03673 FEDERAL ANIMAL HEALTH DISEASE GRAN	207,168	87,280	294,448	315,000	20,552
06026 DIAGNOSTIC LABORATORY FEES	1,026,505	103,921	1,130,426	1,194,375	63,949
TOTAL BUDGETED FUNDS	<u>\$ 11,782,137</u>	<u>\$ 2,118,965</u>	<u>\$ 13,901,102</u>	<u>\$ 15,038,707</u>	<u>\$ 1,137,605</u>

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

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

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

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
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BUDGETED FTE	13.00
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HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 680,793	\$ 110,346	\$ 791,139	\$ 786,315	\$ (4,824)
61300 OTHER/PER DIEM	1,400	200	1,600	4,500	2,900
61400 BENEFITS	256,561	39,167	295,728	288,598	(7,130)
TOTAL PERSONAL SERVICES	<u>938,754</u>	<u>149,713</u>	<u>1,088,467</u>	<u>1,079,413</u>	<u>(9,054)</u>
62000 OPERATIONS					
62100 CONTRACT	87,618	34,257	121,875	243,639	121,764
62200 SUPPLY	53,201	35,711	88,912	141,701	52,789
62300 COMMUNICATION	25,498	7,140	32,638	43,852	11,214
62400 TRAVEL	11,724	1,939	13,663	2,947	(10,716)
62500 RENT	136,686	12,545	149,231	151,649	2,418
62700 REPAIR & MAINT	2,087	1	2,088	1,236	(852)
62800 OTHER EXPENSES	16,916	1,732	18,648	104,856	86,208
TOTAL OPERATIONS	<u>333,730</u>	<u>93,325</u>	<u>427,055</u>	<u>689,880</u>	<u>262,825</u>
68000 TRANSFERS					
68000 TRANSFERS	-	96,942	96,942	102,481	5,539
TOTAL TRANSFERS	<u>-</u>	<u>96,942</u>	<u>96,942</u>	<u>102,481</u>	<u>5,539</u>
TOTAL EXPENDITURES	<u>\$ 1,272,484</u>	<u>\$ 339,980</u>	<u>\$ 1,612,464</u>	<u>\$ 1,871,774</u>	<u>\$ 259,310</u>
<u>BUDGETED FUNDS</u>					
02426 PER CAPITA	\$ 1,272,484	\$ 339,980	\$ 1,612,464	\$ 1,871,774	\$ 259,310
TOTAL BUDGETED FUNDS	<u>\$ 1,272,484</u>	<u>\$ 339,980</u>	<u>\$ 1,612,464</u>	<u>\$ 1,871,774</u>	<u>\$ 259,310</u>

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

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

DIVISION: CENTRALIZED SERVICES
PROGRAM: LIVESTOCK LOSS BOARD

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
BUDGETED FTE					
	1.00				
HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES					
61000 PERSONAL SERVICES					
61100 SALARIES	\$ 62,383	\$ 10,189	\$ 72,572	\$ 72,029	\$ (543)
61300 OTHER/PER DIEM	300	-	300	350	50
61400 BENEFITS	22,504	3,420	25,924	25,266	(658)
TOTAL PERSONAL SERVICES	<u>85,187</u>	<u>13,609</u>	<u>98,796</u>	<u>97,645</u>	<u>(1,151)</u>
62000 OPERATIONS					
62100 CONTRACT	1,175	26	1,201	1,222	21
62200 SUPPLY	704	213	917	1,790	873
62300 COMMUNICATION	2,335	62	2,397	2,769	372
62400 TRAVEL	2,086	11	2,097	2,361	264
62500 RENT	5,111	364	5,475	5,476	1
62700 REPAIR & MAINT	36	3	39	56	17
62800 OTHER EXPENSES	1,003	51	1,054	1,067	13
TOTAL OPERATIONS	<u>12,450</u>	<u>730</u>	<u>13,180</u>	<u>14,741</u>	<u>1,561</u>
TOTAL EXPENDITURES	<u>\$ 97,637</u>	<u>\$ 14,339</u>	<u>\$ 111,976</u>	<u>\$ 112,386</u>	<u>\$ 410</u>
BUDGETED FUNDS					
01100 GENERAL FUND	\$ 97,637	\$ 14,339	\$ 111,976	\$ 112,386	\$ 410
TOTAL BUDGETED FUNDS	<u>\$ 97,637</u>	<u>\$ 14,339</u>	<u>\$ 111,976</u>	<u>\$ 112,386</u>	<u>\$ 410</u>

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

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

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

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
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BUDGETED FTE	3.00				
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HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 135,835	\$ 17,222	\$ 153,057	\$ 170,771	\$ 17,714
61300 OTHER/PER DIEM	750	350	1,100	1,350	250
61400 BENEFITS	53,478	1,229	54,707	66,614	11,907
TOTAL PERSONAL SERVICES	190,063	18,801	208,864	238,735	29,871
62000 OPERATIONS					
62100 CONTRACT	5,883	11,183	17,066	13,777	(3,289)
62200 SUPPLY	1,385	3,313	4,698	4,334	(364)
62300 COMMUNICATION	2,939	1,844	4,783	5,562	779
62400 TRAVEL	1,556	4,285	5,841	7,745	1,904
62500 RENT	6,698	2,800	9,498	12,210	2,712
62700 REPAIR & MAINT	-	-	-	136	136
62800 OTHER EXPENSES	4,698	675	5,373	7,219	1,846
TOTAL OPERATIONS	23,159	24,100	47,259	50,983	3,724
TOTAL EXPENDITURES	\$ 213,222	\$ 42,901	\$ 256,123	\$ 289,718	\$ 33,595
BUDGETED FUNDS					
02817 MILK CONTROL	\$ 213,222	\$ 42,901	\$ 256,123	\$ 289,718	\$ 33,595
TOTAL BUDGETED FUNDS	\$ 213,222	\$ 42,901	\$ 256,123	\$ 289,718	\$ 33,595

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

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

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

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
BUDGETED FTE		8.50			
<u>HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES</u>					
61000 PERSONAL SERVICES					
61100 SALARIES	\$ 365,775	\$ 68,000	\$ 433,775	\$ 472,515	\$ 38,740
61400 BENEFITS	157,368	28,113	185,481	194,940	9,459
TOTAL PERSONAL SERVICES	<u>523,143</u>	<u>96,113</u>	<u>619,256</u>	<u>667,455</u>	<u>48,199</u>
62000 OPERATIONS					
62100 CONTRACT	23,134	6,850	29,984	16,420	(13,564)
62200 SUPPLY	14,798	1,155	15,953	13,172	(2,781)
62300 COMMUNICATION	25,554	2,113	27,667	19,216	(8,451)
62400 TRAVEL	12,753	1,088	13,841	13,352	(489)
62500 RENT	10,347	940	11,287	10,195	(1,092)
62700 REPAIR & MAINT	7,496	842	8,338	2,526	(5,812)
62800 OTHER EXPENSES	13,548	861	14,409	15,337	928
TOTAL OPERATIONS	<u>107,630</u>	<u>13,849</u>	<u>121,479</u>	<u>90,218</u>	<u>(31,261)</u>
63000 EQUIPMENT					
63100 EQUIPMENT	-	25,000	25,000	25,000	-
TOTAL EQUIPMENT	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 630,773</u>	<u>\$ 134,962</u>	<u>\$ 765,735</u>	<u>\$ 782,673</u>	<u>\$ 16,938</u>
<u>BUDGETED FUNDS</u>					
02426 PER CAPITA FEE	\$ 630,773	\$ 134,962	\$ 765,735	\$ 782,673	\$ 16,938
TOTAL BUDGET FUNDING	<u>\$ 630,773</u>	<u>\$ 134,962</u>	<u>\$ 765,735</u>	<u>\$ 782,673</u>	<u>\$ 16,938</u>

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

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

DIVISION: ANIMAL HEALTH DIVISION - STATE VETERINARIAN
PROGRAM: DESIGNATED SURVEILLANCE AREA (DSA)

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
BUDGETED FTE	2.00				
<u>HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES</u>					
61000 PERSONAL SERVICES					
61100 SALARIES	\$ 86,817	\$ 17,565	\$ 104,382	\$ 124,378	\$ 19,996
61400 BENEFITS	31,372	6,160	37,532	41,190	3,658
TOTAL PERSONAL SERVICES	<u>118,189</u>	<u>23,725</u>	<u>141,914</u>	<u>165,568</u>	<u>23,654</u>
62000 OPERATIONS					
62100 CONTRACT	584,568	37,237	621,805	824,412	202,607
62200 SUPPLY	2,837	339	3,176	1,686	(1,490)
62300 COMMUNICATION	1,315	315	1,630	4,215	2,585
62400 TRAVEL	1,813	201	2,014	3,372	1,358
62500 RENT	250	-	250	-	(250)
62700 REPAIR & MAINT	-	-	-	153	153
62800 OTHER EXPENSES	7,983	256	8,239	9,119	880
TOTAL OPERATIONS	<u>598,766</u>	<u>38,348</u>	<u>637,114</u>	<u>842,957</u>	<u>205,843</u>
TOTAL EXPENDITURES	<u>\$ 716,955</u>	<u>\$ 62,073</u>	<u>\$ 779,028</u>	<u>\$ 1,008,525</u>	<u>\$ 229,497</u>
<u>BUDGETED FUNDS</u>					
01100 GENERAL FUND	\$ 716,955	\$ 62,073	\$ 779,028	\$ 1,008,525	\$ 229,497
TOTAL BUDGETED FUNDS	<u>\$ 716,955</u>	<u>\$ 62,073</u>	<u>\$ 779,028</u>	<u>\$ 1,008,525</u>	<u>\$ 229,497</u>

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

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

**DIVISION: ANIMAL HEALTH DIVISION - STATE VETERINARIAN
PROGRAM: FEDERAL ANIMAL HEALTH DISEASE GRANTS**

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
BUDGETED FTE	3.75				
<u>HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES</u>					
61000 PERSONAL SERVICES					
61100 SALARIES	\$ 155,243	\$ 21,703	\$ 176,946	\$ 178,846	\$ 1,900
61400 BENEFITS	64,031	10,571	74,602	74,852	250
TOTAL PERSONAL SERVICES	<u>219,274</u>	<u>32,274</u>	<u>251,548</u>	<u>253,698</u>	<u>2,150</u>
62000 OPERATIONS					
62100 CONTRACT	187,268	24,567	211,835	339,662	127,827
62200 SUPPLY	17,968	1,355	19,323	18,891	(432)
62300 COMMUNICATION	5,737	1,484	7,221	4,293	(2,928)
62400 TRAVEL	13,525	560	14,085	9,159	(4,926)
62500 RENT	47,325	556	47,881	53,239	5,358
62700 REPAIR & MAINT	6,967	346	7,313	3,721	(3,592)
62800 OTHER EXPENSES	42,343	8,796	51,139	25,762	(25,377)
TOTAL OPERATIONS	<u>321,133</u>	<u>37,664</u>	<u>358,797</u>	<u>454,727</u>	<u>95,930</u>
68000 TRANSFERS					
68000 TRANSFERS	176,952	61,979	238,931	240,000	1,069
TOTAL TRANSFERS	<u>176,952</u>	<u>61,979</u>	<u>238,931</u>	<u>240,000</u>	<u>1,069</u>
TOTAL EXPENDITURES	<u>\$ 717,359</u>	<u>\$ 131,917</u>	<u>\$ 849,276</u>	<u>\$ 948,425</u>	<u>\$ 99,149</u>
<u>BUDGETED FUNDS</u>					
03673 AH FEDERAL UMBRELLA-BRUCELLA	\$ 92,943	\$ 55,000	\$ 147,943	\$ 168,495	\$ 20,552
03427 AH FEDERAL UMBRELLA	624,416	76,917	701,333	779,930	78,597
TOTAL BUDGETED FUNDS	<u>\$ 717,359</u>	<u>\$ 131,917</u>	<u>\$ 849,276</u>	<u>\$ 948,425</u>	<u>\$ 99,149</u>

Projected expenses are calculated using prior years actual expenses by month, then adjusting for known non-consistent items. Non-consistent expenses include out of state travel or known employees ready to retire. The department has not calculated potential retirements in the projections at this time.

Due to the change in brucella testing materials needed, testing supplies costs increased considerably. The animal health division received additional federal funding in the amount of \$178,000. The additional federal funding is for increased cost in supplies and equipment needed to perform the tests. The additional funding is allocated between the Federal Animal Health Disease Grants and the Diagnostic Laboratory.

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

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

	Fiscal Year- End Actual Expenses May 2020	Projected Expenses June 2020 to June 2020	Projected FY 2020 Expenses	FY 2020 Budget	Projected Excess/ (Deficit)
BUDGETED FTE	21.51				
HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES					
61000 PERSONAL SERVICES					
61100 SALARIES	\$ 878,734	\$ 172,842	\$ 1,051,576	\$ 1,141,649	\$ 90,073
61400 BENEFITS	362,706	65,152	427,858	476,310	48,452
TOTAL PERSONAL SERVICES	<u>1,241,440</u>	<u>237,994</u>	<u>1,479,434</u>	<u>1,617,959</u>	<u>138,525</u>
62000 OPERATIONS					
62100 CONTRACT	137,183	2,081	139,264	110,623	(28,641)
62200 SUPPLY	500,053	39,397	539,450	528,331	(11,119)
62300 COMMUNICATION	24,968	444	25,412	27,531	2,119
62400 TRAVEL	15,893	625	16,518	7,865	(8,653)
62500 RENT	2,532	980	3,512	3,386	(126)
62600 UTILITIES	39,498	4,534	44,032	49,728	5,696
62700 REPAIR & MAINT	118,011	28,989	147,000	125,799	(21,201)
62800 OTHER EXPENSES	125,009	13,474	138,483	155,387	16,904
TOTAL OPERATIONS	<u>963,147</u>	<u>90,524</u>	<u>1,053,671</u>	<u>1,008,650</u>	<u>(45,021)</u>
63000 EQUIPMENT					
63100 EQUIPMENT	294,835	30,551	325,386	325,386	-
TOTAL EQUIPMENT	<u>294,835</u>	<u>30,551</u>	<u>325,386</u>	<u>325,386</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 2,499,422</u>	<u>\$ 359,069</u>	<u>\$ 2,858,491</u>	<u>\$ 2,951,995</u>	<u>\$ 93,504</u>
BUDGETED FUNDS					
01100 GENERAL FUND	\$ 637,873	\$ 155,960	\$ 793,833	\$ 823,388	\$ 29,555
02426 PER CAPITA FEE	720,819	66,908	787,727	787,727	-
03673 FEDERAL NATIONAL LAB NETWORK	114,225	32,280	146,505	146,505	-
06026 DIAGNOSTIC LABORATORY FEES	1,026,505	103,921	1,130,426	1,194,375	63,949
TOTAL BUDGETED FUNDS	<u>\$ 2,499,422</u>	<u>\$ 359,069</u>	<u>\$ 2,858,491</u>	<u>\$ 2,951,995</u>	<u>\$ 93,504</u>

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using months to the end of the year instead of the anticipated 315000 month.

Due to the change in brucella testing materials needed, testing supplies costs increased considerably. The animal health division received additional federal funding in the amount of \$178,000. The additional federal funding is for increased cost in supplies and equipment needed to perform the tests. The additional funding is allocated between the Federal Animal Health Disease Grants and the Diagnostic Laboratory.

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

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

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
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BUDGETED FTE	4.75
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HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 237,547	\$ 18,456	\$ 256,003	\$ 209,426	\$ (46,577)
61400 BENEFITS	85,748	7,561	93,309	62,204	(31,105)
TOTAL PERSONAL SERVICES	<u>323,295</u>	<u>26,017</u>	<u>349,312</u>	<u>271,630</u>	<u>(77,682)</u>
62000 OPERATIONS					
62100 CONTRACT	6,242	256	6,498	7,326	828
62200 SUPPLY	9,322	2,251	11,573	17,884	6,311
62300 COMMUNICATION	4,553	1,337	5,890	9,804	3,914
62400 TRAVEL	13,418	4,127	17,545	20,255	2,710
62500 RENT	10,324	2,029	12,353	16,915	4,562
62700 REPAIR & MAINT	1,282	2,774	4,056	7,434	3,378
62800 OTHER EXPENSES	8,019	5,240	13,259	28,119	14,860
TOTAL OPERATIONS	<u>53,160</u>	<u>18,014</u>	<u>71,174</u>	<u>107,737</u>	<u>36,563</u>
TOTAL EXPENDITURES	<u>\$ 376,455</u>	<u>\$ 44,031</u>	<u>\$ 420,486</u>	<u>\$ 379,367</u>	<u>\$ (41,119)</u>

BUDGETED FUNDS

02701 MILK INSPECTION FEES	\$ 365,816	\$ 40,901	\$ 406,717	\$ 356,308	\$ (50,409)
03032 SHELL EGG FEDERAL INSPECTION FEES	10,639	3,130	13,769	23,059	9,290
TOTAL BUDGET FUNDING	<u>\$ 376,455</u>	<u>\$ 44,031</u>	<u>\$ 420,486</u>	<u>\$ 379,367</u>	<u>\$ (41,119)</u>

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

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

**DIVISION: MILK & EGG BUREAU
PROGRAM: SHEILDED EGG GRADING PROGRAM**

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
BUDGETED FTE		2.50			
HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES					
61000 PERSONAL SERVICES					
61100 SALARIES	\$ 66,885	\$ 12,885	\$ 79,770	\$ 175,796	\$ 96,026
61200 OVERTIME	2,137	-	2,137	2,771	634
61400 BENEFITS	39,488	7,363	46,851	73,021	26,170
TOTAL PERSONAL SERVICES	<u>108,510</u>	<u>20,248</u>	<u>128,758</u>	<u>251,588</u>	<u>122,830</u>
62000 OPERATIONS					
62100 CONTRACT	30,325	6,484	36,809	89,198	52,389
62200 SUPPLY	163	122	285	1,467	1,182
62400 TRAVEL	1,029	1,831	2,860	2,250	(610)
62800 OTHER EXPENSES	2,472	995	3,467	4,890	1,423
TOTAL OPERATIONS	<u>33,989</u>	<u>9,432</u>	<u>43,421</u>	<u>97,805</u>	<u>54,384</u>
TOTAL EXPENDITURES	<u>\$ 142,499</u>	<u>\$ 29,680</u>	<u>\$ 172,179</u>	<u>\$ 349,393</u>	<u>\$ 177,214</u>
BUDGETED FUNDS					
02262 SHIELDED EGG GRADING FEES	\$ 142,499	\$ 29,680	\$ 172,179	\$ 349,393	\$ 177,214
TOTAL BUDGET FUNDING	<u>\$ 142,499</u>	<u>\$ 29,680</u>	<u>\$ 172,179</u>	<u>\$ 349,393</u>	<u>\$ 177,214</u>

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

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

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

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
BUDGETED FTE	24.50				
<u>HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES</u>					
61000 PERSONAL SERVICES					
61100 SALARIES	\$ 837,577	\$ 142,556	\$ 980,133	\$ 972,487	\$ (7,646)
61200 OVERTIME	55,503	3,300	58,803	58,643	(160)
61400 BENEFITS	419,050	66,768	485,818	474,529	(11,289)
TOTAL PERSONAL SERVICES	<u>1,312,130</u>	<u>212,624</u>	<u>1,524,754</u>	<u>1,505,659</u>	<u>(19,095)</u>
62000 OPERATIONS					
62100 CONTRACT	57,942	1,085	59,027	65,620	6,593
62200 SUPPLY	6,781	18,716	25,497	23,538	(1,959)
62300 COMMUNICATION	18,246	1,148	19,394	19,250	(144)
62400 TRAVEL	66,278	11,707	77,985	50,478	(27,507)
62500 RENT	129,706	29,112	158,818	157,286	(1,532)
62700 REPAIR & MAINT	4,746	64	4,810	1,088	(3,722)
62800 OTHER EXPENSES	251,869	43,431	295,300	312,594	17,294
TOTAL OPERATIONS	<u>535,568</u>	<u>105,263</u>	<u>640,831</u>	<u>629,854</u>	<u>(10,977)</u>
TOTAL EXPENDITURES	<u>\$ 1,847,698</u>	<u>\$ 317,887</u>	<u>\$ 2,165,585</u>	<u>\$ 2,135,513</u>	<u>\$ (30,072)</u>
<u>BUDGETED FUNDS</u>					
01100 GENERAL FUND	\$ 987,546	\$ 78,078	\$ 1,065,624	\$ 1,035,552	\$ (30,072)
02427 ANIMAL HEALTH FEES	-	5,721	5,721	5,721	-
03209 MEAT & POULTRY INSPECTION	860,152	234,088	1,094,240	1,094,240	-
TOTAL BUDGET FUNDING	<u>\$ 1,847,698</u>	<u>\$ 317,887</u>	<u>\$ 2,165,585</u>	<u>\$ 2,135,513</u>	<u>\$ (30,072)</u>

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

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

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

	Year-to-Date Actual Expenses May FY 2020	Projected Expenses June to June 2020	FY 2020 Projected Year End Expense Totals	FY 2020 Budget	Projected Budget Excess/ (Deficit)
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BUDGETED FTE 53.11

HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 1,823,146	\$ 334,229	\$ 2,157,375	\$ 2,347,906	\$ 190,531
61200 OVERTIME	117,689	1,980	119,669	103,512	(16,157)
61400 BENEFITS	876,821	152,422	1,029,243	1,078,365	49,122
TOTAL PERSONAL SERVICES	2,817,656	488,631	3,306,287	3,529,783	223,496
62000 OPERATIONS					
62100 CONTRACT	95,026	10,194	105,220	107,687	2,467
62200 SUPPLY	71,647	61,560	133,207	136,125	2,918
62300 COMMUNICATION	49,446	15,195	64,641	71,953	7,312
62400 TRAVEL	26,214	4,356	30,570	28,017	(2,553)
62500 RENT	127,579	41,309	168,888	211,843	42,955
62600 UTILITIES	6,500	-	6,500	6,500	-
62700 REPAIR & MAINT	15,974	13,694	29,668	33,748	4,080
62800 OTHER EXPENSES	57,591	7,187	64,778	83,282	18,504
TOTAL OPERATIONS	449,977	153,495	603,472	679,155	75,683
TOTAL EXPENDITURES	\$ 3,267,633	\$ 642,126	\$ 3,909,759	\$ 4,208,938	\$ 299,179
<u>BUDGETED FUNDS</u>					
02425 BRAND INSPECTION FEES	\$ 3,000,334	\$ 94,648	\$ 3,094,982	\$ 3,094,982	\$ -
02426 PER CAPITA FEES	267,299	547,478	814,777	1,113,956	299,179
TOTAL BUDGET FUNDING	\$ 3,267,633	\$ 642,126	\$ 3,909,759	\$ 4,208,938	\$ 299,179

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

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**MONTANA DEPARTMENT OF LIVESTOCK
EXPENSE COMPARISON REPORT
MAY 31, 2020**

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

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

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT		FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses May FY 2019	Year to Year Comparison	Balance of Budget Available
BUDGETED FTE		137.62				
61000	PERSONAL SERVICES					
61100	SALARIES	\$ 6,652,118	\$ 5,330,735	\$ 5,008,591	\$ 322,144	\$ 1,321,383
61200	OVERTIME	164,926	175,329	122,539	52,790	(10,403)
61300	OTHER/PER DIEM	6,200	2,450	3,175	(725)	3,750
61400	BENEFITS	2,855,889	2,369,127	2,273,756	95,371	486,762
	TOTAL PERSONAL SERVICES	<u>9,679,133</u>	<u>7,877,641</u>	<u>7,408,061</u>	<u>469,580</u>	<u>1,801,492</u>
62000	OPERATIONS					
62100	CONTRACT	1,819,586	1,216,364	1,214,380	1,984	603,222
62200	SUPPLY	888,919	678,859	627,343	51,516	210,060
62300	COMMUNICATION	208,445	160,591	148,896	11,695	47,854
62400	TRAVEL	147,801	166,386	127,207	39,179	(18,585)
62500	RENT	622,199	476,462	500,096	(23,634)	145,737
62600	UTILITIES	56,228	45,998	44,181	1,817	10,230
62700	REPAIR & MAINT	175,897	156,599	130,939	25,660	19,298
62800	OTHER EXPENSES	747,632	531,450	767,424	(235,974)	216,182
	TOTAL OPERATIONS	<u>4,666,707</u>	<u>3,432,709</u>	<u>3,560,466</u>	<u>(127,757)</u>	<u>1,233,998</u>
63000	EQUIPMENT					
63100	EQUIPMENT	350,386	294,835	44,573	250,262	55,551
	TOTAL EQUIPMENT	<u>350,386</u>	<u>294,835</u>	<u>44,573</u>	<u>250,262</u>	<u>55,551</u>
68000	TRANSFERS					
68000	TRANSFERS	342,481	176,952	197,962	(21,010)	165,529
	TOTAL TRANSFERS	<u>342,481</u>	<u>176,952</u>	<u>197,962</u>	<u>(21,010)</u>	<u>165,529</u>
	TOTAL	<u>\$ 15,038,707</u>	<u>\$ 11,782,137</u>	<u>\$ 11,211,062</u>	<u>\$ 571,075</u>	<u>\$ 3,256,570</u>
FUND						
01100	GENERAL FUND	2,979,851	\$ 2,440,011	\$ 2,267,375	\$ 172,636	\$ 539,840
02262	SHIELDED EGG GRADING FEES	349,393	142,499	134,298	8,201	206,894
02425	BRAND INSPECTION FEES	3,094,982	3,000,334	2,983,576	16,758	94,648
02426	PER CAPITA FEE	4,556,130	2,891,375	2,942,763	(51,388)	1,664,755
02427	ANIMAL HEALTH	5,721	-	-	-	5,721
02701	MILK INSPECTION FEES	356,308	365,816	288,494	77,322	(9,508)
02817	MILK CONTROL	289,718	213,222	229,745	(16,523)	76,496
03209	MEAT & POULTRY INSPECTION-FED	1,094,240	860,152	826,752	33,400	234,088
03032	SHELL EGG FEDERAL INSPECTION	23,059	10,639	9,629	1,010	12,420
03427	AH FEDERAL UMBRELLA	779,930	624,416	738,401	(113,985)	155,514
03673	FEDERAL ANIMAL HEALTH DISEASE GRANTS	315,000	207,168	38,201	168,967	107,832
06026	DIAGNOSTIC LABORATORY FEES	1,194,375	1,026,505	751,828	274,677	167,870
	TOTAL BUDGET FUNDING	<u>\$ 15,038,707</u>	<u>\$ 11,782,137</u>	<u>\$ 11,211,062</u>	<u>\$ 571,075</u>	<u>\$ 3,256,570</u>

The Department of Livestock is budgeted for \$15,038,707 and 137.62 FTE in FY 2020. Personal services budget is 81% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$469,580 higher than May 2019. Operations are 74% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$127,757 lower than May 2019. Overall, Department of Livestock total expenditures were \$571,075 higher than the same period last year. With 83% of the budget year lapsed, 78% of the budget is expended.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

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

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	Year-to-Date	Same Period		
	FY 2020 Budget	Actual Expenses May FY 2020	Prior Year Actual Expenses May FY 2019	Year to Year Comparison

BUDGETED FTE 13.00

HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES

61100 SALARIES	\$ 786,315	\$ 680,793	\$ 650,711	\$ 30,082	\$ 105,522
61300 OTHER/PER DIEM	4,500	1,400	1,975	(575)	3,100
61400 BENEFITS	288,598	256,561	244,115	12,446	32,037
TOTAL PERSONAL SERVICES	1,079,413	938,754	896,801	41,953	140,659

62000 OPERATIONS

62100 CONTRACT	243,639	87,618	157,770	(70,152)	156,021
62200 SUPPLY	141,701	53,201	103,119	(49,918)	88,500
62300 COMMUNICATION	43,852	25,498	10,770	14,728	18,354
62400 TRAVEL	2,947	11,821	14,804	(2,983)	(8,874)
62500 RENT	151,649	136,590	133,465	3,125	15,059
62700 REPAIR & MAINT	1,236	2,087	620	1,467	(851)
62800 OTHER EXPENSES	104,856	16,915	212,958	(196,043)	87,941
TOTAL OPERATIONS	689,880	333,730	633,506	(299,776)	356,150

68000 TRANSFERS

68000 TRANSFERS	102,481	-	-	-	102,481
TOTAL TRANSFERS	102,481	-	-	-	102,481

TOTAL EXPENDITURES

\$ 1,871,774	\$ 1,272,484	\$ 1,530,307	\$ (257,823)	\$ 599,290
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BUDGETED FUNDS

02426 PER CAPITA	1,871,774	\$ 1,272,484	\$ 1,530,307	\$ (257,823)	\$ 599,290
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TOTAL BUDGETED FUNDS

\$ 1,871,774	\$ 1,272,484	\$ 1,530,307	\$ (257,823)	\$ 599,290
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Central Services And Board Of Livestock is budgeted \$1,871,774 and 13.00 FTE in FY 2020 and is funded with per capita fees. Personal services budget is 87% expended with 87% of payrolls complete. The personal services expended through May 2020 was \$41,953 higher than May 2019. Operation expenses are 48% expended as of May 2020 and were \$299,776 lower than May 2019. Overall, Central Services And Board Of Livestock total expenditures were \$257,823 lower than the same period last year. With 83% of the budget year lapsed, 68% of the budget is expended.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

DIVISION: CENTRALIZED SERVICES
PROGRAM: LIVESTOCK LOSS BOARD

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT		FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses May FY 2019	Year to Year Comparison	Balance of Budget Available
BUDGETED FTE		1.00				
HOUSE BILL 2 AND SB 418 APPROPRIATED EXPENDITURES						
61000 PERSONAL SERVICES						
61100	SALARIES	\$ 72,029	\$ 62,383	\$ 60,863	\$ 1,520	\$ 9,646
61300	OTHER/PER DIEM	350	300	150	150	50
61400	BENEFITS	25,266	22,504	22,101	403	2,762
	TOTAL PERSONAL SERVICES	<u>97,645</u>	<u>85,187</u>	<u>83,114</u>	<u>2,073</u>	<u>12,458</u>
62000 OPERATIONS						
62100	CONTRACT	1,222	1,175	624	551	47
62200	SUPPLY	1,790	704	744	(40)	1,086
62300	COMMUNICATION	2,769	2,335	2,360	(25)	434
62400	TRAVEL	2,361	2,086	925	1,161	275
62500	RENT	5,476	5,111	5,006	105	365
62700	REPAIR & MAINT	56	36	3	33	20
62800	OTHER EXPENSES	1,067	1,003	795	208	64
	TOTAL OPERATIONS	<u>14,741</u>	<u>12,450</u>	<u>10,457</u>	<u>1,993</u>	<u>2,291</u>
	TOTAL EXPENDITURES	<u>\$ 112,386</u>	<u>\$ 97,637</u>	<u>\$ 93,571</u>	<u>\$ 4,066</u>	<u>\$ 14,749</u>
BUDGETED FUNDS						
	01100 GENERAL FUND	\$ 112,386	\$ 97,637	\$ 93,571	\$ 4,066	\$ 14,749
	TOTAL BUDGETED FUNDS	<u>\$ 112,386</u>	<u>\$ 97,637</u>	<u>\$ 93,571</u>	<u>\$ 4,066</u>	<u>\$ 14,749</u>

In FY 2020, the Livestock Loss Board is budgeted \$112,386 with 1.00 FTE funded with general fund. The personal services budget is 87% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$2,073 higher than May 2019. Operations are 84% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$1,993 higher than May 2019. Overall, Livestock Loss Board total expenditures were \$4,066 higher than the same period last year. With 83% of the budget year lapsed, 87% of the budget is expended.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

DIVISION: CENTRALIZED SERVICES
PROGRAM: MILK CONTROL BUREAU

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2020 Budget	Year-to-Date	Same Period	Year to Year Comparison	Balance of Budget Available
		Actual Expenses May FY 2020	Prior Year Actual Expenses May FY 2019		

BUDGETED FTE

HOUSE BILL 2 AND SB 418 APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 170,771	\$ 135,835	\$ 143,157	\$ (7,322)	\$ 34,936
61300 OTHER/PER DIEM	1,350	750	1,050	(300)	600
61400 BENEFITS	66,614	53,478	58,302	(4,824)	13,136
TOTAL PERSONAL SERVICES	<u>238,735</u>	<u>190,063</u>	<u>202,509</u>	<u>(12,446)</u>	<u>48,672</u>
62000 OPERATIONS					
62100 CONTRACT	13,777	5,883	7,040	(1,157)	7,894
62200 SUPPLY	4,334	1,385	788	597	2,949
62300 COMMUNICATION	5,562	2,939	3,586	(647)	2,623
62400 TRAVEL	7,745	1,556	3,906	(2,350)	6,189
62500 RENT	12,210	6,698	6,706	(8)	5,512
62700 REPAIR & MAINT	136	-	-	-	136
62800 OTHER EXPENSES	7,219	4,698	5,210	(512)	2,521
TOTAL OPERATIONS	<u>50,983</u>	<u>23,159</u>	<u>27,236</u>	<u>(4,077)</u>	<u>27,824</u>
TOTAL EXPENDITURES	<u>\$ 289,718</u>	<u>\$ 213,222</u>	<u>\$ 229,745</u>	<u>\$ (16,523)</u>	<u>\$ 76,496</u>
BUDGETED FUNDS					
02817 MILK CONTROL	\$ 289,718	\$ 213,222	\$ 229,745	\$ (16,523)	\$ 76,496
TOTAL BUDGETED FUNDS	<u>\$ 289,718</u>	<u>\$ 213,222</u>	<u>\$ 229,745</u>	<u>\$ (16,523)</u>	<u>\$ 76,496</u>

In FY 2020, The Milk Control Bureau is budgeted \$289,718 and has 3.00 FTE. The bureau is funded with milk industry fees. The personal services budget is 80% expended with 87% of payrolls complete. Personal services expended as of May 2020 were \$12,446 lower than May 2019. Operations are 45% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$4,077 lower than May 2019. Overall, Milk Control Bureau total expenditures were \$16,523 lower than the same period last year. With 83% of the budget year lapsed, 74% of the budget is expended.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

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

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses May FY 2019	Year to Year Comparison	Balance of Budget Available
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BUDGETED FTE	8.50
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61000 PERSONAL SERVICES					
61100 SALARIES	\$ 472,515	\$ 365,775	\$ 360,818	\$ 4,957	\$ 106,740
61400 BENEFITS	194,940	157,368	152,167	5,201	37,572
TOTAL PERSONAL SERVICES	667,455	523,143	512,985	10,158	144,312
62000 OPERATIONS					
62100 CONTRACT	16,420	23,134	19,690	3,444	(6,714)
62200 SUPPLY	13,172	14,798	17,874	(3,076)	(1,626)
62300 COMMUNICATION	19,216	25,554	30,303	(4,749)	(6,338)
62400 TRAVEL	13,352	12,753	12,996	(243)	599
62500 RENT	10,195	10,347	11,034	(687)	(152)
62700 REPAIR & MAINT	2,526	7,496	3,651	3,845	(4,970)
62800 OTHER EXPENSES	15,337	13,548	20,632	(7,084)	1,789
TOTAL OPERATIONS	90,218	107,630	116,180	(8,550)	(17,412)
63000					
63100 EQUIPMENT	25,000	-	-	-	25,000
TOTAL EQUIPMENT	25,000	-	-	-	25,000
TOTAL	\$ 782,673	\$ 630,773	\$ 629,165	\$ 1,608	\$ 151,900
FUND					
02426 PER CAPITA FEE	\$ 782,673	\$ 630,773	\$ 629,165	\$ 1,608	\$ 151,900
TOTAL BUDGET FUNDING	\$ 782,673	\$ 630,773	\$ 629,165	\$ 1,608	\$ 151,900

The State Veterinarian Office includes Import and Alternative Livestock. In FY 2020, the State Veterinarian Import Office is budgeted \$782,673 with 8.50 FTE and is funded with per capita fees. The personal services budget is 78% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$10,158 higher than May 2019. Operations are 119% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$8,550 lower than May 2019. The total budget is 81% expended with 83% of the year lapsed. This is \$1,608 more than the same period in FY 2019.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

DIVISION: ANIMAL HEALTH DIVISION - STATE VETERINARIAN
PROGRAM: DESIGNATED SURVEILLANCE AREA (DSA)

**BUDGET TO ACTUAL EXPENSE
COMPARISON REPORT**

	FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses May FY 2019	Year to Year Comparison	Balance of Budget Available
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BUDGETED FTE 2.00

HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 124,378	\$ 86,817	\$ 94,606	\$ (7,789)	\$ 37,561
61400 BENEFITS	41,190	31,372	36,105	(4,733)	9,818
TOTAL PERSONAL SERVICES	<u>165,568</u>	<u>118,189</u>	<u>130,711</u>	<u>(12,522)</u>	<u>47,379</u>
62000 OPERATIONS					
62100 CONTRACT	824,412	584,568	534,670	49,898	239,844
62200 SUPPLY	1,686	2,837	1,582	1,255	(1,151)
62300 COMMUNICATION	4,215	1,315	3,658	(2,343)	2,900
62400 TRAVEL	3,372	1,813	908	905	1,559
62500 RENT	-	250	-	250	(250)
62700 REPAIR & MAINT	153	-	256	(256)	153
62800 OTHER EXPENSES	9,119	7,983	6,555	1,428	1,136
TOTAL OPERATIONS	<u>842,957</u>	<u>598,766</u>	<u>547,629</u>	<u>51,137</u>	<u>244,191</u>
TOTAL EXPENDITURES	<u>\$ 1,008,525</u>	<u>\$ 716,955</u>	<u>\$ 678,340</u>	<u>\$ 38,615</u>	<u>\$ 291,570</u>
<u>BUDGETED FUNDS</u>					
01100 GENERAL FUND	\$ 1,008,525	\$ 716,955	\$ 678,340	\$ 38,615	\$ 291,570
TOTAL BUDGETED FUNDS	<u>\$ 1,008,525</u>	<u>\$ 716,955</u>	<u>\$ 678,340</u>	<u>\$ 38,615</u>	<u>\$ 291,570</u>

The Designated Surveillance Area (DSA) is budgeted for \$1,008,525 and 2.00 FTE in FY 2020 and is funded with general funds. The personal services budget is 71% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$12,522 lower than May 2019. Operations are 71% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$51,137 higher than May 2019. Overall, DSA total expenditures were \$38,615 higher than the same period last year with 71% of the budget expended.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

**DIVISION: ANIMAL HEALTH DIVISION - STATE VETERINARIAN
PROGRAM: FEDERAL ANIMAL HEALTH DISEASE GRANTS**

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses May FY 2019	Year to Year Comparison	Balance of Budget Available
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BUDGETED FTE	3.75
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HOUSE BILL 2 AND SB 418 APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 178,846	\$ 155,243	\$ 99,437	\$ 55,806	\$ 23,603
61400 BENEFITS	74,852	64,031	42,872	21,159	10,821
TOTAL PERSONAL SERVICES	253,698	219,274	142,309	76,965	34,424
62000 OPERATIONS					
62100 CONTRACT	339,662	187,268	243,182	(55,914)	152,394
62200 SUPPLY	18,891	17,968	12,715	5,253	923
62300 COMMUNICATION	4,293	5,737	4,399	1,338	(1,444)
62400 TRAVEL	9,159	13,525	12,536	989	(4,366)
62500 RENT	53,239	47,325	42,333	4,992	5,914
62700 REPAIR & MAINT	3,721	6,967	2,286	4,681	(3,246)
62800 OTHER EXPENSES	25,762	42,343	36,106	6,237	(16,581)
TOTAL OPERATIONS	454,727	321,133	353,557	(32,424)	133,594
63000 EQUIPMENT					
63100 EQUIPMENT	-	-	44,573	(44,573)	-
TOTAL EQUIPMENT	-	-	44,573	(44,573)	-
68000 TRANSFERS					
68000 TRANSFERS	240,000	176,952	197,962	(21,010)	63,048
TOTAL TRANSFERS	240,000	176,952	197,962	(21,010)	63,048
TOTAL EXPENDITURES	\$ 948,425	\$ 717,359	\$ 738,401	\$ (21,042)	\$ 231,066
BUDGETED FUNDS					
03673 AH FEDERAL UMBRELLA-BRUCELLA	\$ 168,495	\$ 92,943	\$ -	\$ 92,943	\$ 75,552
03427 AH FEDERAL UMBRELLA	779,930	624,416	738,401	(113,985)	155,514
TOTAL BUDGETED FUNDS	\$ 948,425	\$ 717,359	\$ 738,401	\$ (21,042)	\$ 231,066

The Federal Animal Health Disease Grants are budgeted for \$779,930 and 3.75 FTE in FY 2020 funded with Animal Health Federal Umbrella grants. The 3.75 FTE are bison workers. Personal services budget is 86% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$76,965 higher than May 2019. Operations are 71% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$32,424 lower than May 2019. Overall, Federal Animal Health Disease Grants total expenditures were \$21,042 lower than the same period last year with 76% of the budget expended.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

DIVISION: DIAGNOSTIC LABORATORY
PROGRAM: DIAGNOSTIC LABORATORY

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2020	Year-to-Date	Same Period	Year to Year	Balance of
	Budget	Expenses May FY 2020	Actual Expenses May FY 2019	Comparison	Budget Available
BUDGETED FTE	21.51				
HOUSE BILL 2 AND SB 418 APPROPRIATED EXPENDITURES					
61000 PERSONAL SERVICES					
61100 SALARIES	\$ 1,141,649	\$ 878,734	\$ 733,335	\$ 145,399	\$ 262,915
61400 BENEFITS	476,310	362,706	322,691	40,015	113,604
TOTAL PERSONAL SERVICES	<u>1,617,959</u>	<u>1,241,440</u>	<u>1,056,026</u>	<u>185,414</u>	<u>376,519</u>
62000 OPERATIONS					
62100 CONTRACT	110,623	137,183	96,646	40,537	(26,560)
62200 SUPPLY	528,331	500,053	421,588	78,465	28,278
62300 COMMUNICATION	27,531	24,968	21,820	3,148	2,563
62400 TRAVEL	7,865	15,893	8,154	7,739	(8,028)
62500 RENT	3,386	2,532	10,263	(7,731)	854
62600 UTILITIES	49,728	39,498	37,681	1,817	10,230
62700 REPAIR & MAINT	125,799	118,011	89,249	28,762	7,788
62800 OTHER EXPENSES	155,387	125,009	128,315	(3,306)	30,378
TOTAL OPERATIONS	<u>1,008,650</u>	<u>963,147</u>	<u>813,716</u>	<u>149,431</u>	<u>45,503</u>
63000 EQUIPMENT					
63100 EQUIPMENT	325,386	294,835	-	294,835	30,551
TOTAL EQUIPMENT	<u>325,386</u>	<u>294,835</u>	<u>-</u>	<u>294,835</u>	<u>30,551</u>
TOTAL	<u>\$ 2,951,995</u>	<u>\$ 2,499,422</u>	<u>\$ 1,869,742</u>	<u>\$ 629,680</u>	<u>\$ 452,573</u>
BUDGETED FUNDS					
01100 GENERAL FUND	\$ 823,388	\$ 637,873	\$ 637,790	\$ 83	\$ 185,515
02426 PER CAPITA FEE	787,727	720,819	441,923	278,896	66,908
03673 FEDERAL ANIMAL HEALTH DISEASE GRANTS	146,505	114,225	38,201	76,024	32,280
06026 DIAGNOSTIC LABORATORY FEES	1,194,375	1,026,505	751,828	274,677	167,870
TOTAL BUDGET FUNDING	<u>\$ 2,951,995</u>	<u>\$ 2,499,422</u>	<u>\$ 1,869,742</u>	<u>\$ 629,680</u>	<u>\$ 452,573</u>

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 \$2,951,995 and 21.51 FTE in FY 2020. It is funded with general fund of \$823,388, per capita fee of \$787,727, federal funds of \$146,505, and diagnostic laboratory fees of \$1,194,375. Personal services are 77% expended with 87% of payrolls complete. Personal services expended as of May 2020 were \$185,414 higher than May 2019. Operations are 95% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$149,431 higher than May 2019. Overall, Diagnostic Laboratory total expenditures were \$629,680 higher than the same period last year. With 83% of the budget year lapsed, 85% of the budget is expended.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

DIVISION: MILK & EGG INSPECTION BUREAU
PROGRAM: MILK AND EGG INSPECTION

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses May FY 2019	Year to Year Comparison	Balance of Budget Available
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BUDGETED FTE	4.75
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HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 209,426	\$ 237,547	\$ 173,743	\$ 63,804	\$ (28,121)
61400 BENEFITS	62,204	85,748	73,511	12,237	(23,544)
TOTAL PERSONAL SERVICES	271,630	323,295	247,254	76,041	(51,665)
62000 OPERATIONS					
62100 CONTRACT	7,326	6,242	3,414	2,828	1,084
62200 SUPPLY	17,884	9,322	6,729	2,593	8,562
62300 COMMUNICATION	9,804	4,553	4,338	215	5,251
62400 TRAVEL	20,255	13,418	8,345	5,073	6,837
62500 RENT	16,915	10,324	10,548	(224)	6,591
62700 REPAIR & MAINT	7,434	1,282	4,196	(2,914)	6,152
62800 OTHER EXPENSES	28,119	8,019	13,299	(5,280)	20,100
TOTAL OPERATIONS	107,737	53,160	50,869	2,291	54,577
TOTAL	\$ 379,367	\$ 376,455	\$ 298,123	\$ 78,332	\$ 2,912

BUDGETED FUNDS

02701 MILK INSPECTION FEES	\$ 356,308	\$ 365,816	\$ 288,494	\$ 77,322	(9,508)
03032-2 SHELL EGG FEDERAL INSPECTION FEE	23,059	10,639	9,629	1,010	12,420
TOTAL BUDGET FUNDING	\$ 379,367	\$ 376,455	\$ 298,123	\$ 78,332	\$ 2,912

In FY 2020, the Milk and Egg Inspection program is budgeted \$379,367 with 4.75 FTE. It is mainly funded with Milk Inspection Fees of \$356,308 and Shell Egg Federal Inspection Fees of \$23,059. The personal services budget is 119% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$76,041 higher than May 2019. Operations are 49% expended with 83% of the budget year lapsed. Overall, operation expenses as of May 2020 were \$2,291 higher than May 2019. Total Milk Inspection expenditures were \$78,332 higher than the same period last year. With 83% of the budget year lapsed, 99% of the budget is expended.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

**DIVISION: MILK & EGG INSPECTION BUREAU
PROGRAM: SHIELDED EGG GRADING PROGRAM**

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses		Year to Year Comparison	Balance of Budget Available
			May FY 2019			

BUDGETED FTE 2.50

HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES						
61100 SALARIES	\$ 175,796	\$ 66,885	\$ 59,816	\$ 7,069	\$ 108,911	
61102 OVERTIME	2,771	2,137	1,559	578	634	
61400 BENEFITS	73,021	39,488	35,573	3,915	33,533	
TOTAL PERSONAL SERVICES	<u>251,588</u>	<u>108,510</u>	<u>96,948</u>	<u>11,562</u>	<u>143,078</u>	
62000 OPERATIONS						
62100 CONTRACT	89,198	30,325	34,469	(4,144)	58,873	
62200 SUPPLY	1,467	163	323	(160)	1,304	
62400 TRAVEL	2,250	1,029	-	1,029	1,221	
62800 OTHER EXPENSES	4,890	2,472	2,558	(86)	2,418	
TOTAL OPERATIONS	<u>97,805</u>	<u>33,989</u>	<u>37,350</u>	<u>(3,361)</u>	<u>63,816</u>	
TOTAL	<u>\$ 349,393</u>	<u>\$ 142,499</u>	<u>\$ 134,298</u>	<u>\$ 8,201</u>	<u>\$ 206,894</u>	

BUDGETED FUNDS

02262 SHIELDED EGG GRADING FEES	\$ 349,393	\$ 142,499	\$ 134,298	\$ 8,201	\$ 206,894	
TOTAL BUDGET FUNDING	<u>\$ 349,393</u>	<u>\$ 142,499</u>	<u>\$ 134,298</u>	<u>\$ 8,201</u>	<u>\$ 206,894</u>	

The Shielded Egg Grading Program is budgeted \$349,393 with 2.50 FTE in FY 2020 and is funded with Egg Grading fees. Personal services budget is 43% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$11,562 higher than May 2019. Operations are 35% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$3,361 lower than May 2019. Overall, the Egg Grading program total expenditures were \$8,201 higher than the same period last year with 41% of the budget expended.

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

DIVISION: MEAT & POULTRY INSPECTION PROGRAM
PROGRAM: MEAT INSPECTION

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses May FY 2019	Year to Year Comparison	Balance of Budget Available
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BUDGETED FTE 24.50

HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES					
61100 SALARIES	\$ 972,487	\$ 837,577	\$ 731,059	\$ 106,518	\$ 134,910
61102 OVERTIME	58,643	55,503	29,522	25,981	3,140
61400 BENEFITS	474,529	419,050	376,475	42,575	55,479
TOTAL PERSONAL SERVICES	<u>1,505,659</u>	<u>1,312,130</u>	<u>1,137,056</u>	<u>175,074</u>	<u>193,529</u>
62000 OPERATIONS					
62100 CONTRACT	65,620	57,942	60,758	(2,816)	7,678
62200 SUPPLY	23,538	6,781	7,569	(788)	16,757
62300 COMMUNICATION	19,250	18,246	17,306	940	1,004
62400 TRAVEL	50,478	66,278	46,156	20,122	(15,800)
62500 RENT	157,286	129,706	139,485	(9,779)	27,580
62700 REPAIR & MAINT	1,088	4,746	1,105	3,641	(3,658)
62800 OTHER EXPENSES	312,594	251,869	274,991	(23,122)	60,725
TOTAL OPERATIONS	<u>629,854</u>	<u>535,568</u>	<u>547,370</u>	<u>(11,802)</u>	<u>94,286</u>
TOTAL EXPENDITURES	<u>\$ 2,135,513</u>	<u>\$ 1,847,698</u>	<u>\$ 1,684,426</u>	<u>\$ 163,272</u>	<u>\$ 287,815</u>
BUDGETED FUNDS					
01100 GENERAL FUND	\$ 1,035,552	\$ 987,546	\$ 857,674	\$ 129,872	\$ 48,006
02427 ANIMAL HEALTH FEES	5,721	-	-	-	5,721
03209 MEAT & POULTRY INSPECTION-FED	1,094,240	860,152	826,752	33,400	234,088
TOTAL BUDGET FUNDING	<u>\$ 2,135,513</u>	<u>\$ 1,847,698</u>	<u>\$ 1,684,426</u>	<u>\$ 163,272</u>	<u>\$ 287,815</u>

In FY 2020, Meat Inspection is budgeted \$2,135,513 with 24.50 FTE. The bureau is funded with general fund of \$1,035,552, Meat & Poultry Inspection-Fed of \$1,094,240 and \$5,721 animal health fees levied from licensing as per 81-9-201(1)MCA. Personal services budget is 87% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$175,074 higher than May 2019. Operations are 85% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$11,802 lower than May 2019. Overall, Meat Inspection total expenditures were \$163,272 higher than the same period last year. The total budget is 87% expended with 83% of the budget year lapsed.

In May 2020, FSIS awarded Department of Livestock an additional \$50,000 of federal funds.

**MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
MAY 31, 2020**

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

BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2020 Budget	Year-to-Date Actual Expenses May FY 2020	Same Period Prior Year Actual Expenses May FY 2019	Year to Year Comparison	Balance of Budget Available

BUDGETED FTE 53.11

HOUSE BILL 2 AND PAYPLAN APPROPRIATED EXPENDITURES

61000 PERSONAL SERVICES

61100 SALARIES	\$ 2,347,906	\$ 1,823,146	\$ 1,901,046	\$ (77,900)	\$ 524,760
61200 OVERTIME	103,512	117,689	91,458	26,231	(14,177)
61400 BENEFITS	1,078,365	876,821	909,844	(33,023)	201,544
TOTAL PERSONAL SERVICES	3,529,783	2,817,656	2,902,348	(84,692)	712,127

62000 OPERATIONS

62100 CONTRACT	107,687	95,026	56,117	38,909	12,661
62200 SUPPLY	136,125	71,647	60,346	11,301	64,478
62300 COMMUNICATION	71,953	49,446	50,731	(1,285)	22,507
62400 TRAVEL	28,017	26,214	18,667	7,547	1,803
62500 RENT	211,843	127,579	141,256	(13,677)	84,264
62600 UTILITIES	6,500	6,500	6,500	-	-
62700 REPAIR & MAINT	33,748	15,974	29,496	(13,522)	17,774
62800 OTHER EXPENSES	83,282	57,591	68,139	(10,548)	25,691
TOTAL OPERATIONS	679,155	449,977	431,252	18,725	229,178
TOTAL	\$ 4,208,938	\$ 3,267,633	\$ 3,333,600	\$ (65,967)	\$ 941,305

BUDGETED FUNDS

02425 BRAND INSPECTION FEES	\$ 3,094,982	\$ 3,000,334	\$ 2,983,576	\$ 16,758	\$ 94,648
02426 PER CAPITA FEES	1,113,956	267,299	350,024	(82,725)	846,657
TOTAL BUDGET FUNDING	\$ 4,208,938	\$ 3,267,633	\$ 3,333,600	\$ (65,967)	\$ 941,305

In FY 2020, Brands Enforcement is budgeted for \$4,208,938 with 53.11 FTE. It is funded with Brand Inspection Fees of \$3,094,982 and Per Capita Fees of \$1,113,956. Personal services budget is 80% expended with 87% of payrolls complete. Personal services expended as of May 2020 was \$84,692 lower than May 2019. Operations are 66% expended with 83% of the budget year lapsed. Operation expenses as of May 2020 were \$18,725 higher than May 2019. Overall, Brands Enforcement total expenditures were \$65,967 lower than the same period last year. With 83% of the budget year lapsed, 78% of the budget has been expended.