



# **Financial Overview**

## **South Dakota Brand Board**

**Chris Petersen**  
**SDDA, Finance Officer**



# Financial History & Summary

## Relevant Financial Statutes:

- **CHAPTER 40-18: BRAND BOARD**

*40-18-1.1. The board is attached to the Department of Agriculture for reporting purposes. It shall retain all its prescribed functions including administrative functions. The board shall appoint a staff director to serve at its pleasure.*

- The Brand Board budget is provided within the budget book and general budget bill as an informational budget unit in SDDA.
- Reporting detail is consistent with “budgeted” programs and departments across state government.
- Brand Board financial operations use the full capacities of the state’s accounting and budget systems.
- Many boards, commissions, councils, and associations operate through local accounts, so this level of detail is uncommon, but beneficial.



# Governor's Budget Book Page

## AGRICULTURE

### 0345 Brand Board - Info

**Mission:**

To issue, record, and maintain a record of livestock brands in South Dakota; and, to enforce laws pertaining to the ownership, transportation, inspection, and sale of livestock in South Dakota as contained in SDCL Chapters 40-19 through 40-22, and 40-29.

	ACTUAL FY 2016	ACTUAL FY 2017	BUDGETED FY 2018	REQUESTED FY 2019	GOVERNOR'S RECOMMENDED FY 2019	RECOMMENDED INC/(DEC) FY 2019
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	2,009,486	2,137,528	2,214,822	2,303,145	2,303,145	88,323
Total	<u>\$ 2,009,486</u>	<u>\$ 2,137,528</u>	<u>\$ 2,214,822</u>	<u>\$ 2,303,145</u>	<u>\$ 2,303,145</u>	<u>\$ 88,323</u>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 1,524,491	\$ 1,626,001	\$ 1,660,115	\$ 1,710,813	\$ 1,710,813	\$ 50,698
Operating Expenses	484,996	511,527	554,707	592,332	592,332	37,625
Total	<u>\$ 2,009,486</u>	<u>\$ 2,137,528</u>	<u>\$ 2,214,822</u>	<u>\$ 2,303,145</u>	<u>\$ 2,303,145</u>	<u>\$ 88,323</u>
Staffing Level FTE:	27.4	28.3	33.0	33.0	33.0	0.0

	ACTUAL FY 2016	ACTUAL FY 2017	ESTIMATED FY 2018	ESTIMATED FY 2019
<b>REVENUES</b>				
Livestock Hlds	30,331	13,982	8,000	15,000
Brand Inspections	1,624,586	1,748,329	1,532,000	1,600,000
Total	<u>1,654,917</u>	<u>1,762,311</u>	<u>1,540,000</u>	<u>1,615,000</u>

	ACTUAL FY 2016	ACTUAL FY 2017	ESTIMATED FY 2018	ESTIMATED FY 2019
<b>PERFORMANCE INDICATORS</b>				
Brand Licenses	349	484	350	300
Brand Transfers	650	591	540	540
Livestock Inspected	1,599,837	1,550,000	1,532,000	1,600,000
Arrests	0	8	5	5
Livestock Missing/Stolen	415	344	500	300
Livestock Recovered	313	234	350	250



# Financial History & Summary

## Relevant Financial Statutes:

- **CHAPTER 40-19: BRAND REGISTRATION AND USE**

*40-19-22. Fees paid into brand fund--Purposes for which used. Fees required by §§ 40-19-11, 40-19-12, 40-19-15, and 40-19-16 shall be collected by the board and be paid into the state treasury to the credit of the brand fund, which fund shall not at any time revert to the general fund of the state or be diverted to any other purposes than those stated in this chapter, or chapters 40-20 and 40-21.*

- Brand "registrations and investigations" are statewide functions and get reported through this fund.



# Financial History & Summary

## Relevant Financial Statutes:

- **CHAPTER 40-20: LIVESTOCK OWNERSHIP INSPECTION AREA**
- **CHAPTER 40-21: BRAND INSPECTION AND THEFT PREVENTION**  
*40-21-9. Fees paid into livestock ownership inspection and theft prevention fund--Purposes for which used. Except as provided by § 40-21-8, all fees collected by the board shall be deposited in the state treasury in a fund to be known as the South Dakota livestock ownership inspection and theft prevention fund. The moneys in the fund shall be used by the board only in the administration and enforcement of this chapter and chapter 40-20.*
- Brand "inspections" only occur west river and get reported through this fund.



# Legislative Audit's Budget Book Page

## Brand Fund

Department of Agriculture  
State Accounting System - Other Fund Balances  
Company 3057 - Brand Fund

	FY2014	FY2015	FY2016	FY2017
1 Cash Pooled with State Treasurer	357,505.75	1,328,270.89	1,065,401.62	751,515.08
2 Total Assets	357,505.75	1,328,270.89	1,065,401.62	751,515.08
3				
4 Accounts Payable	-	-	-	-
5 Total Liabilities	-	-	-	-
6				
7 Reserve for Encumbrances	-	-	-	-
8 Unreserved Fund Balance	357,505.72	1,328,270.89	1,065,401.62	751,515.08
9 Total Fund Equity	357,505.72	1,328,270.89	1,065,401.62	751,515.08
10 Total Liabilities and Fund Equity	357,505.72	1,328,270.89	1,065,401.62	751,515.08
11				
12				
13 Licenses, Permits and Fees	28,540.00	1,295,970.00	105,397.00	58,100.00
14 Fines, Forfeits and Penalties	-	100.00	-	-
15 Use of Money and Property	15,552.89	6,870.36	7,829.96	15,827.90
16 Sales and Services	888.00	624.00	7,204.00	4,730.00
17 Other Revenue	381.12	855.41	585.00	343.00
18 Total Operating Revenue	45,362.01	1,304,419.77	121,015.96	79,000.90
19				
20 Personal Services and Benefits	162,047.76	147,807.81	175,973.75	195,700.28
21 Travel	4,223.71	2,519.61	4,308.19	2,473.62
22 Contractual Services	185,909.29	164,399.10	185,461.92	190,094.07
23 Supplies and Materials	4,093.84	18,893.07	18,040.99	4,109.36
24 Grants and Subsidies	-	-	-	-
25 Capital Outlay	10.37	-	25.49	-
26 Other Expense	39.27	35.04	74.89	510.11
27 Total Operating Expenditures/Expenses	356,324.24	333,654.63	383,885.23	392,887.44
28				
29 Transfers In	-	-	-	-
30 Transfers Out	-	-	-	-
31 Net Transfers In (Out)	-	-	-	-
32				
33 Net Change	(310,962.23)	970,765.14	(262,869.27)	(313,886.54)
34				
35 Beginning Fund Equity	668,467.95	357,505.75	1,328,270.89	1,065,401.62
36 Ending Equity	357,505.72	1,328,270.89	1,065,401.62	751,515.08

**Company:** 3057

**Company Name:** Brand Board Funds

**Fund Name:** Brand Fund

**Fund Type:** Enterprise

**Purpose:** SDCL 40-19-22 created the Brand Fund. Source: Monies derived from the collection of fees for brand applications, transfers and renewals. Per SDCL 40-19-12 each registered brand is subject to renewal on January first in years ending in zero and five. Use: Administration of the Brand Board.

**Budget Information:** Included in the General Appropriations Bill as an informational budget.



# Legislative Audit's Blue Book Page

## Brand Inspection Fund

**Department of Agriculture**  
**State Accounting System - Other Fund Balances**  
**Company 3057 - Livestock Ownership Inspection and Theft Prevention Fund**

	<b>FY2015</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>
1 Cash Pooled with State Treasurer	697,080.38	697,080.38	801,937.42	867,787.10
2 Total Assets	697,080.38	697,080.38	801,937.42	867,787.10
3				
4 Accounts Payable	-	-	-	-
5 Other Liabilities	90,331.92	90,331.92	100,433.75	72,060.49
6 Total Liabilities	90,331.92	90,331.92	100,433.75	72,060.49
7				
8 Reserve for Encumbrances	-	-	-	-
9 Unreserved Fund Balance	606,748.46	606,748.46	701,503.67	795,726.61
10 Total Fund Equity	606,748.46	606,748.46	701,503.67	795,726.61
11 Total Liabilities and Fund Equity	697,080.38	697,080.38	801,937.42	867,787.10
12				
13				
14 Licenses, Permits and Fees	1,558,856.81	1,558,856.81	1,682,993.25	1,813,668.19
15 Fines, Forfeits and Penalties	6,301.36	6,301.36	30,330.72	13,982.19
16 Use of Money and Property	4,140.38	4,140.38	6,541.19	8,011.17
17 Sales and Services	-	-	-	-
18 Other Revenue	1,063.92	1,063.92	491.30	3,202.02
19 Total Operating Revenue	1,570,362.47	1,570,362.47	1,720,356.46	1,838,863.57
20				
21 Personal Services and Benefits	1,307,001.74	1,307,001.74	1,348,517.03	1,430,300.69
22 Travel	127,655.85	127,655.85	142,786.79	166,604.02
23 Contractual Services	90,470.59	90,470.59	97,550.65	125,504.33
24 Supplies and Materials	19,963.12	19,963.12	25,946.10	22,231.59
25 Grants and Subsidies	-	-	-	-
26 Capital Outlay	2,121.26	2,121.26	10,800.68	-
27 Other Expense	-	-	-	-
28 Total Operating Expenditures/Expenses	1,547,212.56	1,547,212.56	1,625,601.25	1,744,640.63
29				
30 Transfers In	-	-	-	-
31 Transfers Out	-	-	-	-
32 Net Transfers In (Out)	-	-	-	-
33				
34 Net Change	23,149.91	23,149.91	94,755.21	94,222.94
35				
36 Beginning Fund Equity	583,598.55	583,598.55	606,748.46	701,503.67
37 Ending Equity	606,748.46	606,748.46	701,503.67	795,726.61

**Company:** 3057  
**Company Name:** Brand Board Funds  
**Fund Name:** Livestock Ownership Inspection and Theft Prevention Fund  
**Fund Type:** Enterprise

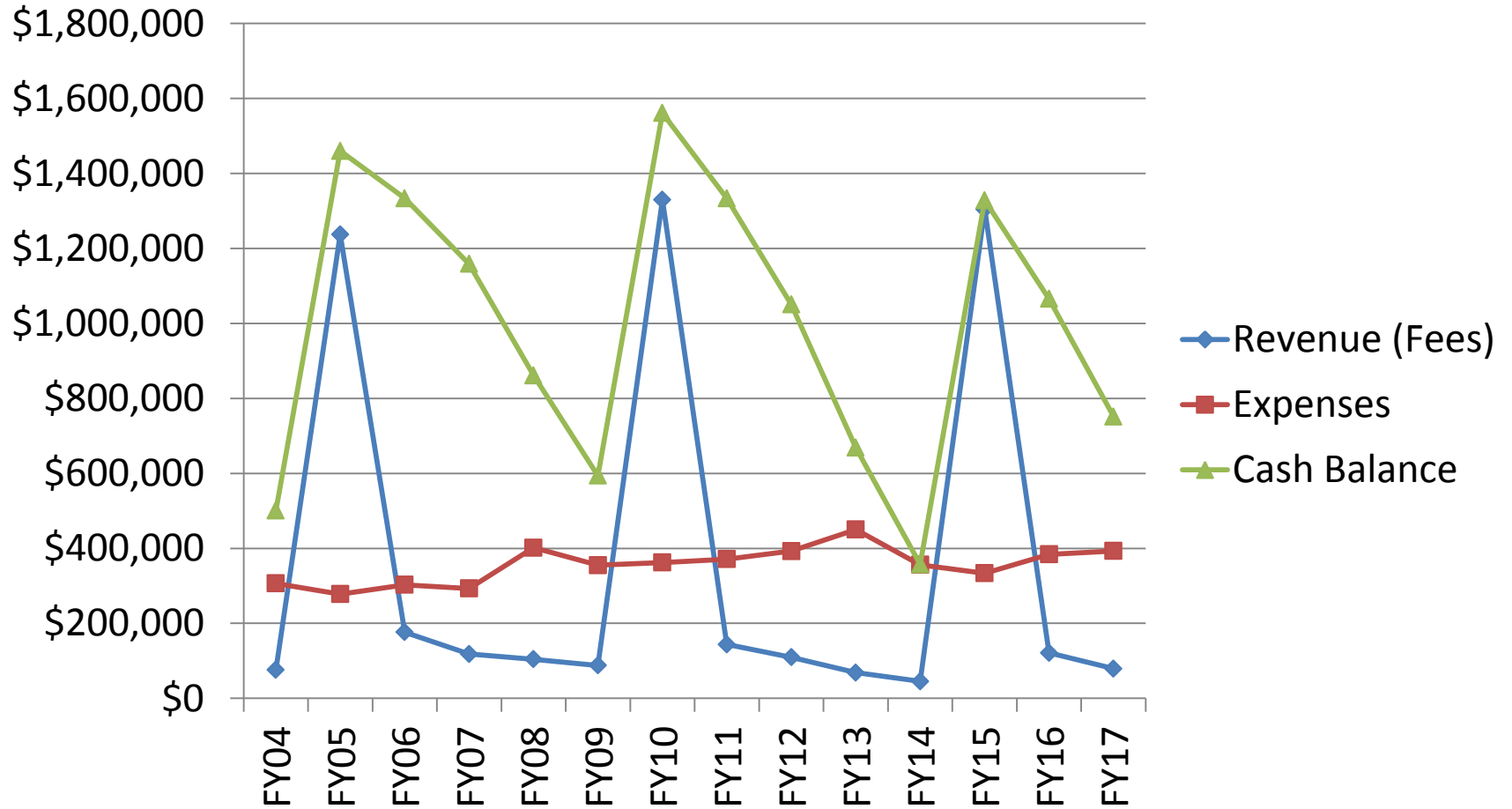
**Purpose:** SDCL 40-21-9 created the Livestock Ownership Inspection and Theft Prevention Fund. Source: Inspection fees. Use: Operation of the ownership inspection program.

In FY2009, this fund began accounting for the Brand Fund Inspection Subfund. These brand inspection services were previously provided for under a contract between the Brand Board and the S.D. Stockgrowers. SDCL 40-20-28 states that the board may charge and collect a fee from any open market for services pertaining to the brand inspection of livestock as required by chapters 40-20 and 40-21. Use: The amount of such fees shall be based upon the cost of providing ownership inspection at the market and shall be collected if the current inspection income does not cover the cost of brand inspection. SDCL 40-18-16 established a fee of up to \$1 for each head of livestock.

**Budget Information:** Included in the General Appropriations Bill as an informational budget.



# Brand Registration Fund (Fund 3507-801-01) Legislative Audit Blue Book pg. 105

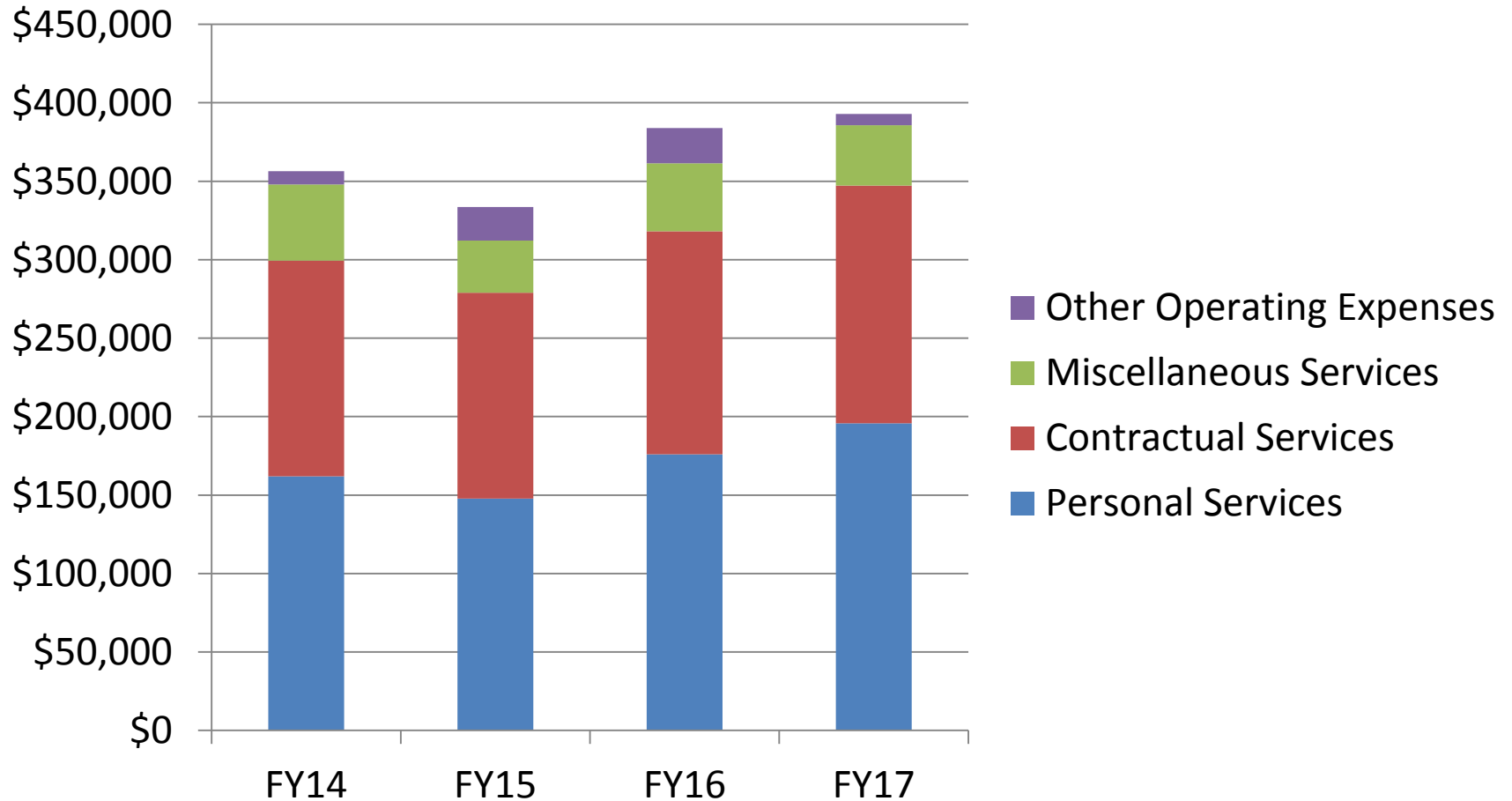






# Brand Board Expenses

(from Brand Fund = Registrations & Investigations NOT Inspections)

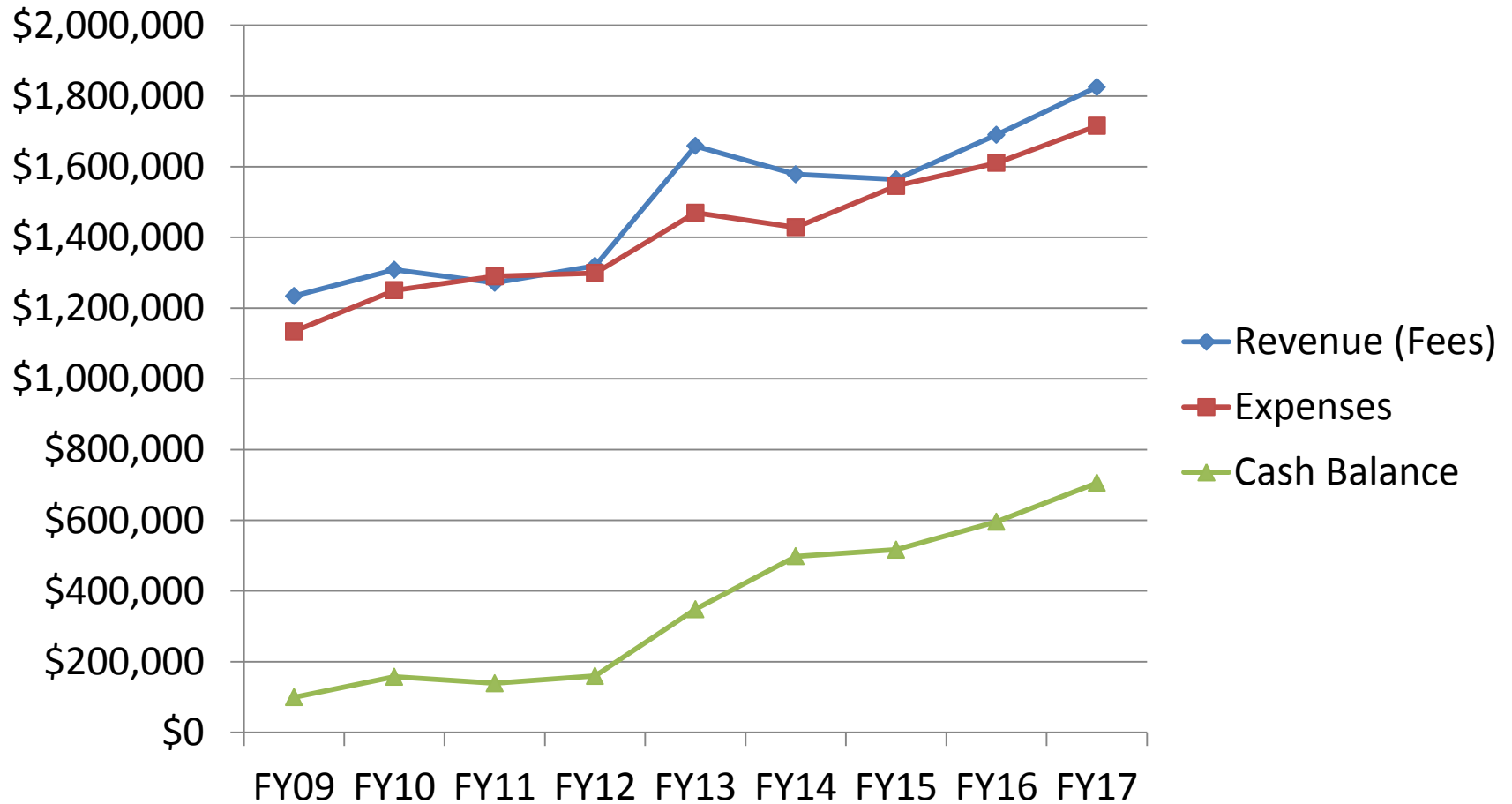




# Brand Inspection Fund

(Fund 3057-801-02)

Legislative Audit Blue Book pg. 106





# Brand Board Inspections Expenses

(from Brand Inspection Fund = NOT Registrations or Investigations)

