

CALL TO ORDER 9:04 A.M. WEDNESDAY, JUNE 1, 2016

ROLL CALL:

Jarrold Herral	Effie Walker
Donald Martinez	Loren Horton
Bill Sauble	Don "Bebo" Lee
Bob Frost	David Kincaid
Kevin Elfering	

NMLB STAFF PRESENT:

William W. Bunce, Executive Director	Andrew Silva, CFO
Ray E. Baca, Deputy Director	Gary Mora, Area 3 Supervisor
Dr. Alex Eckhoff, Interim State Veterinarian	Julie Gauman, IT
Priscilla Peña-Johnson, HR Manager/Administrator	

VISITORS:

Sena Fitzpatrick, McKinley County Humane Society
Susan Hemmerle, The Horse Shelter
Phil Carter, APNM
Caren Cowan, NMCGA

APPROVAL OF AGENDA:

Mr. Bunce requests to add Item 14, Closed Executive Session, to the agenda. However, agenda with Item 14 was amended prior to the 72 hour notice requirement. Ms. Walker moves to approve the agenda. Mr. Horton seconds the motion to approve the agenda. All in favor. Motion passes.

APPROVAL OF MINUTES:

Minutes from the January 15, 2016 board meeting presented. Mr. Horton moves to approve the minutes as presented. Mr. Frost seconds the motion. All in favor. Motion passes.

PUBLIC COMMENT:

No public comment.

FINANCIAL UPDATE:

Mr. Andrew Silva, CFO, presented the agency's financials. The NMLB's standing reduction was \$13,000. The agency is in good shape. The agency did have a substantial increase in maintenance of vehicles expense. The increase is offset by the low cost of fuel. Revenue was right around where it had been projected.

Mr. Horton asked about fleet. We are a little behind but catching up. We just ordered 10 more for delivery in July. All vehicles came out of our budget. Budget includes budget for 10 vehicles every year.

With the filled vacancies this past year, we were close to not having enough vehicles for new employees. Roads are in rough shape as well. Maintenance has been high. Ford issued a recall on all 2013 and newer F150s. Equipping the vehicles is also expensive and comes out of our budget.

Mr. Silva also discussed the mill levy report. In total we are close to where we were in FY2015 including the yield control. Revenue is similar as to the amount we received last year. Yield control is built into any tax or any levy that the state issues. Exemptions only occur when they are specifically exempted in the statute. Yield control stabilizes tax collections for tax payers (in case it goes too high) and for the entities that receive the collections (to avoid significant losses in revenues).

Mr. Silva also reviewed the agency's FY17 Budget.

The agency is still analyzing the data from the Sunland Park outbreak to determine cost. Preliminary data shows costs between \$75k - \$100k. Chairman has been asked several times for the breakdown of costs. Mr. Silva will follow up with that information.

FY17 MILL LEVY RATE:

The statute requires that the NM Livestock Board set the Mill Levy rate. Currently at 10 mills for cattle and 5 mills for dairy.

Mr. Kevin Elfering moves to set the FY17 mill levy for livestock, including but not limited to horses, asses, mules, cattle, sheep, goats, swine, bison, ratites, camelids and other livestock as are subject to property taxation, shall be set at 10 mills, with the exception of the mill levy for dairy cattle, which shall be set at 5 mills. Seconded by Mr. Loren Horton.

Roll call vote:

Kevin Elfering – Yes	David Kincaid - Yes
Bob Frost - Yes	Bebo Lee – Yes
Bill Sauble - Yes	Loren Horton - Yes
Donald Martinez - Yes	Effie Walker - Yes
Jerrold Harral - No	

By an 8-1 vote, the FY17 Mill Levy Rate is approved.

REGISTERED HORSE SHELTERS:

Committee is present. Mr. Baca introduced Ms. Sena Fitzpatrick, Ms. Susan Hemmerle and Mr. Phil Carter. Mr. Silva and Mr. Baca were also on the committee.

Committee met on February 23 to establish a cutoff date for receipt of applications. Committee met again on May 26 to review applications and make recommendations for awards. As of May 2016, the total amount in the account was \$29,493.00. Mr. Silva announced each award. Adjustments were made on the qualified expenses. Mr. Silva went through the below recommendations.

Horse Rescue Fund Committee
 FY2016 Award Summary

Facility Name	2015		2015		2015		Annual Cost Per Horse	% of Total	Award based on Available Funds \$29,493
	2015 Award Requested	Average # Horses	2015 Expenses Reported	Approved Capacity	Committee Adjustments	Adjusted Expenses			
Walkin n' Circles Ranch	84,726.51	63.0	84,626.51	70.0	(2,000.00)	82,626.51	1,311.53	23%	6,807.66
Four Corners Equine Rescue	65,747.29	52.5	65,747.29	40.0	(15,758.09)	49,989.20	1,249.73	14%	4,118.65
Perfect Harmony Animal Sanctuary	39,212.00	19.5	39,212.00	15.0	(18,221.75)	20,990.25	1,399.35	6%	1,729.40
Sky Mountain Wild Horse Sanctuary	2,765.00	4.5	2,765.00	5.0	-	2,765.00	614.44	1%	227.81
Equine Spirit Sanctuary	12,395.00	15.0	12,395.00	24.0	-	12,395.00	826.33	3%	1,021.23
End of the Road Ranch	65,746.51	36.0	65,746.51	40.0	-	65,746.51	1,826.29	18%	5,416.90
McKinley County HS Equine Aid	5,022.51	4.5	5,022.51	25.0	-	5,022.51	1,116.11	1%	413.81
The Horse Shelter	118,430.00	76.5	118,430.00	85.0	-	118,430.00	1,548.10	33%	9,757.54
	<u>394,044.82</u>	<u>271.5</u>	<u>393,944.82</u>	<u>304.0</u>	<u>(35,979.84)</u>	<u>357,964.98</u>	<u>1,236.49</u>	<u>100%</u>	<u>29,493.00</u>

The huge differences in expenses is addressed using the percentage. One reason for the differences in cost of feed is some facilities have pastures others feed year round. Age of horses also determine expenses. Approved capacity is set by the State Veterinarian. Expense calculations were made on the approved capacity only.

Mr. Silva went through each award on the above list.

Mr. Carter from APNM thanked Mr. Silva and Mr. Baca for taking the time to work out a system of distribution that can be applied in forthcoming years. He feels that the committee has created an equitable system for distributing the funds.

Money can be dedicated from taxpayer's refunds to the Horse Shelter Fund. Also, donations can be made at any time. Initially, \$200k was appropriated by the state legislature.

Mr. Loren Horton moves to approve the recommended distribution of funds as outlined by the Horse Rescue Fund Committee. Mr. David Kincaid seconds the motion. All in favor. Motion passes.

STATE VETERINARIAN'S REPORT:

See the State Veterinarian's Report. Dr. Alex Eckhoff presented an update from the State Veterinarian's office. Dr. Eckhoff discussed the federal and state regulatory diseases in the state and provided an update on Animal Health Programs.

Dr. Eckhoff also discussed the possible loss of the state's Scrapie Free status because of the state's failure to meet the minimum scrapie surveillance numbers established by the USDA. The NMLB's contingency plan to increase surveillance testing numbers is based on community outreach to sheep

and goat owners on the importance of eradicating scrapie. Dr. Eckhoff also presented a plan to improve the Scrapie Surveillance Program in New Mexico. Article should be coming out in the NM Stockman and the Vet's office will be doing some presentations on this topic as well.

The NMLB also successfully hosted a poultry workshop on April 22, 2016. Participants included NPIP members, livestock inspectors, veterinarians and other poultry enthusiasts. Feedback has been positive. Now NPIP certified in the state to run avian influenza tests.

Backyard poultry is being allowed by more and more communities. Has anything been done to reach out to these communities? Outreach materials sent to producers, feed stores, etc. Dr. Eckhoff has visited with a few and updates are on the website as well.

LAW ENFORCEMENT COMMITTEE REPORT:

Good meeting and opportunity for some producers to present their concerns on some of the issues. There is frustration but Mr. Elfering believes that some of the issues are due to personalities. There is always the opportunity to educate rather than regulate. Law Enforcement officers should take the educate approach when working with the producers.

Mr. Elfering discussed the 9 committee recommendations.

The committee recommended a ratio of Brand Inspectors to Certified Inspectors. Chairman Sauble stated that currently we have 22 brand inspectors and 27 certified inspectors. That is 45% to 55%. Anytime there is a vacancy the agency evaluates that vacancy and whether or not it requires the certification. If a Brand Inspector is determined best, the agency will reclassify it. It must go to State Personnel and the Governor's Office for approvals.

Area supervisors should make a final determination on the use of vests and equipment.

District Line review should be conducted with input from industry. Chairman Sauble stated that he has heard from producers in those areas that do not support consolidation. Moving forward with that will require a lot of public input.

Training program that the agency has in place is pretty good.

APHIS conducts training for the agency in animal health.

Mr. Martinez submitted two letters from producers in those districts recommending and supporting the consolidation of those districts.

Commuter herds are also included there. Problems with commuter herds will include that entire area.

District 9 is a very large district and enforcing animal health rules on federal lands is extremely difficult.

Allegations regarding specific Law Enforcement Inspectors should be brought to the board or the administration. We will deal with that on a case-by-case basis. We will deal with inspectors who are behaving inappropriately. We will keep working towards resolving these issues.

An inspector carrying a sidearm comes to your property to do an inspection, he is showing up to do the inspection. Regardless of the sidearm. As a private citizen, you have a right to carry a gun.

Applicants know that they have one year to go to the academy when they hire on. People were not told they had to go to the academy if they were brand inspectors.

Mr. Ray Baca stated that the agency is rolling out a new FTO program. He or the area supervisors will be riding along with new graduates to perform road stops and inspections to see how they perform and see how they interact.

The district consolidation will require more input from industry.

TRICH COMMITTEE REPORT:

Mr. Harral, sub-committee chairperson, stated that there has been no complaints regarding the trich program. Dr. Eckhoff's approach is the best approach to date. The lines of communication have been opened. The program has been sent back out to the field. There are some regional and economic differences that the producers, the vet who services that area and the inspector who services that area are better able to handle the issues. The practitioner and the inspector decide how that herd management program will be set forth for a specific rancher. The three of them create the communication and one, usually the inspector, will report back to the State Vet. The State Vet serves as the mediator and, if necessary, the regulator. Inspector will communicate with neighbors. Neighbor is not testing became the issue. If they are under quarantine, the agency can force them to test. However, with the way the rules are written, it is difficult to address the testing of neighbors. Committee proposed rule changes. Dr. Eckhoff recommends that the Trich Committee stay in place for now.

The committee also recommends some rule changes for the board to consider. The proposed changes will need to be submitted to the Governor's Office and public hearings, etc. The December Board Meeting will be the next meeting where a rules hearing could be held. Chairman directed that the process begin. No comments from the board on the proposals. The Trich Committee will stay in place.

DEPUTY DIRECTOR'S REPORT:

Mr. Baca presented information. Some larceny cases are pending. Investigations being conducted in the Southwestern corner of the state. Road stops will be increased this summer. Saturations will be conducted.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Bunce presented information on the Equine Herpes outbreak in Sunland Park. The agency is in the process of tabulating financial costs. Mr. Bunce reviewed the outbreak timeline.

Mr. Bunce also discussed the Port of Santa Teresa FAD Protocol and finalized draft. The draft stops both cattle and horse movement in case of a foreign animal disease. Language should be added to include other foreign animal diseases. Mr. Elfering recommends adding "other clinical signs of foreign animal diseases" which would include equine and other exotic animals. The language regarding off-loading was also concerning. Isolation of the animals is the most important. However, not sure if anyone would let the cattle be off loaded. Secondary protocols or facilities may be required. MOUs or some kind of agreement should be in place to ensure the risk is contained and minimized. ES 11 and Homeland Security would be tapped. Mock training would be possible in conjunction with these other agencies which would identify the required MOUs.

Mr. Bunce also reported that the agency held Area Meetings this spring in each area for all inspection staff. Many topics presented and good discussion occurred. HR, Loss Control and Safety, Accounting and reporting, IT, etc. all presented. Discretion was discussed regarding the use of vests, enhanced personal skills and the need to be congenial and educate. NM Beef Council sponsored lunch and assisted us in getting out to the field.

Mr. Bunce announced that he had hired back Ms. Allison Hedgecock as the NMLB's General Counsel. She will also represent the State Veteran's Affairs. Mr. Bunce also announced that the State Veterinarian is being recruited for.

CLOSED EXECUTIVE SESSION:

Chairman Sauble moves to go into closed executive session pursuant to NMSA 1978 10-15-1(H) (7) for a legal update on SONM vs High Plains Livestock Auction, LLC aka Producers Livestock Auction. Mr. Horton seconds the motion.

Roll Call vote:

Jarrold Harral - Y

Effie Walker - Y

Donald Martinez - Y

Loren Horton - Y

Bill Sauble - Y

Bebo Lee - Y

Bob Frost - Y

David Kincaid - Y

Kevin Elfering - Y

The NM Livestock Board goes into closed executive session after a five minute break at approximately 12:06 p.m.

RETURN FROM EXECUTIVE SESSION:

Chairman Sauble moves to return to open session noting that nothing was discussed in Executive Session except what was listed on the motion to close and no action was taken. Mr. Horton seconds the motion.

Roll call vote:

Jarrold Harral - Y

Effie Walker - Y

Donald Martinez - Y

Loren Horton - Y

Bill Sauble - Y

Bebo Lee - Y

Bob Frost - Y

David Kincaid - Y

Kevin Elfering - Y

NM Livestock Board goes back into open session at approximately 12:47 p.m.

BOARD CONCERNS:

Mr. Jarrod Harral addressed the board. He is resigning as a member of the NM Livestock Board. This is his last meeting. Chairman Sauble thanked Mr. Harral for his service.

OTHER:

No other business addressed.

ADJOURNMENT:

Mr. Horton moves to adjourn. Ms. Walker seconds the motion. All in favor. Motion carries. Meeting adjourned at approximately 12:49 pm.

APPROVAL:

Bill Sauble
9/15/16