

# 2020

# Livestock Identification Program

## Annual Report to the Legislature



*As Required by RCW 16.57.460*

## September 2020



Washington  
State Department of  
Agriculture

**Derek I. Sandison, Director**

AGR PUB 402-866 (N/9/20)

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# 2020 Annual Report to the Legislature

## Livestock Identification Program

*As required by RCW 16.57.460*

### Background

The Washington State Department of Agriculture (WSDA) Livestock Identification Program is charged with providing asset protection and theft deterrence for the livestock industry in Washington State. We inspect cattle for brands, electronic official individual identification or other proof of ownership at five points. These include:

- Change of ownership.
- When consigned to a licensed public livestock market.
- When delivered to a U.S. Department of Agriculture (USDA) inspected slaughter facility.
- Upon entry or re-entry to a licensed certified feedlot.
- Prior to leaving the state.

The program also inspects horses for brands or other proof of ownership when being moved out of state, offered for sale at any public livestock market, and offered for sale at a special sale or special open consignment horse sale. Surveillance and inspections at these points protect livestock assets and prevent theft. In addition, the program registers livestock brands, and licenses feedlots and public livestock markets. The program is funded entirely through agricultural local funds from licensing, inspection and brand registration fees.

The Legislature passed Engrossed Substitute Senate Bill 5959 on April 15, 2019. Gov. Inslee signed the bill into law on April 19, 2019 with an effective date of July 28, 2019. Legislators intended to restore financial solvency to the Livestock Identification Program. The program faced a significant budget shortfall due to fewer brands being recorded, increased administrative and business costs, and declining program revenues.

The bill increased membership of the Livestock Identification Advisory Committee, modified livestock inspection fees, allowed field livestock inspectors to perform inspections, and expanded the electronic cattle transaction reporting system to all cattle. The bill included a sunset date of July 1, 2023 for the Livestock Advisory Committee, the fee schedule, and the requirement to provide this livestock inspection program report. This report covers the period fiscal year 2020 from July 1, 2019 to June 30, 2020.

## Program Budget

In fiscal year 2020, the program's beginning fund balance was (\$77). The program collected \$2,323,285 in revenue and expended \$1,944,908, leaving a fund balance of \$378,300. The program's minimum two-month operating reserve recommended by the Office of Financial Management is \$324,151. The program's base revenue from inspections, licensing fees, electronic cattle transaction reporting, estray transfer, and certifications was \$1,733,355; while revenue from brand recordings was \$585,075. Detailed fiscal year 2020 budget information can be found in Enclosure 1.

The program's two primary sources of revenue are livestock inspection fees and brand recording fees. Washington brands are recorded for four years. Historically, brand registration revenue provides an influx every four years which maintains a positive fund balance if the base revenue from livestock inspection fees fall short of the program's expenditures in a fiscal year. In December 2019, the program initiated a two-year staggered brand renewal cycle, so we would receive half the revenue from brand registrations every two years instead of one large sum every four years. The brand renewal rate has steadily declined about 6 percent every four years. Therefore, having a staggered fee structure will provide a more stable revenue stream to pay for expenditures and avoiding a negative fund balance.

Based on the current fee structure, we do not anticipate increased revenue over the next four years. We do expect annual increased expenditures from salary and health benefit increases and higher cost of goods and services. Given the current fee structure and projected revenues versus expenditures, the program's fund balance is projected to be \$85,651 on June 30, 2021, the end of fiscal year 2021, which is below the recommended two-month operating reserve. The program's fund balance is projected to be below the recommended two-month operating reserve on December 31, 2020. The balance is projected to decline through September 2021 reaching a low of \$71,245. Starting in October 2021, revenue is projected to increase and cover expenses; however, fiscal year 2022 would end with a projected fund balance below the two-month operating reserve. More significantly, the fund balance is projected to be negative at the end of November 2022, and throughout the rest of fiscal year 2023. By June 30, 2023, the fund balance is projected to be negative \$304,865. If the projections hold true, the agency will be forced to cease operating the Livestock Identification Program. Detailed budget projections can be found at Enclosure 2.

## Revenue

For ESSB 5959, the program provided a number of assumptions for projected revenue for the new fee structure. We based these assumptions on historical headcount figures, number of inspections conducted, the 10-year average headcount, and the proportion of cattle categorized as identified or non-identified. The program projected \$2,774,162 in revenue for fiscal year 2020. The actual revenue for fiscal year 2020 was \$2,323,285. This is \$450,877 below projections. Detailed revenue information, including a comparison of actual versus projected revenue by industry segment, can be found in Enclosure 3.

## Revenue by fee type

|  |             |
|--|-------------|
| Brand inspections and licensing fees                             | \$1,698,479 |
| Brand recording fees   | \$585,075   |
| Estray transfer  | \$28,520    |
| Electronic Cattle Transaction Reporting (ECTR) system            | \$3,516     |
| Veterinarian and private field livestock inspector certification | \$2,840     |
| Interest on fund balance   | \$4,856     |
| Total Revenue  | \$2,323,285 |

## Headcount

The livestock identification headcount numbers came from three subsets:

- All cattle inspected from field inspections, Public Livestock Markets and USDA inspected slaughter plants.
- All horses from field inspections including annual horse and lifetime horse inspections.
- All cattle assessed during monthly certified feedlot audits.

The total headcount for fiscal year 2020 was 1,020,570, which was 23,337 more than the 10-year average of 997,233. The field cattle inspection headcount was 632,572, which was 81,637 below the 10-year average of 714,209. The horse inspection headcount was 3,398, which was 1,239 below the 10-year average of 4,637. The certified feedlot assessments were 384,600, which was 106,213 above the 10-year average of 278,387. The program conducted 8,198 inspections in fiscal year 2020 compared to 8,494 in fiscal year 2019. Detailed headcount information can be found at Enclosure 3.

The lower cattle inspection headcount can be attributed to two main factors. First, the state was affected by the COVID-19 pandemic and fewer livestock were inspected from March through June 2020. The program stopped conducting horse inspections and only supported cattle inspections for essential business activities connected to a safe food supply in March and April. Starting in May, the program conducted horse inspections for customers in counties that were in phase II or III of the safe start recovery plan, and guidance from Gov. Inslee regarding agricultural events allowing for the inspection of horses at open consignment horse sales and special sales.

Second, a number of feedlots received a certified feedlot license. A majority of the cattle finished in Washington's feedlots are slaughtered in Washington. By law, cattle delivered to a USDA inspected slaughter facility must be inspected for brands or other proof of ownership unless the cattle are accompanied by an inspection certificate or they originate from a certified feedlot. When a feedlot receives their certification license, their cattle receive a one-time audit fee of \$0.28 per head instead of a typical livestock inspection fee when they are delivered to a slaughter plant. As additional feedlots become certified, cattle numbers will move from the field inspection headcount to the certified feedlot headcount.

For the purposes of livestock inspection fees, “identified” (ID) cattle are those that bear a brand recorded to the owner or have an official electronic 840 series RFID tag. “Non-identified” (non-ID) cattle are everything else. They either bear a brand not recorded to the owner, or they do not have an official electronic 840 series RFID tag, or they are not branded at all (also known as “slick” cattle). Historically, the proportion has been 55 percent ID compared to 45 percent non-ID. The program projected that proportion would remain relatively constant for fiscal year 2020 and move 5 percent each subsequent year towards ID cattle. The actual proportion of ID vs Non-ID in fiscal year 2020 was 66 percent ID and 34 percent Non-ID. This means approximately 63,212 cattle that would have been charged \$4 per head were only charged \$1.21 per head, resulting in a \$176,362 decrease in projected revenue.

### Field Inspections

The program categorizes a number of different inspection types for both cattle and horses as field inspections, including: change of ownerships; out of state movements; pasture movements; receiving stations, special sales, annual inspections; lifetime inspections; and all inspection revenue collected by certified veterinarians and private field livestock inspectors.

The field inspection revenue for fiscal year 2020 was \$871,514, which was below the projected revenue by \$121,284. This is primarily due to the unexpected shift of ID versus non-ID cattle noted above. As a result, more animals than projected fell under the \$1.21 per-head fee instead of \$4 per-head fee. This shift indicates more producers than previously predicted are moving to either a registered brand or applying 840 series RFID tags to their cattle. The other significant reason revenue was lower than projected was due to less horse inspections revenue due to the COVID-19 pandemic. As noted previously, WSDA inspectors limited conducting horse inspections in March and April 2020 and focused on inspections for essential business activities supporting the food supply. Horse inspections were conducted when they were co-located with cattle where inspectors were already doing a cattle inspection, at Public Livestock Markets and in counties approved for phase II, III or IV of the Governor’s Safe Start Washington – A Phased Approach to Recovery plan. Certified veterinarians continued conducting horse inspections on behalf of WSDA.

### Public Livestock Markets

Revenue for fiscal year 2020 was \$522,156, which was \$102,180 below fiscal year 2020 projected revenue for markets. Markets experienced a decrease of 14,607 cattle compared to their 10-year average. In addition, the proportion of ID vs Non-ID cattle was also 66 percent versus 34 percent, which affected projected revenue for fiscal year 2020.

## USDA Inspected Slaughter Facilities

Revenue for fiscal year 2020 was \$196,231, which was \$256,820 below projected revenue. This can be primarily attributed to the significantly lower headcount inspected at slaughter facilities with a daily kill capacity of greater than 500 head. Only two such facilities operate in Washington State, Tyson Fresh Meats and Washington Beef. This is not to say that these slaughter facilities are processing fewer cattle, but the program is conducting fewer livestock inspections at these facilities due to more cattle moving through the certified feedlot program. Livestock inspections are required at USDA inspected slaughter facilities except when the cattle are accompanied by an inspection certificate or when they originate from a certified feedlot. Historically, the program would inspect over 120,000 cattle at these two facilities, but now are inspecting less than 15,000. This is due to the increased number of certified feedlots.

Cattle that originate from a certified feedlot are assessed a \$0.28 per-head audit fee instead of the \$4 or \$1.21 livestock inspection fee. It is important to note that from a cost-recovery basis, certified feedlot audits are extremely cost effective. This industry segment is the only industry segment where revenue exceeds costs.

## Certified Feedlots

Revenue for fiscal year 2020 was \$117,808. This was \$31,610 above the projected revenue due to the increased number of feedlots in Washington that are certified. As indicated above, 384,600 cattle received a certified feedlot assessment fee in fiscal year 2020. This is 106,213 cattle above the 10-year average. Three large feedlot operations moved to a certified feedlot status in the past 18 months, after the revenue projections were completed for ESSB 5959 fiscal note.

## Brand Recording

Revenue for fiscal year 2020 totaled \$585,075, which was \$8,896 above projected revenue. The program renewed 5,431 brands this year. This reflects a 92.6 percent renewal rate of recorded brands, which is slightly below the historical average of 94 percent renewal rate. However, the program collected \$8,196 in late fees which offset the lower number of brands renewed. Many brand owners renewed their brand late despite the program mailing three brand renewal notices beginning in August 2019. The program initiated a two-year staggered brand renewal cycle this period. Half the brands renewed in December 2019 will be eligible for renewal again in December 2021.

## Call-Out Fees

ESSB 5959 authorized a \$20 call-out fee to be charged for each inspection trip. Before July 28, 2019, the program fee structure included a time and mileage fee. The program charged a combination of \$17 per hour plus \$0.58 per mile or the per-head fee, whichever was greater. Since implementing ESSB 5959, the program has collected \$133,600 in call-out fees. This is \$24,540 below the projected callout fees for fiscal year 2020, and is primarily due to the low number of USDA inspected slaughter facility visits. The program wrote 8,198 inspection certificates and conducted 6,680 inspections in fiscal year 2020 compared to 8,494 inspection certificates and 7,907 inspections in fiscal year 2019.

| Call-out fees                      |                       |                    |                   |                  |
|------------------------------------|-----------------------|--------------------|-------------------|------------------|
| Inspection Type                    | Projected Inspections | Actual Inspections | Projected Revenue | Actual Revenue   |
| Field Inspection                   | 5,500                 | 5,173              | \$110,000         | \$103,460        |
| Public Livestock Market Inspection | 875                   | 861                | \$17,500          | \$17,220         |
| Slaughter Inspection               | 1,400                 | 514                | \$28,000          | \$10,280         |
| Certified Feedlot Audit            | 132                   | 132                | \$2,640           | \$2,640          |
| <b>Total</b>                       | <b>7,907</b>          | <b>6,680</b>       | <b>\$158,140</b>  | <b>\$133,600</b> |

### Electronic Cattle Transaction Reporting (ECTR):

Since the ECTR system was created in 2016, the dairy industry had made minimal use of it. Out of approximately 400 licensed dairy producers in the state, only eleven had registered to use the system, and only two had reported transactions. ESSB 5959 expanded the use of ECTR to all cattle producers, and required users to apply official electronic 840 series RFID tags to their cattle in order to use the system.

The program retooled the existing ECTR software application and launched it live for both dairy and beef producers in November 2019. Since then, we have had 65 registered users, and 121 transactions involving 775 cattle. Six-hundred and five cattle left Washington on an ECTR certificate while 170 were in-state changes of ownership. Revenue from ECTR registrations and transactions in fiscal year 2020 totals \$3,516.

Program audits revealed that all cattle reported through ECTR were branded with the owner's Washington recorded brand or unbranded. As a result, there have been no requirements for producers reporting cattle branded with another's brand to submit proof of ownership documentation.

## Expenditures

Total program expenditures were \$1,944,908, which were \$47,713 below the fiscal year 2020 projections. Salaries and benefits make up the largest portion of expenses. The program employs 19 staff. Twelve brand inspectors and three field supervisors are spread throughout Washington; three office staff and the program manager are based in Olympia. The agency operations support rate increased from 18.9 percent to 22.2 percent on July 1, 2019, adding \$36,926 in un-forecasted expense in fiscal year 2020. In addition, the program spent \$91,979 in technology costs to upgrade our electronic inspection software program (ELID) to meet the requirements of ESSB 5959. These include:

- Ability to scan and upload RFID tag numbers.
- Update the fee structure and add a call-out fee to all inspection types.
- Improve the synchronization process and add a robust error handling capability.

Detailed fiscal year 2020 expenditure information can be found at Enclosure 1.

|  |             |
|--|-------------|
| Salaries and benefits  | \$1,267,889 |
| Goods and services   | \$181,500   |
| Travel and motor pool  | \$154,641   |
| Grants, benefits, client services, professional service contracts, capital outlays, and interagency reimbursements | \$78,123    |
| Subtotal Program Expenditures  | \$1,682,153 |
| Agency Operations Support  | \$262,755   |
| Total Expenditures   | \$1,944,908 |

## **Certified Veterinarians and Private Field Livestock Inspectors**

The certified veterinarian program began in 1998 and allows accredited veterinarians to be trained by the agency and conduct livestock inspections on behalf of the WSDA director. ESSB 5959 expanded this program and allows the director to enter into agreements with private field livestock inspectors. These private individuals receive the same training as veterinarians and conduct the same type of inspections. By rule, inspectors must recertify every three years. We conduct training 11 times per year (every month except December). There are currently 95 people certified to conduct livestock inspections on behalf of the director - 89 accredited veterinarians and six private field inspectors.

In response to the COVID-19 pandemic, we launched an online version of the training on May 29, 2020, and have completed four online training courses to date. All remaining training dates in 2020 are scheduled to be completed online. We will review in-person training options again in late 2020.

## **Livestock Identification Advisory Committee**

ESSB 5959 expanded the livestock identification advisory committee from six members to 12 members. There are two seats each for six industry segments: beef producers, dairy producers, cattle feeders, public livestock market operators, meat producers, and horse producers. As of June 30, 2020 nine members had been seated. The two meat producer positions and one dairy producer position remained open. The committee must hold at least two meetings annually. Since July 2019, the committee has held two meetings; on October 9, 2019 in Yakima, Washington, and on March 19, 2020 by teleconference due to COVID-19.

### **Committee Members**

Position 1 - Beef Producer – Neil Kayser

Position 2 – Beef Producer – Monte McPeak

Position 3 – Public Livestock Market Operator - Kale McGuinness



Position 4 – Public Livestock Market Operator - Brenda Balmelli

Position 5 – Horse Producer - Brandon Meeks

Position 6 – Horse Producer - Steve Tomson

Position 7 – Dairy Producer - Joan Debruin

Position 8 – Dairy Producer - Vacant

Position 9 – Cattle Feeder – Sam Cossio

Position 10 – Cattle Feeder - Clint Carl

Position 11 – Meat Producer - Vacant

Position 12 – Meat Producer - Vacant

## Recommendations

In accordance with RCW 16.57.460, this report must include any recommendations for making the program more efficient, improving the program, or modifying livestock inspection fees to cover the costs of the program. The report must also address the financial status of the program, including whether there is a need to review fees so that the program continues to be supported by fees.

Employee salaries and health benefits make up approximately 65 percent of program expenditures. In order to maintain a financially solvent program and preserve the same service level from WSDA inspectors that producers have experienced for the past 30 plus years the fee structure of the program will need to change. Other alternatives to reducing expenditures but keeping the current service level may include increasing the use of private field inspectors or certified veterinarians and increasing the use of the Electronic Cattle Transaction Reporting system.

We recommend the legislature adjust program fees prior to fiscal year 2023. Without a fee adjustment, the program will have a negative fund balance beginning in November 2022 and will be forced to significantly reduce service levels or cease operations.

Actual expenditures were held below projections, but actual revenue was well below projections. The program made the best estimates and assumptions going into the fiscal year. However, it is impossible to predict producer behavior and how many animals would be inspected in any given year. The total number of animals inspected may vary, but the total number of inspections is generally more stable than headcount. Producers will always need to have cattle inspected, but the number of animals per inspection may change. This is a fee-for-service program and charging a fee for each time an inspector is called to perform the service is more appropriate than relying for a majority of the revenue on a per-head basis. Therefore, we recommend adjusting the call-out fee to provide a larger proportion of the base revenue. A greater proportion of the base revenue coming from call-out fees will provide greater

stability in the annual revenue year over year. Accordingly, a graduated per head inspection fee may also merit exploration. Ultimately, the program needs to recover, as closely as possible, the costs associated with providing the service. There are two ends of a spectrum of fee structure options. On one end of the spectrum, the program could charge only an hourly rate for inspections, regardless of the number of cattle inspected. The current hourly rate would be approximately \$80 per hour to cover all costs. On the other end of the spectrum, the program could charge only a per-head fee to cover costs. That fee would be approximately \$2.78 per head (\$1,944,908 in total expenses minus \$196,916 in other revenue from certified feedlot assessments, new brands, and other revenue as noted in Enclosure 3 = \$1,747,992 expenses to cover with 630,000 livestock = \$2.78 each). Our current fee structure that uses a combination of per-head fees and a call-out fee is somewhere in the middle of this spectrum. We also recommend that fees incorporate some type of annual rate of inflation to keep revenue growth on par with cost increases.

We recommend abolishing the two-tiered fee structure and moving to a single inspection fee for cattle. This will perhaps bring more dairy farmers and producers who do not brand their livestock to the table. Only 38 percent of dairy cattle are branded, while 68 percent of beef cattle are branded. As fiscal year 2020 showed, with such a large discrepancy between the ID rate of \$1.21 and the non-ID rate of \$4, many producers are already shifting to using the 840 series RFID tag or recording a brand and using it. We assume this shift will continue if this large discrepancy remains in effect. Very few producers who do not brand their animals or who do not use 840 RFID tags are willing to pay 250 percent more per head for an inspection. These unknown changes of ownership of unbranded cattle are impossible to trace back for animal disease traceability and for asset protection. Currently no ownership documentation is required for unbranded cattle. The person in possession is assumed to be the owner given no other information, and they can legally sell those animals at a market or other inspection point with just a completed certificate of permit (haul slip).

Call-out revenue makes up 7.7 percent of total base inspection revenue. We recommend exploring a fee structure where a larger proportion of the base revenue is derived from call-out fees. This strategy helps ensure a closer alignment with a cost-recovery fee structure.

An additional point to consider is the increased time, effort and resources required by the program to collect 840 series RFID tag numbers from producers in order to charge the lower ID cattle inspection fee. The program is working with the Animal Disease Traceability program at Public Livestock Markets to look for ways to capture and pair RFID tags electronically through panel readers and system upgrades. Capturing RFID tags in the field is challenging because some producers do not have the restraint facilities required. With current technology, the hand-held wand readers need to be within 12 inches of the tag in order to scan it effectively.

We recommend the Legislature review the inspection fee for cattle at slaughter facilities with a daily capacity of less than 500 animals. As currently written, RCW 16.57.220 (4) states; "The fee for inspection of cattle at a processing plant with a daily capacity of no more than five hundred head of cattle where the United States Department of Agriculture maintains a meat inspection program is four dollars and forty cents per head, with a call out fee of twenty dollars." This

means there is no distinction between ID cattle and non-ID cattle at these facilities. They are all charged a \$4.40 per-head inspection fee. This is the only mandatory inspection point for cattle that assesses this type of fee. All others recognize the option of identified versus non-identified. This places these slaughter facilities at a competitive disadvantage when their customers are required to pay a higher fee for the same service. Before July 28, 2019 when ESSB 5959 was enacted, the fee for these slaughter facilities was \$4 per head, but the time and mileage fee did not apply.

We recommend reviewing the legislative intent for certified veterinarians and private field livestock inspectors remitting call-out fees to WSDA. As written, the statute requires certified veterinarians and private field livestock inspectors to remit the call-out fees along with the required livestock inspection fees to the department. Many certified veterinarians have told us this requirement does not make sense. They are allowed by law to charge fees above and beyond the required inspection fees to cover their costs. Requiring them to submit a minimum call out fee to WSDA forces them to charge two call-out fees - one for WSDA, and one for themselves to cover their costs. In fiscal year 2020, certified veterinarians submitted \$8,060 in call-out fees to the department.

We recommend reviewing the infraction penalty fees. In many instances, it is less expensive to receive an infraction penalty fee than to have a brand inspection. As an example, the penalty for selling animals without a required brand inspection is \$100 for the first offense. A producer could sell 25 unbranded animals to their neighbor without a brand inspection and the penalty for that infraction would cost less than a brand inspection. In order to operate as a legitimate regulatory body, the program needs to have penalty fees set to an appropriate level where the risk is greater than the reward.

A draft of this report and subsequent enclosures was sent to all Livestock Identification Advisory Committee members on August 26, 2020. A conference call with committee members and other industry partners was held on August 31, 2020. The following committee members and industry partners participated in the call:

Brandon Meeks, Committee Member, Position 5 – Horse Producer

Joan Debruin, Committee Member, Position 7 – Dairy Producer

Jesse Fletcher, Committee Member, Position 9 – Cattle Feeder

Clint Carl, Committee Member, Position 10 – Cattle Feeder

Ashley House, Executive Vice President, Washington Cattlemen’s Association

Sam Ledgerwood, President, Washington Cattlemen’s Association

Mark Streuli, Lobbyist, Washington Cattlemen’s Association

Jack Field, Executive Director, Washington Cattle Feeders Association

No opposition received from advisory committee members on the recommendations included in this report.

Enclosure 1 to 2020 Livestock Identification Legislative Report

| Livestock Identification Program - Fiscal Year 2020 |                    |                    |                    |                   |                   |                   |                    |                    |                   |                   |                    |                    |                     |
|---|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|---------------------|
| Sub Fund 361 Livestock ID                           | Jul-19             | Aug-19             | Sep-19             | Oct-19            | Nov-19            | Dec-19            | Jan-20             | Feb-20             | Mar-20            | Apr-20            | May-20             | Jun-20             | FY Total            |
| <b>Beginning Fund Balance</b>                       | \$ (77)            | \$ (41,019)        | \$ (37,677)        | \$ (13,770)       | \$ 139,383        | \$ 228,167        | \$ 389,206         | \$ 379,088         | \$ 361,364        | \$ 389,908        | \$ 428,795         | \$ 411,272         |                     |
| <b>Revenue</b>                                      |                    |                    |                    |                   |                   |                   |                    |                    |                   |                   |                    |                    |                     |
| Base Revenue  | \$ 96,676          | \$ 119,679         | \$ 150,091         | \$ 218,956        | \$ 162,937        | \$ 154,215        | \$ 131,233         | \$ 118,147         | \$ 159,093        | \$ 121,293        | \$ 119,855         | \$ 181,179         | \$ 1,733,355        |
| 3104 - Brand inspections, license fees              | \$ 96,116          | \$ 111,097         | \$ 149,200         | \$ 218,733        | \$ 162,272        | \$ 153,874        | \$ 130,932         | \$ 117,621         | \$ 151,343        | \$ 120,689        | \$ 117,097         | \$ 169,504         | \$ 1,698,479        |
| 3102 - ECTR   | \$ -               | \$ -               | \$ -               | \$ 33             | \$ 570            | \$ 281            | \$ 181             | \$ 166             | \$ 509            | \$ 424            | \$ 689             | \$ 663             | \$ 3,516            |
| 3127 - Estray Transfer                              | \$ -               | \$ 8,442           | \$ 716             | \$ -              | \$ -              | \$ -              | \$ -               | \$ -               | \$ 6,701          | \$ -              | \$ 1,949           | \$ 10,712          | \$ 28,520           |
| 3126 - Vet Certification                            | \$ 560             | \$ 140             | \$ 175             | \$ 190            | \$ 95             | \$ 60             | \$ 120             | \$ 360             | \$ 540            | \$ 180            | \$ 120             | \$ 300             | \$ 2,840            |
| Brand Recording Revenue                             | \$ 1,205           | \$ 42,544          | \$ 53,271          | \$ 100,897        | \$ 121,157        | \$ 173,003        | \$ 57,247          | \$ 11,434          | \$ 11,366         | \$ 4,408          | \$ 4,911           | \$ 3,632           | \$ 585,075          |
| 3106 - Brand renewals / new brands                  | \$ 1,205           | \$ 42,519          | \$ 53,296          | \$ 100,897        | \$ 121,157        | \$ 173,003        | \$ 54,222          | \$ 9,969           | \$ 9,255          | \$ 3,563          | \$ 4,411           | \$ 3,382           | \$ 576,879          |
| 3123 - Brand Recording Late Fee                     | \$ -               | \$ 25              | \$ (25)            | \$ -              | \$ -              | \$ -              | \$ 3,025           | \$ 1,465           | \$ 2,111          | \$ 845            | \$ 500             | \$ 250             | \$ 8,196            |
| Interest  | \$ -               | \$ (81)            | \$ (63)            | \$ 10             | \$ 153            | \$ 232            | \$ 627             | \$ 631             | \$ 606            | \$ 753            | \$ 786             | \$ 1,202           | \$ 4,856            |
| <b>Total Actual Revenue</b>                         | \$ <b>97,881</b>   | \$ <b>162,141</b>  | \$ <b>203,299</b>  | \$ <b>319,864</b> | \$ <b>284,248</b> | \$ <b>327,450</b> | \$ <b>189,107</b>  | \$ <b>130,212</b>  | \$ <b>171,065</b> | \$ <b>126,455</b> | \$ <b>125,552</b>  | \$ <b>186,013</b>  | \$ <b>2,323,285</b> |
| <b>Expenditures</b>                                 |                    |                    |                    |                   |                   |                   |                    |                    |                   |                   |                    |                    |                     |
| A - Salaries & Wages                                | \$ 78,418          | \$ 78,345          | \$ 79,677          | \$ 79,666         | \$ 89,554         | \$ 83,506         | \$ 75,181          | \$ 72,603          | \$ 65,093         | \$ 25,011         | \$ 65,628          | \$ 68,531          | \$ 861,213          |
| B - Employee Benefits                               | \$ 34,978          | \$ 35,573          | \$ 36,066          | \$ 36,314         | \$ 37,797         | \$ 37,014         | \$ 36,823          | \$ 35,413          | \$ 31,460         | \$ 22,669         | \$ 29,604          | \$ 32,965          | \$ 406,676          |
| C - Professional Service Contracts                  | \$ -               | \$ -               | \$ -               | \$ -              | \$ -              | \$ 94             | \$ 5,400           | \$ 300             | \$ -              | \$ -              | \$ -               | \$ 46,440          | \$ 52,234           |
| E - Goods and Services                              | \$ 4,110           | \$ 10,856          | \$ 26,534          | \$ 13,305         | \$ 29,576         | \$ 8,164          | \$ 19,776          | \$ 17,076          | \$ 10,912         | \$ 7,887          | \$ 15,439          | \$ 17,865          | \$ 181,500          |
| G - Travel & Motor Pool                             | \$ 2,867           | \$ 15,575          | \$ 11,776          | \$ 12,066         | \$ 16,512         | \$ 14,942         | \$ 25,993          | \$ 468             | \$ 13,161         | \$ 10,106         | \$ 10,510          | \$ 20,665          | \$ 154,641          |
| J - Capital Outlays                                 | \$ -               | \$ -               | \$ -               | \$ -              | \$ 130            | \$ 796            | \$ -               | \$ 182             | \$ -              | \$ -              | \$ -               | \$ -               | \$ 1,108            |
| N - Grants, Benefits, Client Services               | \$ -               | \$ -               | \$ -               | \$ -              | \$ -              | \$ -              | \$ 14,883          | \$ -               | \$ -              | \$ -              | \$ -               | \$ 10,624          | \$ 25,507           |
| T - Interagency Reimbursements                      | \$ -               | \$ -               | \$ -               | \$ -              | \$ -              | \$ -              | \$ (726)           | \$ -               | \$ -              | \$ -              | \$ -               | \$ -               | \$ (726)            |
| <b>Subtotal Program Expenditures</b>                | \$ <b>120,373</b>  | \$ <b>140,349</b>  | \$ <b>154,053</b>  | \$ <b>141,351</b> | \$ <b>173,569</b> | \$ <b>144,516</b> | \$ <b>177,330</b>  | \$ <b>126,042</b>  | \$ <b>120,626</b> | \$ <b>65,673</b>  | \$ <b>121,181</b>  | \$ <b>197,090</b>  | \$ <b>1,682,153</b> |
| Agency Ops Support                                  | \$ 18,450          | \$ 18,450          | \$ 25,339          | \$ 25,360         | \$ 21,895         | \$ 21,895         | \$ 21,895          | \$ 21,895          | \$ 21,895         | \$ 21,895         | \$ 21,895          | \$ 21,895          | \$ 262,755          |
| <b>Total Actual Expenditures</b>                    | \$ <b>138,823</b>  | \$ <b>158,799</b>  | \$ <b>179,392</b>  | \$ <b>166,711</b> | \$ <b>195,464</b> | \$ <b>166,411</b> | \$ <b>199,225</b>  | \$ <b>147,937</b>  | \$ <b>142,521</b> | \$ <b>87,568</b>  | \$ <b>143,076</b>  | \$ <b>218,985</b>  | \$ <b>1,944,908</b> |
| <b>Excess of Revenues over (under) Expenditures</b> | \$ <b>(40,942)</b> | \$ <b>3,342</b>    | \$ <b>23,907</b>   | \$ <b>153,153</b> | \$ <b>88,784</b>  | \$ <b>161,040</b> | \$ <b>(10,118)</b> | \$ <b>(17,725)</b> | \$ <b>28,544</b>  | \$ <b>38,887</b>  | \$ <b>(17,524)</b> | \$ <b>(32,972)</b> | \$ <b>378,377</b>   |
| <b>Actual Ending Fund Balance</b>                   | \$ <b>(41,019)</b> | \$ <b>(37,677)</b> | \$ <b>(13,770)</b> | \$ <b>139,383</b> | \$ <b>228,167</b> | \$ <b>389,206</b> | \$ <b>379,088</b>  | \$ <b>361,364</b>  | \$ <b>389,908</b> | \$ <b>428,795</b> | \$ <b>411,272</b>  | \$ <b>378,300</b>  | \$ <b>378,300</b>   |
| Full Time Employee Equivalent (FTE)                 | 19.42              | 19.41              | 19.52              | 21.02             | 22.21             | 20.46             | 18.56              | 17.85              | 17.39             | 11.66             | 16.70              | 17.96              | 18.51               |

\* Agency Operations Support rate increased from 18.9% to 22.2% effective July 1, 2019

\* New inspection fees went into effect July 28, 2019

**Enclosure 2 to Livestock Identification Legislative Report**

**Sub Fund 361 Livestock ID**

**Actual Fund Balance 2019-21 Biennium**

-10%      19%      61%      86%      -28%      88%      -20%      32%      43%      -6%      0%      64%      27%

| Actual   |                 |                 |                 |                |                |                |                |                |                |                |                |                |                  |
|--|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
|  | Jul-19          | Aug-19          | Sep-19          | Oct-19         | Nov-19         | Dec-19         | Jan-20         | Feb-20         | Mar-20         | Apr-20         | May-20         | Jun-20         | FY TOTAL         |
| Beginning Fund Balance                               | (77)            | (41,019)        | (37,677)        | (13,770)       | 139,383        | 228,167        | 389,206        | 379,088        | 361,364        | 389,908        | 428,795        | 411,272        |                  |
| Revenue (projection based on prior biennium actuals) |                 |                 |                 |                |                |                |                |                |                |                |                |                |                  |
| Revenue  | 97,881          | 162,223         | 203,362         | 319,853        | 284,094        | 327,218        | 188,480        | 129,581        | 170,458        | 125,701        | 124,766        | 184,811        | 2,318,429        |
| Interest   | -               | (81)            | (63)            | 10             | 153            | 232            | 627            | 631            | 606            | 753            | 786            | 1,202          | 4,856            |
| <b>Total Revenue</b>                                 | <b>97,881</b>   | <b>162,141</b>  | <b>203,299</b>  | <b>319,864</b> | <b>284,248</b> | <b>327,450</b> | <b>189,107</b> | <b>130,212</b> | <b>171,065</b> | <b>126,455</b> | <b>125,552</b> | <b>186,013</b> | <b>2,323,285</b> |
| Expenditures (Last FY plus 3% sal/ben, 1% other)     |                 |                 |                 |                |                |                |                |                |                |                |                |                |                  |
| 46610 - LID  | 114,608         | 131,378         | 145,621         | 134,254        | 165,493        | 138,280        | 170,991        | 119,554        | 114,597        | 59,362         | 114,560        | 190,539        | 1,599,237        |
| 46620- Impound                                       | 188             | -               | -               | -              | 13             | -              | -              | 73             | -              | 54             | 54             | 84             | 466              |
| 46630- Electronic Cattle Trans Reporting (ECTR)      | -               | -               | 201             | 123            | 282            | 36             | 97             | 228            | 29             | 165            | 296            | 133            | 1,590            |
| 46690 - LID Admin                                    | 5,577           | 8,971           | 8,231           | 6,974          | 7,781          | 6,200          | 6,242          | 6,187          | 6,000          | 6,092          | 6,271          | 6,334          | 80,860           |
| Agency Ops Support                                   | 18,450          | 18,450          | 25,339          | 25,360         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 262,755          |
| <b>Total Expenditures</b>                            | <b>138,823</b>  | <b>158,799</b>  | <b>179,392</b>  | <b>166,711</b> | <b>195,464</b> | <b>166,411</b> | <b>199,225</b> | <b>147,937</b> | <b>142,521</b> | <b>87,568</b>  | <b>143,076</b> | <b>218,985</b> | <b>1,944,908</b> |
| Excess of Revenues over (under) Expenditures         | (40,942)        | 3,342           | 23,907          | 153,153        | 88,784         | 161,040        | (10,118)       | (17,725)       | 28,544         | 38,887         | (17,524)       | (32,972)       | 378,377          |
| <b>Ending Fund Balance</b>                           | <b>(41,019)</b> | <b>(37,677)</b> | <b>(13,770)</b> | <b>139,383</b> | <b>228,167</b> | <b>389,206</b> | <b>379,088</b> | <b>361,364</b> | <b>389,908</b> | <b>428,795</b> | <b>411,272</b> | <b>378,300</b> |                  |
| FTEs   | 19.42           | 19.41           | 19.52           | 21.02          | 22.21          | 20.46          | 18.56          | 17.85          | 17.39          | 11.66          | 16.70          | 17.96          | 18.51            |

**Projected Fund Balance 2019-21 Biennium**

|  | Actual         | Projection     |                |                |                |                |                |                |                |                |                |                | FY TOTAL         | BIENNIAL TOTAL   |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|
|  | Jul-20         | Aug-20         | Sep-20         | Oct-20         | Nov-20         | Dec-20         | Jan-21         | Feb-21         | Mar-21         | Apr-21         | May-21         | Jun-21         |                  |                  |
| Beginning Fund Balance                               | 378,300        | 388,409        | 341,553        | 311,616        | 363,545        | 326,350        | 310,368        | 240,655        | 208,943        | 224,311        | 180,795        | 129,221        |                  |                  |
| Revenue  |                |                |                |                |                |                |                |                |                |                |                |                |                  |                  |
| Revenue (projection based on prior biennium actuals) | 121,154        | 119,704        | 150,067        | 218,956.49     | 162,937        | 154,215        | 134,258        | 119,612        | 161,204        | 122,138        | 120,354        | 181,429        | 1,766,029        | 4,084,459        |
| Interest   | -              | (667)          | (50)           | (106)          | (156)          | (30)           | (135)          | (111)          | (180)          | (257)          | (316)          | (890)          | (2,897)          | (2,897)          |
| <b>Total Revenue</b>                                 | <b>121,154</b> | <b>119,037</b> | <b>150,017</b> | <b>218,850</b> | <b>162,781</b> | <b>154,185</b> | <b>134,123</b> | <b>119,501</b> | <b>161,025</b> | <b>121,881</b> | <b>120,038</b> | <b>180,539</b> | <b>1,763,132</b> | <b>4,081,562</b> |
| Expenditures (Last FY plus 3% sal/ben, 1% other)     |                |                |                |                |                |                |                |                |                |                |                |                |                  |                  |
| 46610 - LID  | 83,957         | 134,794        | 149,407        | 137,745        | 169,796        | 141,875        | 175,437        | 122,662        | 117,577        | 137,028        | 142,924        | 195,493        | 1,708,695        | 3,307,932        |
| 46620- Impound                                       | 20             | -              | -              | -              | 13             | -              | -              | 75             | -              | 55             | 55             | 86             | 305              | 771              |
| 46630- Electronic Cattle Trans Reporting (ECTR)      | -              | -              | 206            | 126            | 289            | 37             | 100            | 234            | 30             | 169            | 304            | 136            | 1,631            | 3,221            |
| 46690 - LID Admin                                    | 5,173          | 9,204          | 8,445          | 7,155          | 7,983          | 6,361          | 6,404          | 6,348          | 6,156          | 6,250          | 6,434          | 6,499          | 82,413           | 163,273          |
| Agency Ops Support                                   | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 21,895         | 262,736          | 525,492          |
| <b>Total Expenditures</b>                            | <b>111,045</b> | <b>165,893</b> | <b>179,953</b> | <b>166,921</b> | <b>199,976</b> | <b>170,168</b> | <b>203,835</b> | <b>151,214</b> | <b>145,657</b> | <b>165,397</b> | <b>171,612</b> | <b>224,109</b> | <b>2,055,781</b> | <b>4,000,689</b> |
| Excess of Revenues over (under) Expenditures         | 10,109         | (46,856)       | (29,936)       | 51,929         | (37,195)       | (15,983)       | (69,713)       | (31,713)       | 15,368         | (43,516)       | (51,574)       | (43,570)       | (292,649)        | 85,728           |
| <b>Ending Fund Balance</b>                           | <b>388,409</b> | <b>341,553</b> | <b>311,616</b> | <b>363,545</b> | <b>326,350</b> | <b>310,368</b> | <b>240,655</b> | <b>208,943</b> | <b>224,311</b> | <b>180,795</b> | <b>129,221</b> | <b>85,651</b>  |                  |                  |
| FTEs   | 15.26          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          |                  |                  |

**Estimated 2 months of operating costs**

**333,391**

Salaries/Benefits Increase:

**3%**

All other Expenditures increase:

**1%**

Salaries/Benefits represent % of total expenditures:

80%

Salaries increase 2% each fiscal year- All other expenditure increase 1%.

Revenue Increase:

0% FY 2021

Revenue Increase:

0% FY 2022

Revenue Increase:

0% FY 2023

Brand Renewals of \$678,500 in Dec 2019 based on 6% historical decrease in renewals every four years.

**Enclosure 2 to Livestock Identification Legislative Report**

**Sub Fund 361 Livestock ID**

**Projected Fund Balance 2021-23 Biennium**

|   | Projection    |               |               |                |                |                |                |                |                |                |                |               | FY TOTAL  |
|---|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|-----------|
|   | Jul-21        | Aug-21        | Sep-21        | Oct-21         | Nov-21         | Dec-21         | Jan-22         | Feb-22         | Mar-22         | Apr-22         | May-22         | Jun-22        |           |
| Beginning Fund Balance  | 85,651        | 96,723        | 76,182        | 71,245         | 177,802        | 210,091        | 296,393        | 255,191        | 220,084        | 232,195        | 185,043        | 129,731       |           |
| Revenue (projection based on prior biennium actuals)              |               |               |               |                |                |                |                |                |                |                |                |               |           |
| Revenue   | 121,154       | 145,836       | 182,822       | 280,968        | 237,101        | 260,543        | 167,583        | 119,612        | 161,204        | 122,138        | 120,354        | 181,429       | 2,100,745 |
| Interest  | -             | -             | -             | -              | -              | -              | -              | -              | -              | -              | -              | -             | -         |
| Total Revenue   | 121,154       | 145,836       | 182,822       | 280,968        | 237,101        | 260,543        | 167,583        | 119,612        | 161,204        | 122,138        | 120,354        | 181,429       | 2,100,745 |
| Expenditures (based on June projection plus 2% sal/ben, 1% other) |               |               |               |                |                |                |                |                |                |                |                |               |           |
| 46610 - LID   | 86,140        | 138,298       | 153,292       | 141,326        | 174,211        | 145,564        | 179,998        | 125,852        | 120,634        | 140,590        | 146,640        | 200,576       | 1,753,121 |
| 46620- Impound  | -             | -             | 212           | 129            | 297            | 38             | 102            | 240            | 31             | 174            | 312            | 140           | 1,674     |
| 46690 - LID Admin   | 5,307         | 9,444         | 8,665         | 7,341          | 8,191          | 6,527          | 6,571          | 6,513          | 6,316          | 6,413          | 6,601          | 6,668         | 84,556    |
| Agency Ops Support  | 18,635        | 18,635        | 25,592        | 25,614         | 22,113         | 22,113         | 22,113         | 22,113         | 22,113         | 22,113         | 22,113         | 22,113        | 265,383   |
| Total Expenditures  | 110,082       | 166,377       | 187,760       | 174,410        | 204,812        | 174,242        | 208,785        | 154,718        | 149,094        | 169,291        | 175,667        | 229,497       | 2,104,733 |
| Excess of Revenues over (under) Expenditures                      | 11,072        | (20,541)      | (4,938)       | 106,558        | 32,289         | 86,301         | (41,202)       | (35,107)       | 12,111         | (47,152)       | (55,313)       | (48,068)      | (3,988)   |
| <b>Ending Fund Balance</b>  | <b>96,723</b> | <b>76,182</b> | <b>71,245</b> | <b>177,802</b> | <b>210,091</b> | <b>296,393</b> | <b>255,191</b> | <b>220,084</b> | <b>232,195</b> | <b>185,043</b> | <b>129,731</b> | <b>81,663</b> |           |
| FTEs  | 20.00         | 20.00         | 20.00         | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00          | 20.00         |           |

|   | Projection    |               |                |               |                |                 |                  |                  |                  |                  |                  |                  | FY TOTAL  | BIENNIAL TOTAL |
|---|---------------|---------------|----------------|---------------|----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------|----------------|
|   | Jul-22        | Aug-22        | Sep-22         | Oct-22        | Nov-22         | Dec-22          | Jan-23           | Feb-23           | Mar-23           | Apr-23           | May-23           | Jun-23           |           |                |
| Beginning Fund Balance  | 81,663        | 90,357        | 39,843         | (2,067)       | 38,611         | (8,014)         | (31,996)         | (111,376)        | (149,931)        | (141,121)        | (192,100)        | (251,405)        |           |                |
| Revenue   |               |               |                |               |                |                 |                  |                  |                  |                  |                  |                  |           |                |
| Revenue (projection based on prior biennium actuals)              | 121,154       | 119,704       | 150,067        | 218,956       | 162,937        | 154,215         | 134,258          | 119,612          | 161,204          | 122,138          | 120,354          | 181,429          | 1,766,029 | 3,866,774      |
| Interest  | -             | -             | -              | -             | -              | -               | -                | -                | -                | -                | -                | -                | -         | -              |
| Total Revenue   | 121,154       | 119,704       | 150,067        | 218,956       | 162,937        | 154,215         | 134,258          | 119,612          | 161,204          | 122,138          | 120,354          | 181,429          | 1,766,029 | 3,866,774      |
| Expenditures (based on June projection plus 2% sal/ben, 1% other) |               |               |                |               |                |                 |                  |                  |                  |                  |                  |                  |           |                |
| 46610 - LID   | 88,380        | 141,894       | 157,277        | 145,000       | 178,740        | 149,349         | 184,678          | 129,124          | 123,770          | 144,246          | 150,453          | 205,791          | 1,798,702 | 3,551,822      |
| 46620- Impound  | -             | -             | 217            | 133           | 305            | 39              | 105              | 246              | 31               | 178              | 320              | 144              | 1,717     | 3,391          |
| 46690 - LID Admin   | 5,445         | 9,689         | 8,890          | 7,532         | 8,404          | 6,696           | 6,742            | 6,682            | 6,480            | 6,580            | 6,773            | 6,841            | 86,755    | 171,311        |
| Agency Ops Support  | 18,635        | 18,635        | 25,592         | 25,614        | 22,113         | 22,113          | 22,113           | 22,113           | 22,113           | 22,113           | 22,113           | 22,113           | 265,383   | 530,766        |
| Total Expenditures  | 112,460       | 170,218       | 191,977        | 178,279       | 209,562        | 178,197         | 213,638          | 158,166          | 152,395          | 173,117          | 179,659          | 234,889          | 2,152,557 | 4,257,290      |
| Excess of Revenues over (under) Expenditures                      | 8,694         | (50,514)      | (41,910)       | 40,677        | (46,624)       | (23,982)        | (79,380)         | (38,554)         | 8,809            | (50,979)         | (59,305)         | (53,460)         | (386,527) | (390,516)      |
| <b>Ending Fund Balance</b>  | <b>90,357</b> | <b>39,843</b> | <b>(2,067)</b> | <b>38,611</b> | <b>(8,014)</b> | <b>(31,996)</b> | <b>(111,376)</b> | <b>(149,931)</b> | <b>(141,121)</b> | <b>(192,100)</b> | <b>(251,405)</b> | <b>(304,865)</b> |           |                |
| FTEs  | 20.00         | 20.00         | 20.00          | 20.00         | 20.00          | 20.00           | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            |           |                |

**Estimated 2 months of operating costs 354,774**

Salaries/Benefits Increase: 2%      All other Expenditures increase: 1%

Salaries/Benefits represent % of total expenditures: 75%  
 Salaries increase 2% each fiscal year- All other expenditure increase 1%.

**Enclosure 2 to Livestock Identification Legislative Report**

**Sub Fund 361 Livestock ID**

**Projected Fund Balance 2023-25 Biennium**

|   | Projection       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  | FY TOTAL  |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------|
|   | Jul-23           | Aug-23           | Sep-23           | Oct-23           | Nov-23           | Dec-23           | Jan-24           | Feb-24           | Mar-24           | Apr-24           | May-24           | Jun-24           |           |
| Beginning Fund Balance  | (304,865)        | (298,796)        | (328,871)        | (344,569)        | (249,819)        | (231,535)        | (159,836)        | (213,087)        | (255,400)        | (250,199)        | (305,325)        | (368,947)        |           |
| Revenue (projection based on prior biennium actuals)              |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |           |
| Revenue   | 121,154          | 144,271          | 180,860          | 277,254          | 232,941          | 254,175          | 165,588          | 119,612          | 161,204          | 122,138          | 120,354          | 181,429          | 2,080,981 |
| Interest  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -         |
| Total Revenue   | 121,154          | 144,271          | 180,860          | 277,254          | 232,941          | 254,175          | 165,588          | 119,612          | 161,204          | 122,138          | 120,354          | 181,429          | 2,080,981 |
| Expenditures (based on June projection plus 2% sal/ben, 1% other) |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |           |
| 46610 - LID   | 90,677           | 145,583          | 161,367          | 148,770          | 183,387          | 153,232          | 189,480          | 132,481          | 126,988          | 147,996          | 154,365          | 211,141          | 1,845,468 |
| 46620- Impound  | -                | -                | 223              | 136              | 312              | 40               | 107              | 253              | 32               | 183              | 328              | 147              | 1,762     |
| 46690 - LID Admin   | 5,587            | 9,941            | 9,121            | 7,728            | 8,622            | 6,870            | 6,917            | 6,856            | 6,649            | 6,751            | 6,949            | 7,019            | 89,010    |
| Agency Ops Support  | 18,821           | 18,821           | 25,848           | 25,870           | 22,335           | 22,335           | 22,335           | 22,335           | 22,335           | 22,335           | 22,335           | 22,335           | 268,037   |
| Total Expenditures  | 115,085          | 174,345          | 196,559          | 182,505          | 214,657          | 182,477          | 218,839          | 161,924          | 156,004          | 177,264          | 183,977          | 240,642          | 2,204,277 |
| Excess of Revenues over (under) Expenditures                      | 6,069            | (30,075)         | (15,699)         | 94,750           | 18,285           | 71,698           | (53,251)         | (42,313)         | 5,201            | (55,126)         | (63,622)         | (59,213)         | (123,296) |
| <b>Ending Fund Balance</b>  | <b>(298,796)</b> | <b>(328,871)</b> | <b>(344,569)</b> | <b>(249,819)</b> | <b>(231,535)</b> | <b>(159,836)</b> | <b>(213,087)</b> | <b>(255,400)</b> | <b>(250,199)</b> | <b>(305,325)</b> | <b>(368,947)</b> | <b>(428,160)</b> |           |
| FTEs  | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            |           |

|   | Projection       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  | FY TOTAL  | BIENNIAL TOTAL |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------|----------------|
|   | Jul-24           | Aug-24           | Sep-24           | Oct-24           | Nov-24           | Dec-24           | Jan-25           | Feb-25           | Mar-25           | Apr-25           | May-25           | Jun-25           |           |                |
| Beginning Fund Balance  | (428,160)        | (424,595)        | (483,280)        | (534,210)        | (501,831)        | (558,550)        | (590,976)        | (680,666)        | (726,608)        | (724,882)        | (784,036)        | (851,861)        |           |                |
| Revenue   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |           |                |
| Revenue (projection based on prior biennium actuals)              | 121,154          | 119,704          | 150,067          | 218,956          | 162,937          | 154,215          | 134,258          | 119,612          | 161,204          | 122,138          | 120,354          | 181,429          | 1,766,029 | 3,847,010      |
| Interest  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -         | -              |
| Total Revenue   | 121,154          | 119,704          | 150,067          | 218,956          | 162,937          | 154,215          | 134,258          | 119,612          | 161,204          | 122,138          | 120,354          | 181,429          | 1,766,029 | 3,847,010      |
| Expenditures (based on June projection plus 2% sal/ben, 1% other) |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |           |                |
| 46610 - LID   | 93,035           | 149,369          | 165,562          | 152,638          | 188,155          | 157,216          | 194,406          | 135,925          | 130,290          | 151,844          | 158,378          | 216,631          | 1,893,450 | 3,738,918      |
| 46620- Impound  | -                | -                | 229              | 140              | 321              | 41               | 110              | 259              | 33               | 188              | 337              | 151              | 1,808     | 3,570          |
| 46690 - LID Admin   | 5,732            | 10,199           | 9,358            | 7,929            | 8,847            | 7,049            | 7,097            | 7,034            | 6,822            | 6,926            | 7,130            | 7,201            | 91,324    | 180,335        |
| Agency Ops Support  | 18,821           | 18,821           | 25,848           | 25,870           | 22,335           | 22,335           | 22,335           | 22,335           | 22,335           | 22,335           | 22,335           | 22,335           | 268,037   | 536,074        |
| Total Expenditures  | 117,588          | 178,389          | 200,997          | 186,577          | 219,657          | 186,640          | 223,948          | 165,554          | 159,479          | 181,293          | 188,179          | 246,318          | 2,254,619 | 4,458,896      |
| Excess of Revenues over (under) Expenditures                      | 3,566            | (58,686)         | (50,930)         | 32,379           | (56,720)         | (32,425)         | (89,690)         | (45,942)         | 1,726            | (59,154)         | (67,825)         | (64,889)         | (488,590) | (611,886)      |
| <b>Ending Fund Balance</b>  | <b>(424,595)</b> | <b>(483,280)</b> | <b>(534,210)</b> | <b>(501,831)</b> | <b>(558,550)</b> | <b>(590,976)</b> | <b>(680,666)</b> | <b>(726,608)</b> | <b>(724,882)</b> | <b>(784,036)</b> | <b>(851,861)</b> | <b>(916,750)</b> |           |                |
| FTEs  | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            |           |                |

**Estimated 2 months of operating costs 371,575**

Salaries/Benefits Increase: 2%      All other Expenditures increase: 1%

Salaries/Benefits represent % of total expenditures: 75%

Salaries increase 2% each fiscal year- All other expenditure increase 1%.

Brand Renewals of \$637,790 in Dec 2023 based on 6% historical decrease in renewals every four years.

**Enclosure 2 to Livestock Identification Legislative Report**

**Sub Fund 361 Livestock ID**

**Projected Fund Balance 2025-27 Biennium**

|   | Projection       |                  |                  |                  |                  |                  |                  |                  |                  |                    |                    |                    | FY TOTAL  |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|-----------|
|   | Jul-25           | Aug-25           | Sep-25           | Oct-25           | Nov-25           | Dec-25           | Jan-26           | Feb-26           | Mar-26           | Apr-26             | May-26             | Jun-26             |           |
| Beginning Fund Balance  | (916,750)        | (915,941)        | (955,868)        | (982,663)        | (899,916)        | (896,182)        | (839,133)        | (904,838)        | (954,727)        | (956,790)          | (1,020,300)        | (1,092,661)        |           |
| Revenue (projection based on prior biennium actuals)              |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |                    |                    |           |
| Revenue   | 121,154          | 142,799          | 179,015          | 273,760          | 228,745          | 248,184          | 163,709          | 119,612          | 161,204          | 122,138            | 120,354            | 181,429            | 2,062,104 |
| Interest  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                  | -                  | -                  | -         |
| Total Revenue   | 121,154          | 142,799          | 179,015          | 273,760          | 228,745          | 248,184          | 163,709          | 119,612          | 161,204          | 122,138            | 120,354            | 181,429            | 2,062,104 |
| Expenditures (based on June projection plus 2% sal/ben, 1% other) |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |                    |                    |           |
| 46610 - LID   | 95,454           | 153,252          | 169,867          | 156,607          | 193,047          | 161,303          | 199,461          | 139,460          | 133,677          | 155,792            | 162,496            | 222,263            | 1,942,680 |
| 46620- Impound  | -                | -                | 234              | 143              | 329              | 42               | 113              | 266              | 34               | 192                | 345                | 155                | 1,855     |
| 46690 - LID Admin   | 5,881            | 10,465           | 9,601            | 8,135            | 9,077            | 7,232            | 7,281            | 7,217            | 6,999            | 7,106              | 7,315              | 7,389              | 93,699    |
| Agency Ops Support  | 19,009           | 19,009           | 26,107           | 26,128           | 22,558           | 22,558           | 22,558           | 22,558           | 22,558           | 22,558             | 22,558             | 22,558             | 270,717   |
| Total Expenditures  | 120,344          | 182,726          | 205,809          | 191,014          | 225,011          | 191,136          | 229,413          | 169,501          | 163,268          | 185,649            | 192,715            | 252,365            | 2,308,951 |
| Excess of Revenues over (under) Expenditures                      | 810              | (39,928)         | (26,794)         | 82,746           | 3,735            | 57,048           | (65,704)         | (49,889)         | (2,064)          | (63,510)           | (72,360)           | (70,936)           | (246,847) |
| <b>Ending Fund Balance</b>  | <b>(915,941)</b> | <b>(955,868)</b> | <b>(982,663)</b> | <b>(899,916)</b> | <b>(896,182)</b> | <b>(839,133)</b> | <b>(904,838)</b> | <b>(954,727)</b> | <b>(956,790)</b> | <b>(1,020,300)</b> | <b>(1,092,661)</b> | <b>(1,163,597)</b> |           |
| FTEs  | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00            | 20.00              | 20.00              | 20.00              | 20.00     |

|   | Projection         |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    | FY TOTAL  | BIENNIAL TOTAL |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------|----------------|
|   | Jul-26             | Aug-26             | Sep-26             | Oct-26             | Nov-26             | Dec-26             | Jan-27             | Feb-27             | Mar-27             | Apr-27             | May-27             | Jun-27             |           |                |
| Beginning Fund Balance  | (1,163,597)        | (1,165,422)        | (1,232,701)        | (1,293,116)        | (1,269,460)        | (1,336,797)        | (1,378,101)        | (1,478,635)        | (1,532,344)        | (1,538,066)        | (1,605,817)        | (1,682,601)        |           |                |
| Revenue   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |           |                |
| Revenue (projection based on prior biennium actuals)              | 121,154            | 119,704            | 150,067            | 218,956            | 162,937            | 154,215            | 134,258            | 119,612            | 161,204            | 122,138            | 120,354            | 181,429            | 1,766,029 | 3,828,133      |
| Interest  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -         | -              |
| Total Revenue   | 121,154            | 119,704            | 150,067            | 218,956            | 162,937            | 154,215            | 134,258            | 119,612            | 161,204            | 122,138            | 120,354            | 181,429            | 1,766,029 | 3,828,133      |
| Expenditures (based on June projection plus 2% sal/ben, 1% other) |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |           |                |
| 46610 - LID   | 97,936             | 157,237            | 174,283            | 160,679            | 198,067            | 165,497            | 204,647            | 143,086            | 137,153            | 159,843            | 166,721            | 228,042            | 1,993,190 | 3,935,869      |
| 46620- Impound  | -                  | -                  | 241                | 147                | 338                | 43                 | 116                | 273                | 35                 | 197                | 354                | 159                | 1,903     | 3,758          |
| 46690 - LID Admin   | 6,034              | 10,737             | 9,851              | 8,347              | 9,313              | 7,420              | 7,471              | 7,405              | 7,181              | 7,291              | 7,505              | 7,581              | 96,135    | 189,834        |
| Agency Ops Support  | 19,009             | 19,009             | 26,107             | 26,128             | 22,558             | 22,558             | 22,558             | 22,558             | 22,558             | 22,558             | 22,558             | 22,558             | 270,717   | 541,434        |
| Total Expenditures  | 122,979            | 186,983            | 210,482            | 195,301            | 230,275            | 195,519            | 234,791            | 173,321            | 166,926            | 189,889            | 197,139            | 258,340            | 2,361,945 | 4,670,895      |
| Excess of Revenues over (under) Expenditures                      | (1,825)            | (67,279)           | (60,415)           | 23,655             | (67,337)           | (41,304)           | (100,534)          | (53,710)           | (5,722)            | (67,751)           | (76,784)           | (76,911)           | (595,916) | (842,762)      |
| <b>Ending Fund Balance</b>  | <b>(1,165,422)</b> | <b>(1,232,701)</b> | <b>(1,293,116)</b> | <b>(1,269,460)</b> | <b>(1,336,797)</b> | <b>(1,378,101)</b> | <b>(1,478,635)</b> | <b>(1,532,344)</b> | <b>(1,538,066)</b> | <b>(1,605,817)</b> | <b>(1,682,601)</b> | <b>(1,759,512)</b> |           |                |
| FTEs  | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00     | 20.00          |

**Estimated 2 months of operating costs** **389,241**

Salaries/Benefits Increase: 2%      All other Expenditures increase: 1%

Salaries/Benefits represent % of total expenditures: 75%  
 Salaries increase 2% each fiscal year- All other expenditure increase 1%.



**Enclosure 2 to Livestock Identification Legislative Report**

**Sub Fund 361 Livestock ID**

**Projected Fund Balance 2027-29 Biennium**

|   | Projection         |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    | FY TOTAL  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------|
|   | Jul-27             | Aug-27             | Sep-27             | Oct-27             | Nov-27             | Dec-27             | Jan-28             | Feb-28             | Mar-28             | Apr-28             | May-28             | Jun-28             |           |
| Beginning Fund Balance  | (1,759,512)        | (1,764,231)        | (1,814,352)        | (1,852,604)        | (1,782,078)        | (1,793,165)        | (1,750,836)        | (1,829,421)        | (1,887,276)        | (1,896,977)        | (1,969,304)        | (2,050,853)        |           |
| Revenue (projection based on prior biennium actuals)              |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |           |
| Revenue   | 121,154            | 141,419            | 177,285            | 270,486            | 224,814            | 242,570            | 161,950            | 119,612            | 161,204            | 122,138            | 120,354            | 181,429            | 2,044,416 |
| Interest  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -         |
| Total Revenue   | 121,154            | 141,419            | 177,285            | 270,486            | 224,814            | 242,570            | 161,950            | 119,612            | 161,204            | 122,138            | 120,354            | 181,429            | 2,044,416 |
| Expenditures (based on June projection plus 2% sal/ben, 1% other) |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |           |
| 46610 - LID   | 100,482            | 161,325            | 178,815            | 164,857            | 203,216            | 169,800            | 209,968            | 146,806            | 140,719            | 163,999            | 171,056            | 233,971            | 2,045,012 |
| 46620- Impound  | -                  | -                  | 247                | 151                | 346                | 44                 | 119                | 280                | 36                 | 203                | 363                | 163                | 1,952     |
| 46690 - LID Admin   | 6,191              | 11,016             | 10,107             | 8,564              | 9,555              | 7,613              | 7,665              | 7,597              | 7,368              | 7,481              | 7,700              | 7,778              | 98,635    |
| Agency Ops Support  | 19,199             | 19,199             | 26,368             | 26,390             | 22,784             | 22,784             | 22,784             | 22,784             | 22,784             | 22,784             | 22,784             | 22,784             | 273,424   |
| Total Expenditures  | 125,872            | 191,540            | 215,536            | 199,961            | 235,901            | 200,241            | 240,535            | 177,467            | 170,906            | 194,465            | 201,903            | 264,696            | 2,419,024 |
| Excess of Revenues over (under) Expenditures                      | (4,718)            | (50,122)           | (38,251)           | 70,526             | (11,086)           | 42,329             | (78,585)           | (57,855)           | (9,701)            | (72,327)           | (81,549)           | (83,267)           | (374,608) |
| <b>Ending Fund Balance</b>  | <b>(1,764,231)</b> | <b>(1,814,352)</b> | <b>(1,852,604)</b> | <b>(1,782,078)</b> | <b>(1,793,165)</b> | <b>(1,750,836)</b> | <b>(1,829,421)</b> | <b>(1,887,276)</b> | <b>(1,896,977)</b> | <b>(1,969,304)</b> | <b>(2,050,853)</b> | <b>(2,134,120)</b> |           |
| FTEs  | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00     |

|   | Projection         |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    | FY TOTAL  | BIENNIAL TOTAL |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------|----------------|
|   | Jul-28             | Aug-28             | Sep-28             | Oct-28             | Nov-28             | Dec-28             | Jan-29             | Feb-29             | Mar-29             | Apr-29             | May-29             | Jun-29             |           |                |
| Beginning Fund Balance  | (2,134,120)        | (2,141,612)        | (2,217,929)        | (2,288,317)        | (2,273,834)        | (2,352,339)        | (2,402,979)        | (2,514,918)        | (2,576,795)        | (2,590,347)        | (2,667,137)        | (2,753,344)        |           |                |
| Revenue   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |           |                |
| Revenue (projection based on prior biennium actuals)              | 121,154            | 119,704            | 150,067            | 218,956            | 162,937            | 154,215            | 134,258            | 119,612            | 161,204            | 122,138            | 120,354            | 181,429            | 1,766,029 | 3,810,445      |
| Interest  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -         | -              |
| Total Revenue   | 121,154            | 119,704            | 150,067            | 218,956            | 162,937            | 154,215            | 134,258            | 119,612            | 161,204            | 122,138            | 120,354            | 181,429            | 1,766,029 | 3,810,445      |
| Expenditures (based on June projection plus 2% sal/ben, 1% other) |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |           |                |
| 46610 - LID   | 103,095            | 165,519            | 183,464            | 169,143            | 208,500            | 174,215            | 215,427            | 150,623            | 144,377            | 168,262            | 175,503            | 240,055            | 2,098,183 | 4,143,195      |
| 46620- Impound  | -                  | -                  | 253                | 155                | 355                | 45                 | 122                | 287                | 37                 | 208                | 373                | 168                | 2,003     | 3,956          |
| 46690 - LID Admin   | 6,352              | 11,302             | 10,370             | 8,786              | 9,803              | 7,811              | 7,864              | 7,795              | 7,559              | 7,675              | 7,901              | 7,980              | 101,199   | 199,834        |
| Agency Ops Support  | 19,199             | 19,199             | 26,368             | 26,390             | 22,784             | 22,784             | 22,784             | 22,784             | 22,784             | 22,784             | 22,784             | 22,784             | 273,424   | 546,849        |
| Total Expenditures  | 128,646            | 196,021            | 220,455            | 204,474            | 241,442            | 204,855            | 246,197            | 181,488            | 174,757            | 198,929            | 206,560            | 270,986            | 2,474,809 | 4,893,833      |
| Excess of Revenues over (under) Expenditures                      | (7,492)            | (76,317)           | (70,388)           | 14,483             | (78,504)           | (50,640)           | (111,939)          | (61,877)           | (13,552)           | (76,791)           | (86,206)           | (89,557)           | (708,780) | (1,083,388)    |
| <b>Ending Fund Balance</b>  | <b>(2,141,612)</b> | <b>(2,217,929)</b> | <b>(2,288,317)</b> | <b>(2,273,834)</b> | <b>(2,352,339)</b> | <b>(2,402,979)</b> | <b>(2,514,918)</b> | <b>(2,576,795)</b> | <b>(2,590,347)</b> | <b>(2,667,137)</b> | <b>(2,753,344)</b> | <b>(2,842,900)</b> |           |                |
| FTEs  | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              | 20.00     | 20.00          |

**Estimated 2 months of operating costs 407,819**

Salaries/Benefits Increase: 2%      All other Expenditures increase: 1%

Salaries/Benefits represent % of total expenditures: 75%  
 Salaries increase 2% each fiscal year- All other expenditure increase 1%.

Brand Renewals of \$599,522 in Dec 2027 based on 6% historical decrease in renewals every four years.

## Enclosure 3 to 2020 Livestock Identification Program Legislative Report

| Livestock Identification Program<br>Fiscal Year 2020 Actuals Vs. Projected |                     |                     |                     |
|--|---------------------|---------------------|---------------------|
|  | PROJECTED           | ACTUAL              | VARIANCE            |
| Beginning Fund Balance   | \$ -                | \$ (77)             | \$ (77)             |
| <b>TOTAL REVENUE</b>   | <b>\$ 2,774,162</b> | <b>\$ 2,323,285</b> | <b>\$ (450,877)</b> |
| Program Expenditures   | \$ 1,766,792        | \$ 1,682,153        | \$ (84,639)         |
| Agency Operations Support  | \$ 225,829          | \$ 262,755          | \$ 36,926           |
| <b>TOTAL EXPENDITURES</b>  | <b>\$ 1,992,621</b> | <b>\$ 1,944,908</b> | <b>\$ (47,713)</b>  |
| Excess of Revenue over (under) Expenditures                                | \$ 793,791          | \$ 378,377          | \$ (415,414)        |
| <b>Ending Fund Balance</b>   | <b>\$ 793,791</b>   | <b>\$ 378,300</b>   | <b>\$ (415,491)</b> |
| 2-Month Operating Reserve  | \$ 332,104          | \$ 324,151          |                     |
| <b>HEADCOUNTS</b>  |                     |                     |                     |
| <b>Cattle</b>  | <b>997,233</b>      | <b>1,020,570</b>    | <b>23,337</b>       |
| Field Cattle ID  | 714,209             | 632,572             | (81,637)            |
| Field Cattle Non-ID  | 176,767             | 238,355             | 61,588              |
| Public Livestock Market ID   | 144,627             | 115,752             | (28,875)            |
| Public Livestock Market Non-ID   | 133,557             | 141,473             | 7,916               |
| Large Slaughter ID   | 109,274             | 86,751              | (22,523)            |
| Large Slaughter Non-ID   | 66,779              | 10,715              | (56,064)            |
| Small Slaughter  | 54,637              | 2,322               | (52,315)            |
| <b>Horses</b>  | <b>4,637</b>        | <b>3,398</b>        | <b>(1,239)</b>      |
| Horse One-Way (CO, OS, Market)   | 2,944               | 2,596               | (348)               |
| Horse Annual   | 673                 | 255                 | (418)               |
| Horse Lifetime   | 1,020               | 547                 | (473)               |
| <b>Certified Feedlot Audits</b>  | <b>278,387</b>      | <b>384,600</b>      | <b>106,213</b>      |
| <b>PROPORTION OF ID &amp; NON ID CATTLE</b>                                |                     |                     |                     |
| Identified Cattle  | 55%                 | 66%                 | 11%                 |
| Non Identified Cattle  | 45%                 | 34%                 | -11%                |

## Enclosure 3 to 2020 Livestock Identification Program Legislative Report

| Livestock Identification Program<br>Fiscal Year 2020 Actuals Vs. Projected |                     |                     |                     |
|--|---------------------|---------------------|---------------------|
|  | PROJECTED           | ACTUAL              | VARIANCE            |
| <b>REVENUE BY INDUSTRY SEGMENT</b>   |                     |                     |                     |
| Field Cattle - ID  | \$ 213,888          | \$ 279,960          | \$ 66,072           |
| Field Cattle - Non ID  | \$ 578,509          | \$ 438,028          | \$ (140,481)        |
| Horse One-Way  | \$ 11,334           | \$ 9,995            | \$ (1,340)          |
| Horse Annual Inspection  | \$ 14,806           | \$ 5,610            | \$ (9,196)          |
| Horse Lifetime Inspection  | \$ 64,260           | \$ 34,461           | \$ (29,799)         |
| Field Inspections Call Out Fee   | \$ 110,000          | \$ 103,460          | \$ (6,540)          |
| <b>Subtotal Field Inspection Revenue</b>                                   | <b>\$ 992,797</b>   | <b>\$ 871,514</b>   | <b>\$ (121,284)</b> |
| Public Livestock Market - ID   | \$ 159,326          | \$ 169,229          | \$ 9,903            |
| Public Livestock Market - Non ID   | \$ 430,935          | \$ 331,212          | \$ (99,723)         |
| Public Livestock Market Minimum Fee Sales                                  | \$ 14,100           | \$ 1,500            | \$ (12,600)         |
| Public Livestock Market Call Out Fee                                       | \$ 17,500           | \$ 17,220           | \$ (280)            |
| Public Livestock Market License Fee  | \$ 2,475            | \$ 2,995            | \$ 520              |
| <b>Subtotal Public Livestock Market Revenue</b>                            | <b>\$ 624,336</b>   | <b>\$ 522,156</b>   | <b>\$ (102,180)</b> |
| Large Slaughter - ID   | \$ 80,802           | \$ 12,965           | \$ (67,837)         |
| Large Slaughter - Non ID   | \$ 218,548          | \$ 9,288            | \$ (209,260)        |
| Small Slaughter  | \$ 125,701          | \$ 163,698          | \$ 37,997           |
| Slaughter Call Out Fee   | \$ 28,000           | \$ 10,280           | \$ (17,720)         |
| <b>Subtotal Slaughter Facility Revenue</b>                                 | <b>\$ 453,051</b>   | <b>\$ 196,231</b>   | <b>\$ (256,820)</b> |
| Certified Feedlot Audit  | \$ 77,948           | \$ 107,688          | \$ 29,740           |
| Certified Feedlot Call Out Fee   | \$ 2,640            | \$ 2,640            | \$ -                |
| Certified Feedlot License Fee  | \$ 5,610            | \$ 7,480            | \$ 1,870            |
| <b>Subtotal Certified Feedlot Revenue</b>                                  | <b>\$ 86,198</b>    | <b>\$ 117,808</b>   | <b>\$ 31,610</b>    |
| Brand Renewal - biennial staggered renewal starting FY22                   | 5,512               | 5,431               | -81                 |
| Brand Renewal  | \$ 545,704          | \$ 545,700          | \$ (4)              |
| New Brands / Brand Transfer  | \$ 30,475           | \$ 39,375           | \$ 8,900            |
| <b>Subtotal Brand Recording Revenue</b>                                    | <b>\$ 576,179</b>   | <b>\$ 585,075</b>   | <b>\$ 8,896</b>     |
| Estray Transfer  | \$ 41,601           | \$ 28,521           | \$ (13,080)         |
| Vet Certification  | \$ 0                | \$ 2,840            | \$ 2,840            |
| ECTR   | \$ 0                | \$ 3,516            | \$ 3,516            |
| Interest   | \$ 0                | \$ 4,856            | \$ 4,856            |
| <b>Subtotal Other Revenue</b>  | <b>\$ 41,601</b>    | <b>\$ 39,733</b>    | <b>\$ (1,868)</b>   |
| <b>Total</b>   | <b>\$ 2,774,162</b> | <b>\$ 2,332,517</b> | <b>\$ (441,645)</b> |

Note: Variance between FY 20 actual revenue from AFRS and total reported revenue is due to year- end closeout. \$9,232 for inspections conducted in June 2020 received in July, 2020 and will be allocated to FY 2021 revenue.