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# FY2021 - PROPOSED ORGANIZATIONAL & BUDGET ADJUSTMENTS

NEW MEXICO  
LIVESTOCK BOARD



# NEW MEXICO LIVESTOCK BOARD



## MISSION

To protect the livestock industry against loss of livestock by theft or straying, to help control the spread of dangerous diseases of livestock, and to prevent the introduction of foreign animal diseases, whether by natural occurrence or bioterrorism.

# NEW MEXICO LIVESTOCK BOARD



## BACKGROUND

The New Mexico Livestock Board (NMLB) and its predecessor agencies are New Mexico's oldest law enforcement agencies. However, how they have operated has changed over time as the tools available have changed. The NMLB is a diverse agency providing livestock protection and inspection services throughout the state. Its historic mission is to protect the 2 billion dollar livestock industry from animal theft and disease. It is also responsible to enforce animal cruelty statutes. The majority of NMLB's annual appropriated budget is funded by agency generated revenues resulting from services provided to the livestock industry.

# NEW MEXICO LIVESTOCK BOARD



## **BACKGROUND (CONTINUED)**

The 58 NMLB Inspector positions have two classifications. Approximately half are certified law enforcement officers their title is **Livestock Inspector** and others are non-certified inspectors their title is **Brand Inspector**. Each of the inspectors is expected to inspect livestock for ownership and health verification.

NEW MEXICO  
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## **ISSUES**

Livestock Theft

and,

Fund Balance

# NEW MEXICO LIVESTOCK BOARD



## ISSUE # 1

### Livestock Theft

Reports of missing and/or stolen livestock continues to be an issue for New Mexicans of both large and small ranches at various locations around the state.

Example: 25 head of unbranded southern New Mexico calves were stolen and moved to Texas.

Over the past couple of years, the NMLB has participated in a number of meetings and discussions with livestock industry leaders and organizations. The NMLB listened and made note of the industry's concerns regarding livestock theft and their demands for solutions. The most notable has been the public demand for an increase in the quantity and quality of Law Enforcement services.

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## ORGANIZATIONAL ADJUSTMENTS

The result of collected input from NMLB managers in FY2019 was a proposed plan of action that included adding 5 Law Enforcement positions. As discussed among all four supervisors, Area 1, 2, 3, 4 and the Albuquerque Office would all have an additional law enforcement “Rover” position. The Rovers would focus on law enforcement issues throughout the Area and would not be “inspectors”. The Albuquerque Rover would assist with training, record keeping and management related to law enforcement statewide.

The added Law Enforcement positions would increase the agency’s ability to meet both current and future performance measures related to Law Enforcement activity, resulting in bolstered focus on prevention, detection and prosecution of livestock theft.

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## ORGANIZATIONAL ADJUSTMENTS

The NMLB proposed adding 5 Law Enforcement positions funded by General Funds in our FY2020 budget request during the FY2019 Legislative session. The NMLB was appropriated 2 new positions to be funded by the agency's fund balance.

- To meet the public demand and continue to implement our plan of action, NMLB is proposing the addition of 2 new FTE's for Law Enforcement.
- NMLB is also proposing to reduce the vacancy rate by filling positions that have previously been left vacant due to funding insufficiencies.



# NEW MEXICO LIVESTOCK BOARD



## ISSUE # 2

### Fund Balance

Our fund balance plays two important and very necessary roles in the operations of the agency:

- **\$1 Million for Emergencies** - The fund balance is utilized to fund emergency services. The agency's ability to immediately respond to these situations, as required by law, is critical for the health and safety of not only the livestock but also of the citizens of New Mexico.
- **\$1 Million to Stabilize Agency Revenues** - The two major drivers of NMLB's revenue, Mill Levy and Inspections, are highly susceptible to unpredictable forces such as weather and market values. The fund balance is utilized to offset the inherent unpredictability of the agency's revenue resources.

# NEW MEXICO LIVESTOCK BOARD



## ISSUE # 2 (CONTINUED)

### Fund Balance

If the Board's Fund Balance drops below \$2mil, it will leave the agency less prepared to react to emergency situations and supplement unpredictable agency revenue resources. In FY2020 the agency is scheduled to utilize **\$1,500,000** of the Fund Balance to supplement agency generated revenues that fund operating costs. That will leave **\$386,500** available to supplement agency generated revenues in FY2021.

<b>FY2020</b>	Beginning Fund Balance	3,908,985
	Projected Revenues	5,244,300
	Projected Expenditures	(6,766,800)
	Ending Fund Balance	<u><u>2,386,485</u></u>

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## BUDGET ADJUSTMENTS

- We are projecting \$5,554,800 (82% of the total budget) in available revenues generated from Inspections, Brands, Mill Levy and fund balance.
- We are requesting the remaining budget of \$1,212,000 (18%) be funded with General Funds to supplement the agency generated revenues to ensure the agency's operating costs are fully funded to provide statutorily mandated services to the public without jeopardizing the availability of resources to properly deal with livestock emergencies that could have a direct impact on New Mexico's economy.
- We are also proposing to utilize budget that has been made available by cost shifting the purchase of vehicles from the agency's operating budget to the State's Capital Outlay budget to fund filling the 2 new law enforcement positions and other vacant positions.

# NEW MEXICO LIVESTOCK BOARD



## FY2021 BUDGET REQUEST SUMMARY

- Our FY2021 Budget request is flat from FY2020.
- 82% of this total budget generated through agency revenues from Inspections, Brands, Mill Levy and fund balance.
- We are requesting the remaining 18% of the budget be funded with General Funds.
- Utilize budget made available by shifting the purchase of the vehicles from the agency's operating budget to the State's Capital Outlay to fund:
  - Filling the 2 new FTE's for Law Enforcement positions; and,
  - Filling positions that have previously been left vacant due to funding insufficiencies.