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Wolf Depredation Program Finances

Wolf Depredation Revenue, Program Expenses and Claim Payments Made by the Minnesota Department of Agriculture FY 2017-2021

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Peder Kjeseth

Minnesota Department of Agriculture Plant Protection Division 625 Robert Street North Saint Paul, MN 55155

Phone: 651-201-6607

peder.kjeseth@state.mn.us
www.mda.state.mn.us

As requested by Minnesota Statute 3.197: This report cost approximately \$750 to prepare, including staff time, printing and mailing expenses.

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Background

Wolves are present through northern and parts of eastern Minnesota and cause depredation of livestock through portions of this range. To mitigate the economic damage to livestock producers, the Minnesota Department of Agriculture (MDA) manages the Wolf Damage Compensation Program under Minnesota Statute 3.737. Livestock producers are eligible for 100% compensation for livestock that have been confirmed as lost to wolves from a minimum value of \$100 to a maximum amount of \$20,000 per producer per fiscal year.

This report is submitted in accordance with Minnesota Statute 3.737 Subd. 7:

The commissioner must submit a report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over agriculture and environment and natural resources by December 15 each year. The report must include:

- (1) all payments made under this section, by county and statewide, in the previous five fiscal years;
- (2) the program's total revenue by funding source including state appropriations; and
- (3) how each revenue source is used in expenditures including administrative costs used to carry out this section.

Wolf Depredation Payments by County and Statewide for Past Five Fiscal Years

Depredation claims in Minnesota are filed with the Minnesota Department of Agriculture. Claims are initiated by producers and submitted to a local authority with expertise to inspect the site of the loss and determine if evidence supported the loss was due to wolves. Authorities qualified to make this assessment in Minnesota are primarily Minnesota Department of Natural Resources conservation officers and U.S. Department of Agriculture – Animal and Plant Health Inspection Service Wildlife Services staff in counties within Minnesota's wolf range. Additionally, in Kittson County, the sheriff's department has also been trained to make depredation assessments due to high amounts of depredation.

If the investigating authority determines that wolves were likely the cause of the loss, then the claim is passed on to an employee of the University of Minnesota (UMN) Extension qualified to assess the current market value of the animal or animals lost. The individuals who perform this service are livestock experts for UMN Extension and are well-qualified to make these determinations. These values are based upon the claimant's typical first point of sale. If a livestock owner has received an insurance settlement or payments from any other source, the amount of that settlement must be deducted from the market value estimate before any payment can be made. The MDA pays UMN Extension for the evaluation service they provide. When a valuation has been made, the UMN Extension expert completes that portion of the claim form and returns it to the MDA. During recent years, a typical assessment for calves lost to wolves was approximately \$1,000 per animal. Claim payments are capped at \$20,000 per fiscal year, per owner. Claims are paid from a General Fund appropriation and federal grant funds when available.

Table 1. Wolf Depredation Payments made by the MDA for State fiscal years 2017 – 2021 by Minnesota County. Counties are sorted by the amounts of claim payments made during the past 5 fiscal years.

County	FY17	FY18	FY19	FY20	FY21	FY17-21
Kittson	\$13,955	\$31,400	\$12,900	\$15,500	\$9,200	\$82,955
Pine	\$14,738	\$21,950	\$20,650	\$8,600	\$9,900	\$75,838
Beltrami	\$30,225	\$21,630	\$1,050	\$9,450	\$9,550	\$71,905
Marshall	\$13,450	\$17,100	\$8,450	\$10,900	\$3,500	\$53,400
Aitkin	\$11,769	\$11,800	\$9,150	\$7,850	\$5,300	\$45,869
Cass	\$16,878	\$5,800	\$6,250	\$7,700	\$5,100	\$41,728
Crow Wing	\$2,610	\$16,982	\$15,000	\$2,100	\$1,150	\$37,842
Clearwater	\$3,844	\$2,100	\$3,600	\$21,600	\$5,800	\$36,944
St Louis	\$4,060	\$4,150	\$2,640	\$13,650	\$8,550	\$33,050
Koochiching	\$7,272	\$4,200	\$7,700	\$5,450	\$1,150	\$25,772
Roseau	\$3,040	\$8,700	\$4,750	\$3,650	\$4,800	\$24,940
Itasca	\$5,148	\$3,050	\$4,050	\$2,650	\$2,600	\$17,498
Carlton	\$7,644	\$2,050	\$3,270	\$1,050	\$2,300	\$16,314
Otter Tail	\$5,200	\$5,000	\$0	\$1,050	\$1,350	\$12,600
Polk	\$4,700	\$2,100	\$2,100	\$0	\$2,500	\$11,400
Becker	\$2,400	\$4,050	\$0	\$0	\$0	\$6,450
Norman	\$1,064	\$0	\$2,700	\$0	\$2,400	\$6,164

County	FY17	FY18	FY19	FY20	FY21	FY17-21
Clay	\$2,340	\$0	\$0	\$1,650	\$1,200	\$5,190
Mahnomen	\$1,078	\$0	\$0	\$3,650	\$0	\$4,728
Lake	\$1,036	\$0	\$0	\$0	\$2,875	\$3,911
Morrison	\$0	\$0	\$1,050	\$0	\$2,400	\$3,450
Mille Lacs	\$1,050	\$0	\$0	\$2,350	\$0	\$3,400
Pennington	\$0	\$0	\$2,150	\$0	\$1,150	\$3,300
Kanabec	\$175	\$1,050	\$0	\$1,800	\$0	\$3,025
Cook	\$0	\$2,800	\$0	\$0	\$0	\$2,800
Isanti	\$2,344	\$0	\$0	\$0	\$0	\$2,344
Wadena	\$0	\$0	\$0	\$1,050	\$1,150	\$2,200
Hubbard	\$0	\$0	\$0	\$0	\$1,200	\$1,200
Red Lake	\$0	\$0	\$0	\$0	\$1,000	\$1,000
Statewide	\$156,021	\$165,912	\$107,460	\$121,700	\$86,125	\$637,218

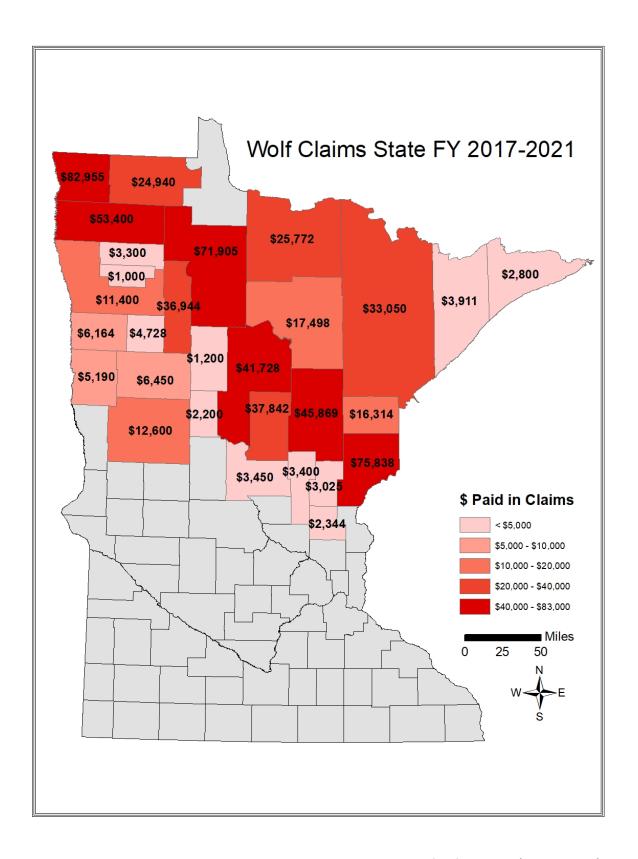


Figure 1. Claim payments made by Minnesota County summed over the past five fiscal years (FY 2017-2021).

Wolf Depredation Revenue and Program Expenses

The MDA received an appropriation of \$175,000 per fiscal year from the General Fund from 2017 – 2021 to pay livestock depredation claims. Those funds were used exclusively to make payments to producers; although beginning in FY20, the funds were also eligible to reimburse University of Minnesota Extension for staff time spent assigning monetary value to lost animals. During fiscal years 2019 – 2021, the MDA also received federal funds from the U.S. Fish and Wildlife Services to make compensation payments. These funds are eligible to help cover MDA staff time spent administering the project as well as to pay claims.

A complete list of all appropriated funds as well as expenditures by category are detailed in Table 2.

Table 2: Amounts appropriated for wolf depredation payments by fiscal year and expenditures by category. A description of each column follows the table.

FY	Appropriation	Amount	Roll forward	Salary	Indirect Costs	PT Services	Claims Paid	Claims Encumbered	De- obligated
2017	G46	\$175,000	\$796	\$0	\$0	\$0	\$156,021	\$0	\$19,775
2018	G46	\$175,000	(\$9,088)	\$0	\$0 \$0	\$0	\$165,912	\$0	\$0
2019	F47	\$37,655	\$0	\$2,480	\$535	\$0	\$34,640	\$0	\$0
2019	G46	\$175,000	\$9,088	\$0	\$0	\$0	\$72,820	\$0	\$111,268
2020	F47	\$51,173	\$0	\$4,969	\$1,010	\$0	\$45,194	\$0	\$0
2020	G46	\$175,000	(\$95,494)	\$0	\$0	\$3,000	\$76,506	\$0	\$0
2021	F47	\$63,960	\$0	\$7,336	\$2,100	\$0	\$21,525	\$33,000	\$0
2021	G46	\$175,000	\$95,494	\$0	\$0	\$3,000	\$64,600	\$128,170	\$74,724

Amounts appropriated for wolf depredation payments by fiscal year and expenditures by category. Column description: **Appropriation** = G46 is from the General Fund and F47 is federal funding. **Amount** = the amount appropriated each fiscal year. **Roll forward** = for state funds, an amount that was rolled in from a previous fiscal year (positive values) or rolled into a subsequent fiscal year (negative values). **Salary** = expenditures for administrative time. **Indirect Costs** = expenditures to cover department costs. **PT Services** = expenditures to cover UMN Extension staff time. **Claims Paid** = the total claims paid to producers. **Claims Encumbered** = dollars available to pay claims from fiscal year 2021. **De-obligated** = dollars not expended and returned to the state General Fund.