

**Officers:**

President  
Ron Rucker

President-Elect  
Thomas Jass, AFM

Past President  
Wade Buck

Secretary  
Jack Davis

Treasurer  
Allan Husby, ARA

**Directors:**  
Perry Beguin

Ron Ensz

Kent Rasmussen

Paul T. Sickler, AFM

**Committee Chairs:**  
Membership  
Ted Risty

East River Breakfast  
Scott Heimes

West River Breakfast  
Perry Beguin

SDSU Relationships  
& Mentor  
Paul T. Reisch, ARA

Assessors Conference  
Marv Siebrecht

Ag Lender's Conference  
Terry Leibel

Education Foundation  
Veronica Widdoss

Government Relations  
Ron Rucker

Technology  
Allan Husby, ARA

Education  
Ordean Eddy

Social  
Craig Sommers /  
Ron Rossknecht

Appraisal Review & Ethics  
Jerald A. Hulm, ARA

Scholarship Fundraising  
Brian Gatzke

**Newsletter Editor:**  
Paul Reisch, ARA

**SOUTH DAKOTA CHAPTER**  
**AMERICAN SOCIETY FARM MANAGERS & RURAL APPRAISERS**

1/07



*Enhancing Our Members' Ability to Succeed  
in Their Rural & Agriculturally Related Professions!*

**DATES TO REMEMBER!**

**2007**

Feb. 14-16 - ASFMRA Annual Meeting w/ ASAC & NAICC in Atlanta, GA

Feb. 22 - West River Breakfast Meeting (9 A.M.)  
Rapid City Marlin's Roadhouse Grill

Feb. 23 - East River Breakfast Meeting (9 A.M.)  
Sioux Falls Roll'N Pin Restaurant

April 18-20 – Ag Lender's Conference in Pierre

May 8-11 - Assessor's Conference in Aberdeen

May 18 - Chapter Board Meeting & SDSU Breakfast - Brookings

**2008**

January 23-25 – Winter Education & Joint Meeting W/PAASD – Mitchell

Feb. 16-23 - ASFMRA Meeting w/ ASAC & NAICC in Seattle, WA

**July 18-25, 2009** – International Farm Management Conference in  
Bloomington, Illinois co-hosted by national ASFMRA and Illinois ASFMRA

**PRESIDENT'S MESSAGE**

The new terms for our chapter officers are off and running. We thank Wade for his work as our past President. I can appreciate his efforts, especially writing these messages. Writers block is a real problem.

Paul Reisch's term as a board member ended. We thank Paul for his diligent efforts. He was able to keep us on course in many of our endeavors. We are thankful for his continued work for our chapter, with SDSU, newsletter, mentoring, and numerous other projects.

Tom Jass has accepted the challenge of our next President. His view from the Farm Manager position will keep our chapter diversified and moving forward.

Should you have the opportunity to thank Jim Dunlap for his volunteering, well sort of, to be our lobbyist, please do so. It has taken a lot of his time already and he hasn't even been to Pierre for testimony on the Limiting Liability bill.

We will keep our membership informed when the bill is working its way through the legislative process. When we hear that it is moving through the process, take the opportunity to visit your support with the elected officials you know.

Continued

## **PRESIDENT'S MESSAGE CONTINUED**

Our recent education offerings were timely and I think quite well received. The social after our annual meeting was very enjoyable. It is always nice to have the opportunity to chat with our peers.

PAASD's willingness to move from the original date they offered was appreciated. The Rapid City stock show dates would have affected several of our board as well as our membership and likely some of there group also. We will continue to work toward cooperation and understanding as we move forward. Working together as we serve the membership of our appraisal groups can only make us stronger and keep us moving forward to serve the appraisal needs in our State. As one PAASD member stated, at our social, where else can I have the opportunity to keep a friendship with some one like Russell Wyatt.

Our get well wishes go out to secretary, Jack Davis. He had surgery to remove a lupoma from his neck. It sounds as if the surgery is routine but does take some time to heal. Those in attendance at our education and annual meeting had the opportunity to sign a get well card that was forwarded to Jack. We wish him a speedy recovery.

The national newsletter congratulated two of our chapter members. Barclay J. Allibone, ARA for his 35 years of membership in ASFMRA. John T. Widdoss, ARA for his 25 years of membership in ASFMRA. Our congratulations go out to these individuals. They have contributed much to our success as a chapter.

## **DISTRICT VI VICE PRESIDENT REPORT – GEORGE LUTHER, ARA MILES CITY, MT**

**Staff:** Lee Barta has continued to work diligently on getting the membership notified of the meetings and classes. The chapters need to continue to let the DVP or Lee know of schedules and classes / seminars in order to get them on the schedule and better exposure outside of the chapter.

Brian Stockman came on board in 2006 and has been a tremendous asset to the organization. He is writing the updates via the electronic newsletter that are now being to the sent to the membership. These updates provide timely information for each of us.

We have added staff in the Denver office to better meet the needs of the members as to marketing our organization, picking up the extra workload and to complete the goals set out by the officers and council.

**Unification:** Work is continuing on this area. Under the current concept the disciplines will be kept separate. The most affect will be with the appraisers and lesser with the managers and consultants. I would like to know your concerns and feelings about this whole area.

**Management:** The Pro-Farmer seminars can be taken for CE. There has been a change in the education committee with the planned formation of regional sub-committees to address the differences. The attendance at the education courses has been somewhat dismal with several having been cancelled due to lack of interest. The courses and education are being looked at seriously, given the need to meet the needs and expectations of the members and their clients.

Continued

## **DISTRICT VI VICE PRESIDENT REPORT CONTINUED**

**Consulting:** CM-15 is revised and will be offered in Atlanta. C-40 has been updated and standards is in development. ASAC remained independent of the ASFMRA. At the end of the year we have 41 members with the AAC designation.

**Appraisal:** As everyone is aware, the January 2008 requirements from AQB, which has and will add more burden to the pre-cert education requirements. In that line we have incurred costs of \$100,000 to rewrite the appraisal courses to meet the needs of the new hours and standards. The courses that are being done and should be ready in 2007 are A-110 (old A-10), A-200 (old A-20), and A-300 (old A-30).

The Yellow Book seminar has been written and is being edited. ASFMRA is the lead on it with AI doing the review and editing. It will be a required course for anyone doing appraisals that are subject to Yellow Book standards. As I now understand, there will be test with this course. The Conservation Easement seminar is being written by AI and will be reviewed / edited by ASFMRA.

Our review course was split into three courses. These three courses have been approved and are being offered in several locations this year.

The next item being considered and will be brought up to council in Atlanta is mandatory continuing education for ARA and RPRA's. The thought is that if we have our accreditation, then we should keep up with the core areas, i.e. A-30 and above. Let me know what you think on this as will be on the agenda at council.

**Other Items:** The education committees have been combined with accrediting since there was a gap in communication and identifying needs from the results of the accrediting testing and education received or not. Committee structure is being looked at very seriously to see if we can streamline and meet the needs of the members and organization better.

By Laws are being change and there is a need to completely revise/revamp and consolidate them. There are some major changes for the Board of Directors to consider in Atlanta. The current ASFMRA news outlines those changes.

**Financial:** We took a hit of about \$180,000 for the past fiscal year. Most of this was due to education, some accounting items and addition of staff. The council and officer team considered and moved to increase the Denver staff to meet the backlog of work along with the need to get quality people in place to increase services and awareness of what we offer.

For 2007 we look to break even with further expansion of on-line services, education, membership services, and new course offerings. The Staff has started a tracking system to isolate costs and income per area/department. This will allow us to get a better handle on what each service area does cost and what income it generates.

Last but not least, the national meeting is in Atlanta Feb 14-16<sup>th</sup>.

If you have any questions or concerns or thoughts drop me an email at [apprsl@midrivers.com](mailto:apprsl@midrivers.com) or call my cell at 406-853-1915

Thanks!

## CHAPTER ANNUAL MEETING HELD IN MITCHELL

Prior to Friday's education seminar on January 19th, 22 members were in attendance for the chapter annual meeting on Thursday evening January 18<sup>th</sup>.

Membership Meeting Highlights Not Addressed Elsewhere In Newsletter:

**Financial Position:** The financial report with the 2006 information and the 2007 budget were reviewed by Treasurer Husby. Allan reported that 2006 was a good income year and year end financials showed \$27,396 equity position.

2007 budget shows negative \$3,100 net income but includes \$3,200 in national delegate and national meeting scholarships where only \$575 is expected to be spent.



Paul Reisch shared board discussions and philosophy regarding cash reserves. Philosophy is that \$20,000 in reserves is adequate for contingencies and unforeseen expenses. Since we are now in excess of that, an exploratory committee (Ron Ensz, Allan Husby, and Paul Reisch) has been established to revisit the National Meeting Scholarship and other ways to provide financial support to our members. A committee report and recommendation to the board is expected at the May 2007 board meeting.

**Dakota Farmer ASFMRA Article:** An exploratory committee (Ron Rucker, Wade Buck, Jack Davis, Tom Jass) has been set up to address the idea of the chapter having articles in *Dakota Farmer*. The *Dakota Farmer* magazine is receptive to publishing articles written by our members on a "monthly, quarterly or other regular basis". Articles would provide the author with credit as well as the chapter.

The committee will develop an outline (frequency, subjects, content, etc.) regarding what such an arrangement would involve. The goal is to determine the viability of the concept in the first of 2007. If viable, it is hoped the program could be implemented sometime in the second half of 2007.

**Nominating Committee Report & Elections:** Chair Paul Reisch reported the nominations of the committee (Paul Reisch, Jerry Hulm, Ron Rucker) and the members approved the nominations and elected the following:

President – Ron Rucker  
Vice President – Tom Jass  
Secretary - Jack Davis  
Treasurer - Alan Husby  
Board Member – Perry Beguin, Paul Sickler  
2008 Nominating Committee – Jim Viotor

We thank outgoing board member Paul Reisch for his years of service on the board.



Newly installed President Ron Rucker presented Wade Buck a plaque commemorating his two years as Chapter President.

**Membership:** Ted Risty will chair the committee in 2007-08. Paul Sickler will continue on the committee as board liaison.

We lost four members (death, transfers to other states, etc) this past year. Michael Braun was present and introduced to the members. Mike has all application information and dues check submitted to Denver. Three

other applications including a student member are also in process.

**SDSU Scholarship Fundraising:** Brian Gatzke reported that the main fundraising effort for the committee in 2007 will be some type of raffle for the items purchased (\$1,000 budgeted) at the Atlanta Education Foundation Auction in memory of Jerry Kjerstad. Brian has pledge cards for members interested in making individual contributions.

**Balance Info:**

Total gifts to endowment thru 12/29/06	\$13,976.00
Endowment market value as of 12/29/06	\$14,245.30
Projected 2006 earnings	\$ 700.00

**Scholarship Recipient Info:**

School Yr	Name	Amount	Hometown
2005-2006	Seth Zilverberg	\$ 500.00	Holabird, SD
2006-2007	Becky Lambert	\$ 600.00	Frankfort, SD

**SDSU Relationships:** Committee members will interview scholarship candidates in February. The board has approved two scholarships in 2007 if two worthy candidates both with strong interest in a farm management, appraisal, or consulting career. If this occurs, the chapter's \$500 budget would go to a scholarship winner instead of to the Acorn Fund.

The committee hopes to expand efforts to promote the chapter, member professions, and the scholarship in 2007 by speaking to appraisal, farm management, and ranch management classes and by having a presence at the SDSU Career Days in September.

The annual SDSU Breakfast with associated board meeting will be May 18<sup>th</sup>. The committee is working on a program speaker. Watch newsletter for future details.

**Evening Social:** After the chapter annual meeting, members enjoyed a pizza supper and refreshments courtesy of the Social Committee chaired by Craig Sommers.



## **CHAPTER WEB SITE IS UP AND RUNNING!**

Take a look at <http://www.asfmra-sd.com>!

The site has:

- Chapter Logo
- Current Schedule of Events
- Mission & Operations Statements
- Current Chapter Leadership
- Chapter History
- Scholarship Information
- Newsletter button for listing of current and past newsletters
- Basic Links to National site, etc

In 2007 committee members will work to include:

- Members directory
- Basic Links to National site, PAASD, Department of Commerce, etc.
- Fine tuning design of sight
- Photo Gallery
- Chapter Bylaws
- Expansion of Chapter History- past Presidents, Retired Members, Honors, Memorials, etc
- Links to applications for continuing Education offerings.
- Links to informational Sites

## **CHAPTER MEMBERS LOOK FORWARD TO ATLANTA NATIONAL MEETING**

Members are finalizing plans to attend the Atlanta meeting February 14-16. Those attending will participate in an informative educational program, an update on the organization's strategic planning, and networking opportunities with members from other states.

The chapter is donating Black Hills gold jewelry for the Foundation Auction.

President Ron Rucker will be attending the Atlanta national meeting and representing the chapter at the ASFMRA Board of Directors meeting. Other chapter members planning to attend include Ron Ensz, first time attendee Brian Gatzke, Tom Jass, Paul Sickler, John Widdoss, and Veronica Widdoss.



## POSITIVE COMMENTS HEARD REGARDING MITCHELL EDUCATIONAL OFFERING

On Friday January 19<sup>th</sup>, 34 people attended the seminars sponsored by the Chapter Education Committee chaired by Ordean Eddy. Those attending participated in an interesting session and walked away with valuable knowledge relative to the biodiesel, ethanol, and wind park industries.

The morning began with Terry Argotsinger, AFM, ARA, from Storm Lake, Iowa sharing knowledge regarding BioDiesel in the Renewable Fuels Industry.

Biodiesel is a new fuel made primarily from soybean oil but can be made from many sources of vegetable oils and animal fats. All of the oils are from renewable energy sources and are being promoted by the government and private industry as a way to extend the use of petroleum products. Terry explained the process of making biodiesel and demonstrate how it is used in today's trucks and tractors and discuss the future of this new industry.



Chapter member Tom Jass helped Terry make biodiesel in the class with ingredients that Terry obtained from the local Wal-Mart store.

Gary Thien, AFM, ARA from Council Bluffs, Iowa then addressed the group about the eexpanding and changing ethanol industry. He addressed industry expansion, real estate values, community impacts, real estate site selection, ethanol production process, plant operation economics, effects of input costs, changing technologies, and new feed stocks for ethanol production.

In the afternoon, Terry Argotsinger discussed wind powered electric generators and their impact on land ownership. This session reviewed the mechanics of a wind powered generator and the wind park development process. Local, state, and federal policies were discussed. Land ownership issues were reviewed. Actual sales and income analysis to develop the internal rate of return were presented. New generation contracts that involve landowners' joint ownership of towers using "flip" contracts were studied.



**SD Chapter of ASFMRA, Inc  
Balance Sheet  
January 1-December 31,2006**

**ASSETS**

**Current Assets**

<b>Checking/Savings</b>					<b>4,322.28</b>
* <b>Edward Jones CD- 12 month</b>				<b>0.00</b>	<b>0.00</b>
	Opening Bal Equity		15,000.00	<u>15,000.00</u>	<u>15,000.00</u>
	Total Edward Jones CD- 12 month		15,000.00	<u>15,000.00</u>	<u>15,000.00</u>
<b>Edward Jones CD- 6month</b>				<b>0.00</b>	<b>0.00</b>
	Opening Bal Equity		5,000.00	<u>5,000.00</u>	<u>5,000.00</u>
** Total Edward Jones CD- 6month			5,000.00	<u>5,000.00</u>	<u>5,000.00</u>
*** <b>Money Market Account</b>					<b>4,322.28</b>
<b>Opening Bal Equity</b>					<b>4,322.28</b>
	Edward Jones CD- 6month		5,000.00		9,322.28
	Edward Jones CD- 12 month		15,000.00		24,322.28
	Money Market Account		0.00		24,322.28
			<u>20,000.00</u>		<u>24,322.28</u>
<b>Total Opening Bal Equity</b>					<b>24,322.28</b>
<b>Income</b>					
Total Education	\$4,905.72				
Interest	\$1,010.87				
Membership	\$1,300.00				
Summer Meeting Sponsorship	\$1,000.00				
Kjerstad Memorial Hunts	\$1,825.00				
Total Deposits					10,041.59
<b>Expenses</b>					
Board & Meeting Expense	\$460.78				
Conference Calls	\$323.10				
Continuing Ed Expense	\$300.00				
Kjerstad Mem Ed Foundation	\$1,925.00				
Kjerstad Mem SDSU ACORN	\$900.00				
Leadership Institute	\$500.00				
Memorials/Cards	\$424.32				
Misc Administrative	\$157.96				
Public Relations	\$394.95				
SDSU Foundation Acorn	\$500.00				
Secretary Stipend	\$425.00				
Social	\$108				
<b>Total Expense</b>					6,967.98
<b>Total Net Income</b>					<u>3,073.61</u>
<b>Total Equity</b>					<u><u>27,395.89</u></u>

\*\$15,000 CD 12 month 3/07 @ 4.8%  
 \*\* \$5,000 CD 12 month 9/07 @5.1%  
 \*\*\* Current Rate 4.6%

**SD Chapter of ASFMRA, Inc**  
**2006 Actual and 2007 Budget**  
**1//06-12/31/06**

	<u>2006 Budget</u>	<u>2006 Actual</u>	<u>2007 Budget</u>
<b>Income</b>			
Education-Summer (Net)	300.00	299.04	500.00
Education-Winter	3,000.00	4,353.39	2,300.00 x
Education Fall (Net)	0.00	253.29	0.00
Interest	700.00	1,010.87	1,200.00
Kjerstad Mem Hunt		1,825.00	
Membership	1,150.00	1,300.00	1,250.00
Summer Meeting Sponsorships	1,200.00	1,000.00	1,000.00
<b>Total Income</b>	<u>6,350.00</u>	<u>10,041.59</u>	<u>6,250.00</u>
<b>Expense</b>			
Auction-Ed Foundation	500.00	548.87	1,000.00
Board & Meeting Expense	500.00	460.78	500.00
Conference Calls	500.00	323.10	500.00
Continuing Ed Expense	500.00	300.00	0.00 xx
Kjerstad Mem. Ed Foundation		1,925.00	
Kjerstad Memorial SDSU		900.00	
Legislative	100.00	0.00	1,500.00 ***
Leadership Institute	2,000.00	500.00	500.00
Memorial/Cards/Gifts	50.00	424.32	400.00
Misc Administrative	50.00	157.96	150.00
National Delegate	0.00	0.00	2,000.00
Public Relations	600.00	394.95	500.00
SDSU Foundation ACORN	500.00	500.00	500.00
Secretary Stipend	500.00	425.00 *	500.00
Social	500.00	108.00	500.00
<b>Total Expense</b>	<u>6,300.00</u>	<u>6,967.98</u>	<u>8,550.00</u>
<b>Net Income</b>	<u>50.00</u>	<u>3,073.61</u>	<u>-2,300.00</u>

\*Secretary Stipend was reduced by \$75.00 to Compensate for payment of Secretary's summer tour fee  
In Effect, summer tour income is \$75.00 more

\*\*\* Cost for Lobbyist for Limitation of time for liability

x Separate budget with breakdown

xx Continuing Ed expense included with Education Breakdown

## 2007 ASFMRA Winter Ed Budget

	Type	Num	Rate	Amount
Income				
Students		45	125	5625
Expenses				
Mailer	470			
Hospitality	430			
Total	900/2			450.00
Instructor Fee				1,500.00
Friday Holiday Inn food & rooms				1,000.00
Continuing Ed Registration Fee				75.00
Revenue CE Registration Fee				100.00
PAASD Administration Fee				200.00
	Total Expense			3,325.00
Net Winter continuing Ed				2,300.00

### **CHAPTER SUPPORTS PAASD LEGISLATION**

PAASD (Professional Appraisers Association of South Dakota) is sponsoring legislation for the 2007 legislative session. Draft of the bill:

FOR AN ACT ENTITLED, An Act to establish a statute of limitations for real estate appraisers and their agents and employees for alleged malpractice, error, mistake, or omission.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 15-2 be amended by adding thereto a NEW SECTION to read as follows:

No action may be brought against a licensed real estate appraiser, or any agent or employee thereof, for malpractice, error, mistake, or omission, whether based upon contract or tort, unless it is commenced within three years of the occurrence of the alleged malpractice, error, mistake, or omission. The term, real estate appraiser, includes any real estate appraiser who is certified, licensed, or registered pursuant to chapter 36-21B. This section is prospective in application.

The bill is not retroactive. If passed, it will go into effect July 1, 2007 and the first statute of limitations would occur July 1, 2010.

The chapter board has approved helping PAASD with the cost of this effort up to \$3,000 with the percentage based upon membership of appraisers in the two organizations. PAASD has hired a lobbyist to work to get the bill passed. They will have three members testifying on behalf of the bill. Jim Dunlap will represent the chapter in support of passage of the bill.

You can follow progress of the bill on the PAASD website <http://www.paasd.com>.