

Officers:

President
Ron Rucker

President-Elect
Thomas Jass, AFM

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
www.asfmra-sd.com

SOUTH DAKOTA CHAPTER
AMERICAN SOCIETY FARM MANAGERS & RURAL APPRAISERS

1/08



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

DATES TO REMEMBER!

2008

February 17-23 - ASFMRA National Annual Meeting in San Diego, CA

March 13- West River Breakfast Meeting (9 A.M.)

Rapid City Marlin's Roadhouse Grill

March 21- East River Breakfast Meeting (9 A.M.)

Sioux Falls Roll'N Pin Restaurant

May 16 - Chapter Board Meeting & SDSU Breakfast – Brookings

July 13–18 – ASFMRA National Summer Education Meeting in Omaha, NE

November 10-16 - ASFMRA National Annual Meeting in San Antonio, TX

2009

January 21-23 – Winter Education & Joint Meeting W/PAASD – Mitchell

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

October 2009 – South Dakota-Wyoming Educational Offering – Black Hills

PRESIDENT'S MESSAGE

I would like to thank those who were in attendance at the annual meeting. It is a pleasure to see our membership take an active part in our chapter. Communication from the membership on the programs wanted for education and other activities are important to the board.

I am sure Tom Jass and I are both looking forward to the next year meeting. It will be in Mitchell at the same motel though, it sounds like the hotel, will have a different name. The dates for the meeting are set for January 21, 22, and 23.

We will offer education on one of the days. We will set the day so we are not in competition with PAASD on their offering. When they set the home appraisal class we will have our class that day. So we are open as to whether it will be Wednesday or Friday with USPAP update on Thursday.

This newsletter has additional information from the annual meeting as well as the proposed legislation on the lender pressure. Check out the information and be pro active on the need for contacting our elected officials.

Communication will be forth coming on the dates for the bill to be moving through the committees, house, and senate. Our support is needed both in our presence at the hearings as well as the contacts we can make on the bills behalf.

Continued

PRESIDENT'S MESSAGE CONTINUED

We do thank Ron Ensz and Wade Buck for serving our chapter as board members and Wade as President. A replacement for the board to fulfill Wade's last year will be made in the near future.

Geoff Oliver will be recognized at San Diego when he receives his designation. Our congratulations go to Geoff on his accomplishment. To others working toward your designation, we encourage you to keep moving forward and good luck.

CHAPTER SUPPORTS LEGISLATION

The SD Chapter of ASFMRA is a joint sponsor with PAASD for the proposed legislation - An Act to Prohibit Improper Influence Regarding Real Estate Appraisals and to Establish Certain Penalties. This proposed legislation is nearly identical in wording to portions of laws that became effective on July 1, 2007 in Iowa and on October 5, 2007 in California. The same type of legislation is now also being actively considered by several adjacent states.

Sections 1, 2, and 3 – Defines and Prohibits Improper Influence **By An Appraiser** Regarding Real Estate Appraisals. Lists Actions in the Real Estate Appraisal Process That Are Not Prohibited By This Legislation. These Sections also Grant Statutory Authority to the Department of Revenue and Regulation to Discipline a Licensed and Regulated Real Estate Appraiser that Violates Section 1. The Wording Suggested by the Department Will Also Clarify Their Use of a Monetary Penalty and / or Educational Requirements for a Violation of the Appraiser Statutes, Regulations, and / or the Uniform Standards of Professional Appraisal Practice.

Sections 4, 5, and 6 – Defines and Prohibits Improper Influence **By A Mortgage Lender, Mortgage Broker, or Mortgage Loan Originator** Regarding Real Estate Appraisals. Lists Actions in the Real Estate Appraisal Process That Are Not Prohibited By This Legislation. These Sections also Grant Statutory Authority to the Department of Revenue and Regulation to Discipline a Licensed and Regulated Mortgage Lender, Mortgage Broker, or Mortgage Loan Originator that Violates Section 4. The Wording Suggested by the Department Will Allow Them to Levy a Fine in Addition to the Disciplinary Options Currently Authorized by Statute.

Sections 7 and 8 – Defines and Prohibits Improper Influence **By A Real Estate Broker or Real Estate Salesperson** Regarding Real Estate Appraisals. Lists Actions in the Real Estate Appraisal Process That Are Not Prohibited By This Legislation. These Sections also Grant Statutory Authority to the Department of Revenue and Regulation to Discipline a Licensed and Regulated Real Estate Broker or Real Estate Salesperson that Violates Section 7.

Barry Wilfahrt has been employed as lobbyist to work to get the bill passed. The PAASD / ASFMRA legislation is known as HB 1270. To track its progress, go to the following site:
<http://legis.state.sd.us/sessions/2008/1270.htm>

A copy of the bill can be found at this site as well as at the PAASD website (www.paasd.com). Between the direct donors on the 2008 list and the raffle in Mitchell, PAASD raised approximately \$4,700 for this effort. Individual donations are recognized at this site.

Appraisers will be testifying in front of the House Commerce Committee within the next few weeks. Jim Dunlap will be representing the chapter at these hearings. PAASD and ASFMRA encourage you to attend the committee hearing, if possible, in a show of strength.

Further information will be emailed to you as it becomes available.

CHAPTER IMPLEMENTS KJERSTAD MEMORIAL CHAPTER MEMBER SCHOLARSHIP

President Ron Rucker reported at the chapter's annual meeting last week in Mitchell that the chapter board approved implementation for Phase I of this scholarship. The chapter board will act as the committee for this scholarship until Phase 2 is implemented.

The scholarship focus:

- A lasting memorial of Jerry's contribution to our chapter.
- A means to generate funds that can allow expansion of chapter support for members in accord with the chapter mission of *Enhancing Our Members' Ability to Succeed in Their Rural & Agriculturally Related Professions!*

Objectives:

1. Encourage potential members to join our chapter and help them with initial ASFMRA education.
2. Encourage members to attend and learn the benefits of the networking and education that take place at national events.
3. Broaden the experience of chapter members, which will in turn, strengthen our chapter member networking opportunities and develop future leadership for the chapter.
4. Encourage members to pursue accreditation and support them in this endeavor.
5. Recognize the member's achievement in gaining his accreditation.
6. Build member loyalty to the chapter.

With Phase 1 implementation the existing national meeting scholarship program and chapter support of Leadership Institute attendance has been rolled into this program.

Current scholarship opportunities for members under this program include:

- **Leadership Institute attendance**
- **National meeting attendance for the first time**
- **Receiving accreditation at national meeting.**

Funding will be handled outside of the normal chapter operating / budgeting process. A separate money market account has been dedicated for this program. Scholarships will be paid from this account. Chapter fundraising projects and interest accrual on the account will pay for the scholarships.

Members attending their first national meeting or they are receiving their accreditation at the February San Diego meeting are eligible for the scholarship. They should inform President Ron Rucker and Treasurer Allan Husby of their attendance plans. Treasurer Husby will then issue checks to those fitting the scholarship criteria.

The account balance needs to be raised before Phase 2 can be implemented. Phase 2 opportunities for members will include:

- **First education course that is a part of accreditation track after becoming a new member.**
- **Accreditation education and testing for those committed to achieving accreditation.**

CHAPTER MEMBERS HAVE GOOD ATTENDANCE AT MITCHELL MEETING

Twenty nine members attended education and / or the annual membership meeting on January 24th and 25th in Mitchell. Twenty one members were in attendance at Thursday's USPAP Update from the Appraisal Institute. This was approximately 20% of total attendees. At Friday's Most Common USPAP Violations in Non-Residential Appraisals and Narrative Appraisals, eighteen of the forty participants were chapter members.

22 members were in attendance for the chapter annual meeting on Thursday evening January 18th.



Membership Meeting Highlights Not Addressed Elsewhere In Newsletter:

Financial Position: The financial report with the 2007 information and the 2008 budget were reviewed by Treasurer Husby. Legislative initiatives are a key factor for negative net income for both 2007 and the 2008 budget. The \$2,000 for the SDSU Acorn Scholarship fund was just \$137 over the total of \$500 budget plus the Scholarship raffle. The chapter's share of the joint meeting with Wyoming will be between \$200 and \$300. This does not show in either the 2007 actual or 2008 budget figures. It was noted that the Auction-Ed Foundation budget for \$500 may not be adequate since there are two national meetings in 2008.

Nominating Committee Report & Elections: No Nominating Committee members were present so President Rucker presented their report and conducted the election. The members approved the nominations and elected the following:

President – Ron Rucker
Vice President – Tom Jass
Secretary - Jack Davis
Treasurer - Alan Husby
Board Member – Geoff Oliver
2009 Nominating Committee – Scott Heimes

We thank outgoing board members Wade Buck and Ron Ensz for their years of service on the board. President Rucker reported that the board would be electing a replacement in the near future for board member Wade Buck, who has not renewed his member dues.

Continued

MITCHELL MEETING CONTINUED

SDSU Scholarship Fundraising: Paul Reisch reported that the 2008 emphasis will be encouraging members to make individual contributions to the Acorn scholarship fund.

Balance Info:

Total gifts to endowment thru 12/27/07	\$16,326.00
Endowment market value as of 12/27/07	\$16,624.20
Projected 2007 earnings	\$ 800.00 plus

Scholarship Recipient Info:

School Yr	Name	Amount	Hometown
2005-2006	Seth Zilverberg	\$ 500.00	Holabird, SD
2006-2007	Becky Lambert	\$ 600.00	Frankfort, SD
2007-2008	Emily Hansen	\$ 700.00	Marshall, MN

Chapter members are encouraged to consider a scholarship donation in one of the following ways:

- a one-time donation
- annual contributions pledging so many dollars per year (Brian Gatzke has pledge cards)
- an estate planning tool for scholarship programs.

Make checks payable to SDSU Foundation. **Please write “SDASFMRA Scholarship” in the memorandum section of the check. Mail check to:**

SDSU Foundation
815 Medary Ave, Box 525
Brookings, SD 57007

SDSU Relationships: Paul Reisch reported that the chapter board has approved \$1,000 for the 2008-2009 scholarship. Committee member Jim Hollenbeck has set up the scholarship information and application online at the chapter website www.asfmra-sd.com. The process is set up so that a completed application is sent by e-mail to Brian Gatzke.

An e-mail about the scholarship was sent in December to Sophomores and Juniors in the College of Ag & Bio Sciences that are majors in Animal & Range Science, Plant Science, Agriculture Economics, and Business Economics. With the help of student member Emily Hansen, Brian Gatzke has lined up information presentations to some fraternities and student organizations. The scholarship deadline is February 10, 2008. The committee will review applications, conduct interviews, and select a winner before the end of the spring semester.

The annual SDSU Breakfast with associated board meeting will be May 16th. Program sponsor Monsanto will have a program speaker. The committee also had a presence in 2007 at the October SDSU Career Days. The objective was to make students more aware of the appraisal profession, the South Dakota ASFMRA chapter, and our scholarship. The committee felt there were positive results and plans such a presence again in 2008.

Continued

MITCHELL MEETING CONTINUED

Membership: During 2007, Ted Risty reported the loss of five members (Wade Buck, Gary Carstensen, John Cole, Tipp Hamilton, Bruce Magnus) to leaving the profession, nonpayment of dues, and death). Ted reported the addition of one accredited member (Norm Edwards), five associate members (Jeff Barker, Michael Braun, Vince Hansen, Joe Lutter, Loy Mathes), one affiliate member (Mark Elder), and two student members (Brett Harrison, Emily Hansen).

Mentor: Paul Reisch reported that Geoff Oliver has met the requirements for the ARA accreditation and will receive this honor at the February national meeting in San Diego. Members Loy Mathes and Shawn Weishaar have had their demonstration reports approved and are in the final stages of approval for setting for the ARA exam in June 2008. A few other chapter members are working on completion of their demo by the end of June in order to sit for the exam at the end of October.

Education: Ordean Eddy stated that the committee was seeking input from members for topics for the 2009 winter meeting in Mitchell. The committee hopes to have the education for this meeting lined up by the May board meeting. The committee will also be active in 2008 planning for the October 2009 joint South Dakota / Wyoming educational meeting in the Black Hills.

Technology: Allan Husby reported that the main committee emphasis in 2007 and again in 2008 is enhancement of the chapter website. One area being looked at is a process for online student member application.

The chapter member directory has recently been added to the website. Members should inform Allan and / or Secretary Jack Davis of any changes to their information. The chapter directory will be update quarterly. Allan indicated the next update for the website would occur within the next couple of weeks.

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

Treasurer Allan Husby was happy that Craig was able to acquire a paper receipt rather than notes and numbers on the pizza box as occurred a year ago!!



**SD Chapter of ASFMRA, Inc
Balance Sheet
January 1-December 31,2007**

Current Assets

Checking/Savings			7,398.39
*	Edward Jones CD- 12 month		0.00
		Opening Bal Equity	
		<u>15,000.00</u>	<u>15,000.00</u>
	Total Edward Jones CD- 12 month	15,000.00	15,000.00
	Edward Jones CD- 6month		0.00
		Opening Bal Equity	
		<u>5,000.00</u>	<u>5,000.00</u>
**	Total Edward Jones CD- 6month	5,000.00	5,000.00
***	Money Market Account		7,398.39

**Opening Bal
Equity**

	5.05%	Edward Jones CD- 12 month-3/20/07	10,000.00	17,398.39
	4.85%	Edward Jones CD- 12 month-9/20/07	10,000.00	27,398.39
		Money Market Account	<u>0.00</u>	<u>27,398.39</u>
			<u>20,000.00</u>	<u>27,398.39</u>

Total Opening Bal Equity

Income

Total Education	\$1,649.19		
Interest	\$1,418.10		
Membership	\$1,125.00		
Summer Meeting			
Sponsorship	\$1,000.00		
Kjerstad Memorial Hunts	\$450.00		
Scholarship Raffle	\$1,362.82		
Total Deposits			7,005.11

Expenses

Auction -Ed Foundation	\$1,174.10		
Board & Meeting Expense	\$563.29		
Conference Calls	\$89.10		
Legislative	\$1,735.00		
Nat'l Meeting Scholarships	\$575.00		
Leadership			
Institute	\$575.00		
Memorials/Cards	\$256.83		
Misc Administrative	\$46.00		
Public Relations	\$361.30		
SDSU Foundation Acorn	\$2,000.00		
Secretary Stipend	\$250.00		
Social	\$414.48		
Total Expense			8,040.10

Total Net Income

		<u>-1,034.99</u>
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Total Equity		<u>26,363.40</u>
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*\$15,000 CD 12 month converted to 10,000 - 12 month and 5000 6month in 3/07-

** \$5,000 CD 12 month 9/07 combined with 5000 6 month to make 10,000 12 month due 9/08

*** Current Rate 3.88%

**SD Chapter of ASFMRA, Inc
2007 Budget and Actuals**

	<u>2007 Budget</u>	<u>2007 Actuals</u>	
Income			
Education-Summer (Net)	500.00	0.00	
Education-Winter	2,300.00	1,649.19	x
Education Fall (Net)	0.00	0.00	
Interest	1,200.00	1,418.10	
Kjerstad Mem Hunt		450.00	
Membership	1,250.00	1,125.00	
Scholarship Raffle		1,362.82	
Summer Meeting			
Sponsorships	1,000.00	1,000.00	
Total Income	6,250.00	7,005.11	
Expense			
Auction-Ed Foundation	1,000.00	1,174.10	
Board & Meeting Expense	500.00	563.29	
Conference Calls	500.00	89.10	
Continuing Ed Expense	0.00	0.00	xx
Legislative	1,500.00	1,735.00	***
Leadership Institute	500.00	575.00	
Memorial/Cards/Gifts	200.00	256.83	
Misc Administrative	150.00	46.00	
National Delegate	500.00	0.00	
National Meeting			
Scholarships	2,700.00	575.00	
Public Relations	500.00	361.30	
SDSU Foundation ACORN	500.00	2,000.00	
Secretary Stipend	500.00	250.00	
Social	300.00	414.48	
Total Expense	9,350.00	8,040.10	
Net Income	-3,100.00	-1,034.99	

*** Cost for Lobbyist for Limitation of time for liability & Testifying

x Separate budget with breakdown

xx Continuing Ed expense included with Education Breakdown

SD Chapter of ASFMRA, Inc
2008 Operating Budget
2008 Budget 2008 Actuals

Income		
Education-Summer (Net)	0.00	
Education-Winter	1,600.00	
Education Fall (Net)	0.00	
Membership	1,250.00	
Summer Meeting		
Sponsorships	1,000.00	
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Total Income	3,850.00	
 Expense		
Auction-Ed Foundation	500.00	
Board & Meeting Expense	500.00	
Conference Calls	500.00	
Legislative	1,500.00	
Memorial/Cards/Gifts	200.00	
Misc Administrative	150.00	
National Delegate	500.00	
Public Relations	500.00	
SDSU Foundation ACORN	500.00	
Sec/ Treas Stipend	500.00	
Social	300.00	
<hr/>		
Total Expense	5,650.00	0.00
Net Income	-1,800.00	0.00

*Secretary and Treasurer Stipend- \$250 Each
*** Cost for Lobbyist for Limitation of time for liability

x Separate budget with breakdown
xx Continuing Ed expense included with Education Breakdown

SD Chapter of ASFMRA, Inc
2008 Memorial Scholarship Budget
2008 Budget 2008 Actuals

Income		
Interest	1,200.00	
Kjerstad Mem Hunt	800.00	
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Total Income	2,000.00	0.00
 Expense		
Leadership Institute	500.00	
National Meeting		
Scholarships	2,100.00	
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Total Expense	2,600.00	0.00
Net Income	-600.00	0.00