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SOUTH DAKOTA CHAPTER
AMERICAN SOCIETY FARM MANAGERS & RURAL APPRAISERS
THE MOST TRUSTED RURAL PROPERTY PROFESSIONALS

4 / 2012



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

DATES TO REMEMBER!

May 2 – Chapter Board Meeting - Brookings

May 3 – SDSU Network Event – Brookings

May 10 - West River Breakfast Meeting - 9 A.M.

Rapid City Marlin's Roadhouse Grill

June 10-13 – Ag Lenders Range Camp – Gillette, WY - P Cross Bar Ranch.

July 16-20 - ASFMRA Summer Education Week – Des Moines, IA

Sept. 9 thru 13 - Leadership Institute – Washington, D.C.

September 19- SDSU Scholarship Banquet - Brookings

Oct 28 thru Nov.2 – 83rd ASFMRA Annual Meeting – Indianapolis, IN

January 17-18–Winter Education & Joint Meeting W/PAASD - Chamberlain

PRESIDENT'S MESSAGE

I would suspect it is the same for many of you, but it is hard to believe that this month is already over. It always seems that there is so much to do at this time of year and not enough time to do it all. I'm not feeling very "retired" right now and much of that is my own doing.

The weather has continued to be great most of the time this spring. I have not seen any statistics on this, but would suspect that a fairly high percentage of corn is already in the ground.

As you will note in this newsletter, there have been several chapter activities this past month and others are in early May. I participated with other appraisers in a presentation to the South Dakota Bankers Association on current appraisal requirements and proposed new review requirements. The presentations were generally well received, but there are still many questions on new review requirements brought about by Dodd Frank.

This newsletter also has a report on the new SDSU scholarship recipient. Thanks to Jay Knupe and those that served on this selection process. Wow! 20 applicants! Great!

Tom Jass and I gave a presentation to Jerry Warmann's farm management class. This was a new experience for me. The class was very receptive and had some great questions.

Brian Gatzke has already been busy on plans for our Class next January. I think you will all believe it is a worthwhile class if plans come together on what is proposed.

Also, this coming week we have our Spring Board meeting on May 2nd and our annual networking event with SDSU. More is reported on that event in this newsletter. I hope to see many of you at that event.

After going through all of these items, no wonder it seems like a busy time!

SDSU SCHOLARSHIP HAS RECORD 20 APPLICANTS

This spring an all-time high of 20 students applied for the scholarship. This more than doubled the previous high of 9 applications in 2009.

Members Tyler Urban, Jay Knuppe, and Larry Janssen represented the chapter in April in conducting interviews for the chapter's \$1,000 scholarship. There were five individuals interviewed on the SDSU campus on the afternoon of April 13th.

Austin Mann has been selected as the recipient of the chapter's \$1,000 scholarship for the 2012-2013 academic year.

Austin is an Agronomy major from Bloomfield, NE. He shared the following in his scholarship application:

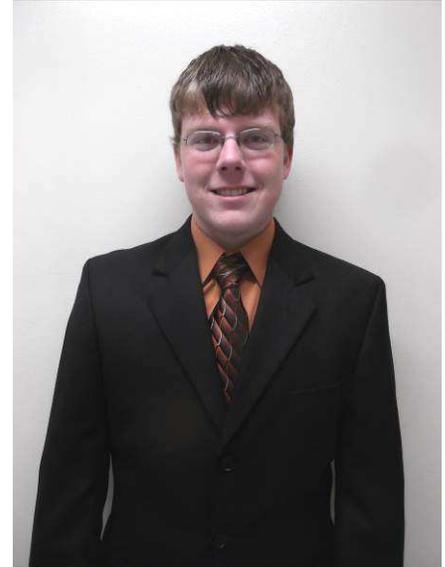
While in high school I was very involved with FFA. I had a Diversified Ag Proficiency, freshmen through senior year. I was blessed enough to send my proficiency in again during my freshmen year in college. That year I won a state title with it, and it advanced to the national convention where I was placed within the top 5 applicants in the nation. I was rewarded heavily because of my efforts.

Through my proficiency, I was involved with feedlot and farming operations. In the farming operations, I was able to scout crops with our agronomist and that is what led me to want to become an agronomist. I took on an internship with his company last summer and am continuing that internship this coming summer. I am learning so much from him, and plan on perusing my degree in agronomy.

Also here at South Dakota State, I am involved with FFA as well. I am one of the student CDE coordinators for the agronomy competition for the high school FFA members to compete on the state level. With my knowledge from being a crop scout, and the experience here at school, I feel as though my team and I will be able to put together a great competition for the state.

Upon graduation here at South Dakota State, I hope to be a sales agronomist working directly with farmers. I really would enjoy getting more involved with precision agriculture and use it to its fullest potential. I really cannot explain the feeling I get, knowing that a recommendation that I make could potentially make a farm. I get a sense of accomplishment knowing that I helped that farmer out.

Also I enjoy the fact that every day is a new day in the life of a crop consultant. It may be a similar problem, but you have to treat every problem all on its own. And one day I hope and plan that I can make some of the best recommendations to help producers out.



CHAPTER MEMBERS PARTICIPATE IN BANKER CONVENTION PANEL

Chapter representatives participated with others in a presentation to South Dakota Bankers Association on current appraisal requirements and proposed new review requirements. Education Chair Brian Gatzke, ARA worked with the South Dakota Bankers Association to organize an appraiser panel to cover these issues at the recent banker's meeting in Pierre. Brian acted as moderator for the panel with panel members covering different topics.

SD ASFMRA Chapter President Allan Husby, ARA presented information on appraisal ordering. Allan outlined information needed from the bank, such as:

- contact person with the bank,
- the client, intended users, and intended use,
- contact information to inspect the property, and
- a list of items to supply to the appraiser.

Allan emphasized that the more information they can supply about the subject, the better.

ASFMRA District VI Vice President and SD Appraiser Advisory Council member Jim Dunlap, ARA covered what the current and 1-1-2015 licensing requirements are for appraisers. Jim emphasized the new requirement for a bachelor's degree without in lieu of education available for licensing, except as a State Licensed Appraiser that will occur on that date and what that will mean for the industry.

There were questions and good discussion about how that will impact bankers and the appraisal industry which included discussion of ASFMRA distance education with Missouri University, and what our chapter has been doing in working with SDSU toward making appraisal education available to college undergraduate students. Jim also covered:

- ARA and RPRA designations and what those requirements above licensing mean for bankers
- what to expect as a professional appraisal product, and
- the new review courses for bankers and other non-appraisers who need to get up to speed on doing an administrative review.

North Star Chapter of Appraisal Institute President Steve Shaykett, MAI presented on appraisals of commercial properties in South Dakota and what is happening in general in the commercial market. His presentation included informational differences compared to agricultural appraisals, and what kinds of information would be required that is not typically needed on the ag side. He also covered how a commercial appraisal in a smaller community may require data from competing towns or from areas some distance from the subject property because of extremely limited sales data in many of the smaller markets. This does not fit the reviewer's idea of sales to be utilized, but is the reality of commercial appraisals in all except the larger communities in SD.

ASFMRA Education Committee Chair Chris Greenwalt, ARA, RPRA covered the Dodd-Frank and its impact on appraisals and the banks, review requirements of this legislation and differences between an administrative review and a Standard 3 review. He also covered the fact that many banks have been utilizing broker's price opinions instead of appraisals on some loans and how that is regarded as a bad practice under Dodd-Frank. Along with that, he addressed some alternatives banks have to meet the requirements of Dodd-Frank and what products they need to request, who is qualified to provide the product they need, and what questions and qualifications they need to ask appraisers about in order to get in step with the requirements of Dodd-Frank.



MONSANTO SPONSORED SDSU NETWORK EVENT TO BE HELD MAY 3RD

This event will give our chapter members an opportunity to interact with various SDSU extension and academic personnel that have contributed in recent years or can contribute in the future to our achieving our chapter mission through education and networking.

We have invited over 75 South Dakota State University representatives to join us for our chapter SDSU Network Event on Thursday March 3rd at 10:00 a.m. at the Student Union Lewis & Clark Room at the McCrory Gardens Education and Visitor Center in Brookings.

The program agenda will include:

Joe Schefers – Monsanto - discussing DroughtGard trait and GroundBreaker trials in South Dakota (launch of corn drought trait).

Paul Reisch – updates on ASFMRA

- SDSU Scholarship winner
- SDSU activities – farm management classes, appraisal curriculum, career days.
- Chapter education activities
- Student event at National Summer Education Week in Des Moines.
- Academic and student membership

Lucas Lentsch – Director of Agricultural Development for the South Dakota Department of Agriculture discussing Livestock Development in South Dakota.

Miguel Ramirez / Francine Moudry – Babybel – discussing their cheese plant operation / company that will be located in Brookings.

Lunch catered by SDSU will be provided after the event at about noon.

15 WAYS TO ENHANCE YOUR DAY (JULY '06 PRAIRIE BEACON)

1. Get up early.
2. Look around outside before going to work.
3. Relax and enjoy your meals.
4. Spend time with your friends.
5. Pace yourself.
6. Find a quiet place to go.
7. Praise yourself and others.
8. Develop positive relationships.
9. See your mistakes as stepping stones.
10. Keep track of your own moods so you can watch out for them.
11. Say “NO” without feeling guilty.
12. Learn effective time management.
13. Pay attention to health, diet, and sleep.
14. Exercise regularly.
15. Keep from comparing yourself to others.

2012 AG LENDERS' & APPRAISERS' RANGE CAMP – GILLETTE, WY AREA

The 2012 Ag Lender's & Appraiser's Range Camp is set for June 10-13, 2012. Camp headquarters is located about 20 miles northwest of Gillette at the P Cross Bar Ranch. The WY Chapter of ASFMRA is hosting the event along with the SD Ag Lenders Range School. The SD chapter of ASFMRA is a co-sponsor of the event.

The "base camp", the P Cross Bar Ranch, is an historical Campbell County working cattle and hunting/outfitter ranch. The owner's Ranch home living room and dining room provide comfortable surroundings for gathering for meals, and an attached trophy room with patio/lawn area provides plenty of space for social gatherings and barbecues. A Ranch guest house provides five bedrooms, two bathrooms and a coin op laundry. A 14 x 70 mobile home provides an additional three bedrooms and a bathroom. A Ranch camper is also available. Four refrigerators and a walk-in-freezer are available for storing food and ice. In addition, there are several spaces for campers with electric outlets, potable water available, and a dump station. There are also several tent sites with access to bathrooms.

Ag Lenders' and Appraisers' Range Camp offers opportunities for you to:

- Learn techniques to better evaluate the range resource;
- Learn how to integrate new technologies for ranching;
- Gain "hands-on" experience with plant identification, range site condition, stocking rates, and range management and restoration practices;
- Tour a working cattle ranch and a bison ranch while seeing and hearing about their management practices;
- Tour the world's largest coal mine producing 110 million tons / year; total operation covers 100 sq. miles and 5 mine faces; Learn about surface over coal issues, valuation, management practices and the reclamation process;
- Network with professionals in the areas of Ag lending, appraisal, and range management from across Wyoming and South Dakota;
- Hear up-to-date economic information on issues and trends in Ag lending and appraising and programs to finance land, livestock and range improvements.
- Discover management strategies that optimize ranching operations and maintain productivity of the resources;
- Appraiser's receive 16.0 hours of Continuing Education credits.

Camp Schedule:

Sunday:

2:30 – 5:00 p.m. - (Mountain Daylight Time) Camp registration and set up

5:00 - 8:00 p.m. - Social mixer, supper followed by welcome and evening program - "Ranch and Area History"

Monday Morning: "Ranch Tour" led by owner Marion Scott; "Plant ID" with Mike Smith, Professor & Extension Specialist in the Department of Ecosystem Science and Management, UW College of Ag & Natural Resources, Blaine Horn, NE WY Area Extension Educator with Range & Forage Management Focus, and Roger Gates, Extension Range Specialist, Department of Natural Resource Management, South Dakota State University – Topics to include Ecological Sites / Plant Communities, Historical Climax / Forage Quality / Range Clipping Demonstration. And Estimating Carrying Capacity.

Continued

RANGE CAMP CONTINUED

Monday Afternoon – “NRCS Programs” with Tim Kellogg - Environmental Quality Incentive Program/Conservation Stewardship Program/Equip Program (sage grouse protection); “Striking a Balance” with Blaine Horn, Mike Smith and Roger Gates – Topics to include Matching the Animal to the Resource (cattle & sheep), Stocking Rates / Timing of Grazing / Intensity of Use, Changes in Management (what’s possible / what’s not), and Range Improvements (Cost / Benefit Analysis).

Monday Evening: Steak fry social and Ag Lenders Panel “Issues and Trends Effecting Farm and Ranch Financing and Programs Available to Finance Land, Livestock and Range Improvements”

Ag Lender’s Panel – Farm Credit Services – Casper; Farm Service Agency, Farm Loan Program – Rob Weppner, Gillette; Office of State Lands & Investments– Cheyenne; Buffalo/Gillette/Sheridan commercial ag lender; and Dave Ollila, Sheep Field Specialist (to address securing financing for sheep producers)

Tuesday Morning: “North Antelope / Rochelle Mine & Reclamation Tour” with Howard Schrinar, Director of Land, and Bryan Hansen, NAR Environmental Manager, Peabody Energy –Topics to include Surface Land Issues, Land Purchases, Surface over Coal Valuation & Negotiation Process / Mining Sequence, and Mine Reclamation Issues and Process.

Tuesday Afternoon: “Durham Ranch Tour” – Armando “John” Flocchini III, Owner and Pat Thompson, Manager – Topics include Buffalo Handling Facilities, Modified Holistic Range Rotation System, Water and Fencing Development, and Wholesale to Retail Marketing System. Additional Range Management Commentary - Mike Smith, Blaine Horn and Roger Gates

Tuesday Evening: Steak fry social, “Issues and Trends Effecting Ranch / Farm Appraisal”

Ag Appraiser’s Panel – Farm Credit Services – Casper; Farmers Home Administration – Gillette; Office of State Lands & Investments– Cheyenne; Wyoming and/or South Dakota Farm/Ranch Appraisers - Land Value Trends and Issues Effecting Ranch Valuation

Wednesday Morning: Plant ID Review - Mike Smith, Blaine Horn and Roger Gates, Plant Identification Contest (lots of fun), Camp Organizational Meeting, and Awards.

Registration is \$150 per person before May 15; \$170 on site. Add \$20 for continuing education credits. Included are all workshop materials, handouts, transportation between ranches (carpooling), etc., and all meals, necessary utensils and cooking facilities. Participants are expected to assist with the outdoor meal preparation. Breakfast will be prepared by the P Cross Bar Ranch.

An additional fee of \$5.00 for breakfast and lunch and \$10 for dinner will charged on-site for any non-camp participants who partake in meals with the participant group at the Ranch.

Please make check payable to: WY Chapter of ASFMRA **Mail to:** Hastings & Associates Appraisals, Attn: Jim Hastings, ARA, 1520 Logan Ave., Cheyenne, WY 82001

For more information, contact: Dave Fuller at (307) 777-6634, Boyd Waara at (605) 685-3063 or Jim Hastings at (307) 637-3930.

For more information on Ranch accommodations contact: Marion & Mary Scott, owners of the P Cross Bar Ranch at (307) 682-3684.

CHAPTER MEMBERS VISIT FARM MANAGEMENT CLASS

SDSU Relationship Committee Member Tom Jass and Chapter President Allan Husby shared information with the Farm & Ranch Management Class on Wednesday April 18th. There were about 75 students in attendance. Instructor Dr. Jerry Warmann introduced them and the balance of the class hour was provided to Tom and Allan.

Tom Jass introduced class members to the farm management career. In South Dakota, a farmer manager needs a real estate broker's license. He briefly addressed the education and experience requirements.

Tom also has an insurance license so he can handle client needs for crop, hail, and multi-peril insurance.

Farmers National customers are absentee landlords with a high percent family farms in the second, third, and fourth generations. They also have institutional trusts and investors as clients. Many of their clients live quite a distance from the farm, and many are female.

A farm manager does whatever is needed to manage to the owner's objectives. The manager works to increase income, reduce or control expenses, and provided peace of mind that the land is being taken care of.

Allan Husby briefly highlighted the appraisal profession emphasizing key skills needed to be successful in the profession including both general education skills (English Composition, Statistics, Economics, Computer Skills) and analytical skills (observation, reading, organization, recall past learning).

Allan also informed the staff of starting points for entrance into the profession including Appraisal Foundation / SD Appraisal Certification Program websites, the need for a mentor, and education and experience requirements. He gave a background of his own career and some of the ways to enter the profession, such as government agencies, lending institutions, and as an independent appraiser.

Allan then covered ASFMRA, giving the students an overview of national, SD chapter, and the benefits of membership. Information on the Omaha Summer Education opportunity for students and the chapter's SDSU scholarship was also shared.



These sessions were another piece in the SDSU Relationship Committee efforts for an increased on campus presence and student awareness of the appraisal / farm management professions, ASFMRA, and the chapter's SDSU Scholarship.

Tom and Allan forgot to take a picture at the class, BUT they did take pictures afterwards when they ate at Tom's favorite Mexican restaurant.

SD CHAPTER - KJERSTAD MEMBER SCHOLARSHIP

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.

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

Scholarship opportunities for members under this program include:

- **\$500 scholarship for Leadership Institute attendance** -- Priority for the scholarship - Chapter President, board member, member who has never attended, member who has attended. Interest to be communicated to Chapter President by August 1st.
- **Pay member registration fee for first time national meeting attendance** - The member planning to attend their first national meeting would inform President and Treasurer.
- **\$500 scholarship for first education course that is a part of accreditation track after becoming a new member.** - Member would inform President and Treasurer of intent to attend. Scholarship paid to member upon confirmation of course enrollment and adequate funds. If inadequate funding, will be reimbursed in future when adequate funding secured.
- **\$500 scholarship for accreditation education for those committed to achieving accreditation.** - Any current member can provide written intent for the upcoming calendar year by December 1st to Chapter President. The written intent will convey the member's status regarding educational requirements and his / her personal timeline to achieve completion of educational requirements, demo report, and sitting for the exam. Scholarship approval will be communicated to a member by March 31 of the calendar fiscal year. The member can be paid \$500 toward the cost of a class still needed within 3 years of scholarship approval.
- **Pay for cost of the accrediting exam** - Payable upon application as communicated by member to President and Treasurer. The cost of exam would be paid on a one time only basis.
- **Pay member registration fee when receiving accreditation at national meeting.** The member planning to attend would inform President and Treasurer.

Scholarships related to accreditation address only 1 accreditation per member. I.E. – Would not cover ARA, AFM, RPRA and / or AAC all for one member over time. The Kjerstad Member Scholarship Committee will administer the scholarship. Committee members are President, Past President, President-Elect, Treasurer, and one at large member appointed by the President. The at large member is appointed at the beginning of each president's new term.