

Officers:
President
Craig Sommers

President-Elect
Terry Leibel

Secretary
Paul Reisch, ARA

Treasurer
Paul Sickler, AFM

Past President
Ron Ensz, ARA

Directors:
Jeff Barker (2016)
Jim Dunlap, ARA-AFM (2017)
Brian Gatzke, ARA (2018)
Jay Knuppe (2018)
Loy Matthes, ARA (2016)
Don Threadgold, AFM (2016)

Committee Chairs:
Membership
Paul Reisch, ARA

Social
Jeff Barker

East River Breakfast
Barb Hegerfeld

West River Breakfast
Norm Edwards, ARA

Education
Scott Heimes

SDSU Relationships
Career Days – Jay Knuppe
Curriculum – Gatzke / Janssen
Network Event
– Brian Gatzke, ARA
Scholarship - Jay Knuppe
Student Involvement- Jesse Ball

Assessors Conference
Ryon Rypkema

Education Foundation Auction
Ron Ensz, ARA

Government Relations
Terry Leibel

Appraisal Review & Ethics
Jerald A. Hulm, ARA

Mentor
Jim Dunlap, ARA-AFM

Kjerstad Member Scholarship
Craig Sommers

Nominating Committee
Ron Ensz, ARA

Communication
Paul Reisch, ARA
Newsletter – Paul Reisch
Website – Adam Nelson

www.asfmra-sd.com



SOUTH DAKOTA CHAPTER

1 / 2015

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

DATES TO REMEMBER!

February 26 – SDSU Economics Career Fair - Brookings

March 12 - West River Breakfast Meeting – 9 A.M.

Rapid City Marlin's Roadhouse Grill

March 20 - East River Breakfast Meeting- 9 A.M. - Sioux Falls Roll'N Pin

May 8 – SDSU Network Event – Brookings – McCrory Gardens

June 2-5 – SDAAO Conference – Yankton

July 19-23 - ASFMRA Summer Education Week – Omaha, NE

Sept. 14-18 - Leadership Institute – Washington, DC

Oct. 26- 31 – 86th ASFMRA Annual Meeting – San Antonio, TX

January 28-29–Winter Education & Joint Meeting W/PAASD - Chamberlain

CHAPTER MEMBER ANNIVERSARIES

| Member | Join Date | Years |
|-------------------|-----------|-------|
| Jorge Vicuna | 2-14-1992 | 23 |
| Ryon Rypkema | 2-06-2004 | 12 |
| Michael Braun | 2-01-2007 | 8 |
| Vince Hanson | 2-01-2007 | 8 |
| Jerry Warmann | 2-01-2009 | 6 |
| Megan Hammond | 2-04-2011 | 4 |
| Jackson Hegerfeld | 2-04-2011 | 4 |
| John Herrity | 2-23-2012 | 3 |
| Jaret Sievers | 2-23-2012 | 3 |
| Barb Hegerfeld | 2-15-2013 | 2 |
| Patrick Wyatt | 2-15-2013 | 2 |
| Rod Geppert | 2-19-2014 | 1 |

Thank you for your support!!

SD ASFMRA GAINS TWO NEW MEMBERS

We welcome Ron Dunker and Jim Jansen as our newest members!

Ron is the new Monsanto Farm Management representative serving South Dakota and has joined as an affiliate member in Iowa, Minnesota, Nebraska, and South Dakota. Ron comes from Chesterfield, MO.

Jim is an Extension Educator with the University of Nebraska-Lincoln in Hartington, NE and has joined as an academic member in both Nebraska and South Dakota. Jim is originally from Fordyce, NE. He has Bachelor of Science degrees in Agricultural Business and Agricultural & Resource Economics from South Dakota State and Master of Science degrees in Agricultural Economics and Agronomy from University of Nebraska. Jim was the SD ASFMRA scholarship winner at SDSU in 2008 and a SD ASFMRA student member at that time.

PRESIDENT'S MESSAGE

Greetings to all members and friends of our Chapter. I know most of you, but hope to reacquaint with all of our membership over the next two years. My goal as President is to build on our chapter's strengths of membership, volunteers and education. Our Chapter remains strong due to the energy and focus given by so many of you. Each of us committing some of our time and talent will build on our past successes. I sincerely thank each of you for what you've done to get us where we are.

I want to thank Ron Ensz for chapter service as President the past two years as well as outgoing board members Allan Husby for nine years of service as Treasurer, President Elect, President, and Past President, and Dave Baker for six years of service as a Director.

With Terry Leibel elected as President Elect at the annual meeting, a board of director's appointment was needed to fill the balance of Terry's director term ending in 2017. Also, Gordon Wendell has resigned from the board and chapter membership so a board of director's appointment was needed to fill the balance of Gordon's director term ending in 2016. Chapter board members have approved Jim Dunlap's appointment for the term ending 2017 and Don Threadgold's appointment for the term ending 2016.

Some committee memberships have been finalized as conveyed elsewhere in this newsletter. The goal is to have all committee members finalized in the next month.

RECORD MEMBER ATTENDANCE AT CHAMBERLAIN ANNUAL MEETING

Thirty three members and four guests were in attendance for the chapter annual meeting on Thursday evening January 15th.



Members Present: Jesse Ball, Jeff Barker, Michael Braun, Jim Dunlap, Ordean Eddy, Ron Ensz, Brian Gatzke, Barbara Hegerfeld, Scott Heimes, Dan Hilgenkamp, Jim Hollenbeck, Jerry Hulm, Allan Husby, Tom Jass, Kevin Johannsen, Jay Knappe, Kim Larson, Terry Leibel, Amanda Leighton, Loy Matthes, John McMahon, Adam Nelson, Keith Newman, Paul Reisch, Paul Sickler, Jaret Sievers, Craig Sommers, Kayla Suther, Jason Vaith, Jorge Vicuna, Jim Vietor, Patrick Wyatt, and Russell Wyatt.

Other ASFMRA Members Present: Jeff Berg from Barnesville, MN, District VP David Englund, Terry Longtin from Grand Forks, ND, and Bonnie Downing from North Platte, NE.

Continued

ANNUAL MEETING CONTINUED



President Ron Ensz stated the last two years have been rather uneventful as the Chapter remained financially stable and no major issues surfaced. These are good things.

We held May board meeting in Pierre and October board meeting in Rapid City. Had breakfast with chapter members before Rapid City meeting,

2014 Education was very successful; the chapter had positive member growth and was successful financially.

Chapter paid \$2,000 to Kjerstad Member

Scholarship Fund and \$1,000 to SDSU Scholarship Fund.

The Nominating Committee slate as provided by Chair Allan Husby and committee members Norm Edwards and John McMahon nominated the following persons for office in the coming year:

President – Craig Sommers
President Elect – Terry Leibel
Secretary – Paul Reisch
Treasurer – Paul Sickler
Board Member – Brian Gatzke, Jay Knuppe
2016 Nominating Committee – David Baker

Jim Dunlap moved and Tom Jass seconded to accept the nominating committee slate of candidates and cast unanimous ballot. Motion approved.



Ron turned gavel over to 2015 Chapter President Craig Sommers.

Craig thanked all that have contributed effort to build this chapter. Craig's vision is to keep the momentum going; keep doing what we are doing.

Craig's priorities are quality education and social aspect / networking. Craig thanked Ron Ensz for his service and presented a plaque to him from the chapter in recognition of his service as President the past two years.



ALLAN HUSBY RECEIVES OUTSTANDING SERVICE TO SD CHAPTER AWARD

At the January 15th annual membership meeting President Ron Ensz presented Allan Husby with the “Outstanding Service to SD Chapter” award.

The chapter board approved this award in May 2009 with the board making recommendations of recipients at the fall board meeting with the President making the final selection. It is at the President’s discretion whether to give the award and to make the selection.

Ron had fun with the presentation (below left) as the award was inadvertently left in Sioux Falls the day of the meeting. Allan was later presented with the real award (below right)



Under Allan’s leadership, the Education Committee offered a very successful 2014 Drain Tile seminar and 2015 Cost Estimating & Cost Approach Applications seminars. Allan also chaired the Nominating Committee this past year and completed six years of board service as President Elect, President, and Past President. Prior to that, Allan served the chapter as Treasurer from 2006 thru 2008. He is now serving as Advisory Council member.

This quality and meaningful plaque is a prestigious and meaningful honor to a deserving member. It is an award that recognizes deserving chapter members for outstanding service.

Past recipients were Loy Matthes in 2010, Paul Reisch in 2011, Jim Hollenbeck in 2012, and Brian Gatzke in 2013.

GOOD CHAPTER MEMBER SUPPORT FOR CONTINUING EDUCATION

SD ASFMRA had good attendance for the continuing educating offerings in Chamberlain this past month.

- Thursday January 15 Cost Estimating - 47 registered, 45 in attendance with 29 of these chapter members
- Friday January 16 Cost Approach Applications – 46 registered, 44 in attendance with 30 of these chapter members



Instructor Jeff Berg led lively discussions on ways to bring the concepts from these two classes to the appraisers' real world work.

Cost Estimating provided participants with a background in the cost approach and actual practice in estimating cost using Marshall Valuation Service. Discussions included land value, costs of improvements, profit, depreciation, contributory value of site improvements, indicated value and personal property or intangibles.

Cost Approach Applications set forth up-to-date techniques for establishing market value by estimating the current cost to reproduce or replace the existing structure.

Students learned how to measure depreciation from market data, when use of cost approach is most and least applicable and how to establish value when using this approach. Discussion covered physical curable, physical incurable short lived, physical incurable long lived, functional curable, functional incurable and accrued depreciation.



SENATE BILLS ON DRAINAGE ISSUES

By Terry Leibel

I was searching on the state legislative website for any bills that might have any impact on us as appraisers / managers. I found two dealing with drainage issues and were introduced at the request of the Regional Watershed Task Force.

Senate Bill 2 is an act to establish districts (separating the state into nine different districts) and to repeal certain provisions regarding current drainage management.

Senate Bill 3 is an act to provide mediation for certain drainage disputes.

It appears that the Regional Watershed Task Force is being pro-active, anticipating what most probably lies ahead in our future concerning watershed / drainage disputes. It is obvious that the watershed task force fore sees battles on the horizon, as does the ag industry. This is going to be big stuff over the coming years.

I do not think that there is anything in these bills that we, as ag appraisers, should be concerned about, but thought I would share this info with the membership, in case some may not be aware of the bills and / or might have other takes / spins on what is going on.

For anyone not familiar with how to obtain these bill, go to: <http://legis.state.sd.us> go to the "Official Site of the South Dakota Legislature", go to "Legislative Session", on the very left side of the top bar, open up "2015", then go to "bills, then go to "quick find", and type in the bill number ("SB 2" or "SB 3"). You can go to the bottom and print off either the "HTML" or "PDF" versions. I always do the "PDF".

REASONS WHY IT TAKES SO LONG TO DO ANYTHING WHEN YOU GET OLD

By Russell Wyatt – August 2014

Yesterday I was taking the frame work off my trailer that was used for our Republican float in the Edgemont parade. After 3 or 4 attempts, I got the trailer backed into my garage. The door is only 16 feet wide.

I was using my hand held power drill that Jerry gave me for my birthday. I took the screwdriver blade out and was planning to put the Phillips bit in. I had it 5 minutes before, now I couldn't find it. I looked on the trailer bed, under the trailer, pick up end gate, shop floor, and no Phillips bit to be seen.

I thought it would save time to go to the other garage and get another Phillips bit so that's what I did. I finished taking out the screws and was ready to pile the 2 x 4's on the trailer. Better put my gloves on.

I had my left glove on but where was my other glove? I looked on the trailer, under the trailer, pick up tail gate, shop floor, and no glove. I had it on moments before. By this time, I had spent about half hour looking for stuff that I had forgotten where I put them. Finally went to other garage where I got the 2nd Phillips bit and there was the glove. Never did find the other bit.

2015-2016 EDUCATION COMMITTEE FINALIZED

Chapter members responded positively to the fall 2014 committee interest survey regarding helping with Education Committee efforts in 2015-2016. This response and individual member willingness to say yes when asked by President Craig Sommers results in an expanded committee member list with specific duties identified up front.

This will be a great help to Chair Scott Heimes and Loy Matthes, who is heading up the effort for a fall of 2016 education offering in the Black Hills with appeal for regional / national attendance.

| | |
|---|--|
| <p>Scott Heimes - Chair Loy Matthes - Board Liaison</p> | <p>Develop education opportunities for chapter membership.</p> |
| <p>Scott Heimes</p> | <ul style="list-style-type: none"> • Work with PAASD relative to USPAP offering in January 2016. |
| <p>Jeff Barker, Jim Hollenbeck Tom Jass, Troy Swee</p> | <ul style="list-style-type: none"> • Develop and offer January 2016 one day continuing education offering that has appeal to all disciplines (appraiser, farm manager, academic). |
| <p>Jeff Barker, Norm Edwards Brian Gatzke, Jim Hollenbeck, Kim Larson</p> | <ul style="list-style-type: none"> • Arrange for two days of continuing education in January 2017 utilizing ASFMRA seminars. Coordinate with PAASD. |
| <p>Loy Matthes, Jeff Barker Norm Edwards, Kim Larson</p> | <ul style="list-style-type: none"> • Develop and offer fall of 2016 education in Black Hills with appeal for regional / national attendance. |
| <p>Jeff Barker, Norm Edwards Jim Hollenbeck, Kim Larson Dawn Rasmussen, Jaret Sievers</p> | <ul style="list-style-type: none"> • Handle registration at offerings. |
| <p>Jeff Barker, Loy Matthes</p> | <ul style="list-style-type: none"> • Secure continuing education credit with Appraiser Certification Program and Real Estate Commission. |

Most of the national continuing education seminars are appraisal related. Developing chapter seminars can provide topics for all disciplines (appraiser, farm manager, academic) and are more profitable because typically less instructor and materials expense. However, they take a lot more effort in determining topics and coordinating of instructors, etc. This has led to a balance of planning our own one day seminar in USPAP year (January 2016) and utilize national seminar offerings in the other year (January 2017).

MEMBERSHIP COMMITTEE HOPES TO CONTINUE RECENT MEMBER GROWTH

Membership Committee Chair Paul Reisch reported at the recent annual meeting that the chapter has continued to experience growth in chapter membership.

Committee Goals Status At 2014 Year End:

- Retain 90% of existing members at 2014 Year End – 91% (63 out of 69).
- Increase Appraiser membership from 45 to 46 by end of 2014 – currently 50 (1 ARA/AFM)
- Increase Farm Manager Membership from 8 to 9 by end of 2014 – currently 11(1 ARA/AFM)
- Maintain Academic membership at 3 – currently 3.
- Maintain Affiliate / Honorary / Partner membership at 9 end of 2014 – currently 6.
- Increase Student membership from 4 to 6 by end of 2014 – currently 6

Summary of Current 75 Members / 64 accredited / associate / academic:

| | | | | |
|------------|-----------|-------------|--------------|-----------------------------------|
| 1 ARA/AFM | 10 ARA | 6 AFM | 44 Associate | – 39 appraisers / 5 farm managers |
| 3 Academic | 6 Student | 1 Affiliate | 4 Partner | 1 Honorary |

Total membership has increased 9% in the past year and 39% percent since January 2011. Accredited / associate / academic membership has increased 14% in the past year and 56% percent since January 2011.

Paul Reisch will continue as 2015-16 Membership Committee Chair and Board Liaison. 2015-2016 Committee members are David Baker, Jeff Barker, Jim Dunlap, Ron Ensz, Tom Jass, Dave Koenigshof, and Adam Nelson.

2015 Committee goals are 90% retention (68 out of 75) of existing members and increasing to 80 total members by increasing farm manager and affiliate / partner member two each, increase academic member by one, and maintaining appraiser and student members.

Committee members will work with academic, appraisers, affiliate, farm manager, and partner members. Student members will be addressed under the Student Involvement Committee. Committee Member duties:

- Promote membership to selected individuals.
- New Member Activation & Orientation. Chair sends welcome e-mail to new member within 30 days of joining. Have in person or phone visit with new member within 60 days of welcome e-mail.
- Retention Monitoring - Have ongoing activation / communication with assigned chapter members. The communication involves encouragement to attend chapter activities including education offerings, breakfast meetings, and social events as well as discussion on future committee member interest.