

**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 – Reisch  
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

Kjerstad Member Scholarship  
Craig Sommers

Nominating Committee  
Ron Ensz, ARA

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

[www.asfmra-sd.com](http://www.asfmra-sd.com)



**SOUTH DAKOTA CHAPTER**

6 / 2015

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

**DATES TO REMEMBER!**

July 9 - West River Breakfast Meeting  
July 19-23 - ASFMRA Summer Education Week – Omaha, NE  
July 30 - East River Breakfast Meeting in conjunction with Hefty Field Days  
September 10 - West River Breakfast Meeting  
September 14-18 - Leadership Institute – Washington, DC  
September 18 - East River Breakfast Meeting  
September 23 – Ag Bio Scholarship Banquet - Brookings  
October 2 - West River Breakfast Meeting – Rapid City  
October 2 - Chapter Board Meeting – Rapid City – FCS America Office  
October 26- 31 – 86<sup>th</sup> ASFMRA Annual Meeting – San Antonio, TX  
November 12 - West River Breakfast Meeting – Rapid City  
November 20 - East River Breakfast Meeting

**2016**

January 27-29–Winter Education & Joint Meeting W/PAASD - Chamberlain  
June 25 – July 1 – Summer Education Week – Des Moines, IA  
November 7-11 - 87<sup>th</sup> ASFMRA Annual Meeting – Indian Wells, CA

**CHAPTER MEMBER ANNIVERSARIES**

Member	Join Date	Years
Ron Ensz	7-26-2002	13
Charles Doom	7-16-2004	11
Michael Norgaard	7-01-2006	9
Donald Threadgold	7-22-2010	5
Keith Newman	7-24-2013	2

Thank you for your support!!

**CHAPTER MEMBERSHIP UPDATE**

We welcome our newest student member, Ethan Pieske. Ethan is an intern this summer with Northern Plains Appraisal.

Since January 1, we have 11 new members (2 associate appraisers, 1 accredited farm manager, 1 associate farm manager, 1 academic, 1 affiliate, 5 student). Retention of existing members is 95% (71 out 75) losing three student members and one associate appraiser from career change.

Summary of Current 82 Members / 67 accredited / associate / academic:  
1 ARA/AFM 10 ARA 7 AFM 4 Academic 8 Student 2 Affiliate  
45 Associate – 39 appraisers / 6 farm managers 4 Partner 1 Honorary

## **PRESIDENT'S MESSAGE**

Greetings from Aberdeen. Not much to report or opine about as it appears we are into the summer time slowdown for market activity. I did verify a pasture rental at \$110 per acre which would be equivalent to a \$550 per cow/calf pair for a five month season. This is quite high for my territory. This rental is higher than if the property were tilled. Funny thing is that the buyer fully intended to break the acres that were possible to farm when this property sold.... in the hangover days of \$7 corn in the fall of 2013! This investor didn't get it done in 2014 and then put the land up for bids on pasture. Who knew?

Now for every \$110 rental, I can verify two or three \$55 rentals on pasture also. Our job is to sort this information and make it useable for our work product. It isn't always easy.

The SD Chapter Spring Board meeting was held June 4<sup>th</sup>. We had a great meeting with lots of information being shared and discussed. Our Chapter is strong due to the commitment of the membership. There are a lot of things happening behind the scenes that make the SD Chapter stronger every year. Thank you all for your help and dedication.

On that line of thought, I would like to encourage all of our members to help steer the ship. Let the Board know what you would like to see for education. Make a phone call to see if someone you know would be a speaker at a breakfast meeting, or to speak at a continuing education day. We can never have enough ideas for education!

The Chapter's donation of the Black Hills Gold watches was a big hit again this year. I had some "absolutely great" help from one of my local DOE offices again last week. I owed much of my success in completing an atypical project to them. Hats off to the DOE offices!!

I participated in an ASFMRA Regional Update meeting conference call on June 25<sup>th</sup>. Appraisal Foundation President David Bunton was on the call. He provided a summary of historical events leading to the current frosty relations with the Appraisal Institute. A Valuation Review article and recent letter communication between the Appraisal Foundation and the Appraisal Institute was communicated.

Appraisal Institute efforts are occurring in four states (California, Florida, Texas, and Tennessee) and at the federal level to make USPAP apply in less and less cases. Legislation to this effect has passed in Texas and is pending in California. The Appraisal Foundation position is that having multiple standards in different states is not a good direction for the profession.

Bunton indicated there is a disconnect between the Appraisal Institute members and the leadership. ASFMRA members on the call who are also AI members indicated their agreement with this.

The Valuation Review article indicates both organizations stating efforts for face to face meetings, but the efforts are not making any headway. Bunton indicated in the call he feels it is important for this to happen and will continue efforts to make it happen.

Our producers are in good shape with growing conditions in most of South Dakota. I can report with confidence that our mosquito crop is at an all-time high! We have two kinds of mosquitos in Aberdeen: those that can fly through a screen door and those that can open it.

Craig Sommers [craig.sommers@fcsamerica.com](mailto:craig.sommers@fcsamerica.com)

## **CHAPTER BOARD APPROVES BYLAW CHANGE**

Ten of the eleven board members were in attendance at the SD ASFMRA spring board meeting held June 4<sup>th</sup> in Sioux Falls at the Rabo Agrifinance office. At the meeting, the board discussed and approved a chapter bylaw change.

Currently bylaws regarding number of directors and composition of Board includes:

The elected officers of the Chapter and the immediate past President of the Chapter shall be voting members of the Chapter Board of Directors, plus a minimum of three Directors elected at-large from the membership. For every ten members\* added after 30 members, another director will be added up to a maximum of 9 directors. The number of directors for the upcoming election will be determined based upon September 30 membership numbers of the previous year.

\* Members shall be defined in the context of this by-law as those belonging to the academic, accredited, associate, and professional categories.

The wording on number of directors up to a maximum of 9 has been in the bylaws since 2005. At that time, we had 4 directors, about 40 accredited / associate / academic, and Membership Committee in name only. Now we have 6 directors (just added one last election), 67 accredited / associate / academic, and an 8 member functioning Membership Committee. If we gain another 3 accredited / associate / academic members prior to September 30, we would add another director for next election.

There was consensus that current 11 member board was big enough. Additional members would make board makeup unwieldy. The board approved a motion to change maximum directors from 9 to 6 with Board action to be published June newsletter and 2016 election implementation unless significant membership concerns voiced.

Other board meeting highlights not covered in other newsletter articles:

Treasurer Paul Sickler provided a positive financial report. The January 1, 2015 checking, savings, and CD beginning balance was \$17,569 and the May 15, 2014 balance was \$22,028. Winter education net income was \$4,121 (\$1,421 over budget). The Kjerstad Member Scholarship account balance is just over \$21,200.

Kjerstad Scholarship- The current make up per board policy is President, Past President, President-Elect, Treasurer, and one at large member appointed by the President. The board approved a change to committee make up being the chapter officers (President, Past President, President-Elect, Secretary, and Treasurer).

## **EAST RIVER BREAKFAST NETWORKING**

Chapter board members joined others for a full house needing two tables at the June 5<sup>th</sup> East River Breakfast meeting to accommodate the 17 members present. Those present included:

Officers & Board members - Jeff Barker, Craig Sommers, Ron Ensz, Terry Leibel, Paul Reisch, Paul Sickler, Don Threadgold

Chapter members – Jordan Bauer, Jack Davis, Ordean Eddy, Barb Hegerfeld, Allan Husby, Jackson Hegerfeld, John McMahon, Adam Nelson, Travis Shaykett, Jerry Warmann



President Sommers reported a successful board meeting was held the prior afternoon. The chapter is financially healthy and growing. Last month's SDSU Network Event was successful and planning has already begun for next year's event to be held Friday April 22, 2016. This date prior to finals week will allow more student members to attend as well.

At board recommendation, Craig reported he plans to attempt to change the January continuing education dates to Wednesday noon to Friday noon. This will allow attending members an earlier start home for the weekend. The chapter is working on offering a set of 1 to 2 hour sessions on various topics in addition to the USPAP Update.

The Education Committee is also working on a October 12-14, 2016 educational offering in Deadwood to attract national participation.

The next East River meeting will be held in conjunction with Hefty Field Days on July 30<sup>th</sup>. It is probable the member meeting will be a noon lunch.

## SD CHAPTER WATCHES AGAIN A HIT AT ASSESSORS CONFERENCE

SD ASFMRA provided three watches (two female and one male) as door prizes to be presented at the SD Assessor Conference Thursday night banquet on June 4. Lucky winners were Joyce Dragseth from Brookings County, Connie Marshall from Dewey County, and Michelle Pederson from Codington County.



Assessor Conference Chair Ryon Rypkema secured the watches. Last minute work commitments prevented Ryon from attending and Wade Buck filled in to present the watches to the winners.

Joyce Dragseth, Brookings County Director of Equalization, sent the following note to the chapter:

“Wade Buck attended our SDAAO conference last week in Yankton as a representative for ASFMRA. ASFMRA so generously presents watches to our group each year along with other gifts too.

This is such a great display of appreciation from your group to the assessors! And as you all know – we are not shown appreciation on every given day! So your group – in demonstrating this to our organization is appreciated each year!

And it was even more fun for me this year --- as I was a lucky recipient!!! And I actually picked the man’s watch for my husband – so he was equally a happy fellow on my return from conference.

And so – to the entire group of members of ASFMRA of South Dakota – my deepest thanks of course for the beautiful watch – but also for your continual support and appreciation for our group of hardworking assessors!!

Thank you to everyone. “

## **PROFESSIONAL RANGE CAMP FOR SOUTH DAKOTA STURGIS SD**

By Norn Edwards, ARA

There was an interesting and diverse assemblage of people at the Lamphere Campground from June 3, 2015 through June 5 to attend a hands on boots on the ground three day training and workshop experience led by David Ollila of the Staff of South Dakota State University and Tate Lantz of the Natural Resource Conservation Service. It provided a wide exposure on Professionals and Teachers in the Production Agricultural Practices of Range Management and Grass Production in the High Plains of the Upper Midwest.

There was a short meeting to go over the general policies of the class and workshop and meet the instructors and set out some general guidelines. There were approximately 27 Professionals and 10 Students taking this workshop and it was generally well embraced by the participants.

Then we had the opportunity to visit and inspect the Chris and Vera Grubl Ranch west of the Buffalo Chip Campground. This is a 7,500 Acre property which was put together from 1892, when it was filed on as a homestead claim under the Homestead Act, and was assembled up to 1989, when the Grubl's acquired it.

They run some 804 Cows and another group of yearlings and use A.I. extensively to get their calving time in a 45 day window which seems to work well for them. They find that oat hay in fed at weaning time on the calves, but they can get by on the hay they raise to tide them over through the winter generally.

They are developing a water system to more fully utilize their grass and improve the range conditions by moving their cattle regularly. We inspected a range site that was mechanically furrowed after some soil loss during the 30s and has now regained its vigor and is a productive part of their unit. They find that Rhizoma Alfalfa works well for reseeding their pasture currently.

They typically rent or lease pasture in the area from \$1 a day to \$50 an AUM in this area with the user paying the taxes. There is a couple tracts that are leased for \$28 to 30 /AUM in the area.



We then returned to the Campground for lunch and had a lecture on Soil Structure and Characteristics by Kent Cooley, NRCS Soil Scientist, with a question and answer session after the lecture.

Mitch Faulkner, NRCS Rangeland Management Specialist, provided information on the Brome invasion in the Dakotas, and its effect on carrying capacities in various range conditions. Everybody was glad to see the recent rains and its beneficial effect on the range.

We then had a meeting on the Blair Ranch which is an old time ranching operation in the area. The Blair's came to the area in 1907 and built an operation to about 60,000 Acres before WWII. Now they operate some 40,000 acres in Meade and Butte counties in South Dakota and also a ranch in Carter county Montana.

Continued

## RANGE CAMP CONTINUED

They run about 1,000 cows and another 1,000 yearlings. They generally recognize rent in the area to run between \$35 and \$60 per AUM with \$40 being typical.

They recently drilled a 1,500 foot well in Meade County and distribute the water to their pastures through 1 ½ to 2 ½ inch plastic pipe. They had to drill to 4,000 ft. to get water in Butte County up by the center of the nation.

We then returned to the Campground and had a Steak fry and the after dinner speaker was Mr. Karl Jenson who is a rancher near St. Onge, SD. He was an agricultural consultant in the Philippines in the Peace Corps, before returning from Asia and back to the ranch.

While overseas, he worked with the World Bank in setting up loans for farmers and ranchers. They developed a reliable loan program for small farmers by letting the individual farmer decide how much they needed; then loaned them the money.

Ninety eight percent of the loans were fully paid back and the farmers were successful. Karl is a board member of the Belle Fourche Watershed board and the State Conservation District Board.



The next morning was started with a discussion and field demonstration of the composition and formation of different soil types, and their development into various types of ecological sites with their characteristics and tendencies to develop into specific and different forage groups. They went into how historic use and or misuse of the site tend to influence the specific vegetation present.



We had an accompanying tour of the different ecological sites both on the shooting range site and also another site about 4 miles south east of the camp with different characteristic vegetation and range conditions. The instructors provided information of how you could determine the history and limitations of the site by viewing the plant cover.

We then had a demonstration by David Ollila on stocking rates, plant identification, forage production, and doing a test to determine forage production, carrying capacity and plant desirability on a plot that David had laid out in grids. The sheep did get out of the grids and we had a roundup to get them back in. It did make it exciting for particularly the young students.

After lunch we made a journey to Lead to the Sanford Underground Research Facility where we had a very interesting talk with Mr. Tom Cambell, who is a geologist. He explained the formation of the rock in the “Open Cut” and how the rock was laid down in layers. Then we broke into groups and set up homemade filters to filter out the impurities in the residual water that comes from the bottom of the old Homestake Mine before it can be pumped out of the mine into Whitewood Creek.

Then we went to the actual area up on the hill where the current experiments are being conducted. They gave us a short show in the auditorium on the process they are doing to build the containers and sensing data to filter out the neutrons and use them to find useful information on the composition of the universe. Continued

## **RANGE CAMP CONTINUED**

We then had a tour of the Yates Shaft Lift Station and the Hoist Room used to move equipment and personnel to the 4850' level where the clean rooms and experiment are conducted. The tour continued with a very interesting lady Dr. Peggy Norris, who presented a very interesting talk on .....dark matter, black holes and chemical reactions in the sun and creation of new elements by the action in the sun.

We returned to Camp had another great meal and had a presentation by Mr. Lyle Perman an innovative rancher from Lowry, SD in Walworth County. He explained how he used management to operate his 7,500 Acre (80% Grass and 20% Crop) Property.

Mr. Perman uses intern and part time help to manage his operation. Mr. Perman doesn't plan on feeding hay and grazes his cattle year round which involves seasonal use of different pastures to maintain it vigor and health. He has found that cattle and trees go well together and they provide good ground cover for a variety of birds.

The next morning we had presentations on the use of the published and online websoil survey and a review of the vast knowledge that can be gleaned from its research by Kent Cooley of USDA / NRCS. We also had an interesting talk on the use of the South Dakota Drought tool to estimate the likely rainfall in the grassland environment in the coming growing season. This was presented by Mitch Faulkner of the USDA/NRCS. These are on the NRCS web site and are under Range and Drought heading.

## **SEVERAL CHAPTER MEMBERS ATTENDING SUMMER EDUCATION WEEK**

The South Dakota chapter has fourteen members planning to attend Summer Education Week in Omaha.

- Saturday July 18 - ASFMRA Instructor Workshop
- Sunday July 19 - Finding a Great Professional Career in Rural America program for students
- Sunday July 19 thru Wednesday July 22 – Basic Appraisal Procedures (A102)
- Monday July 20 – Introduction to Statistics Seminar
- Monday July 20 – Fine Tuning Production Practices and Rapid Fire Sessions
- Monday July 20 thru Tuesday July 21 - Executive Council Meeting
- Monday July 20 thru Wednesday July 22 - Ag Land Management 1, Ag Land Management 2, Ag Land Management 3
- Monday July 20 thru Thursday July 23 – General Market Analysis and Highest & Best Use (A290)
- Tuesday July 21 – Sales Confirmation Seminar
- Tuesday July 21 – Nutrient Management Seminar
- Wednesday July 22 – AVE Understanding and Using Comparable Transactions
- Wednesday July 22 –Weather & Market Update by DTN and Update on Banking and Finance
- Thursday July 23 – Best in Business Ethics
- Thursday July 23 - Ag Land Management 4
- Thursday July 23 thru Friday July 24 – 15-Hour USPAP
- Friday July 24 thru Saturday July 25 – AFM / AAC Exam

South Dakota chapter members known to have plans to attend Summer Education Week:

- Executive Council Meeting – Incoming Academic District Vice President Jack Davis
- Student Career Day – Jesse Ball, Franklin Hartway, Mandy Hoistad, Ethan Pieske, Ridge Sandal
- Ag Land Management 1 – Darwin Thue
- Ag Land Management 2 – Seth Van Duyn
- Fine Tuning Production Practices & Rapid Fire – Jim Dunlap
- Wednesday Farm Management Continuing Education & AFM Exam – Jackson Hegerfeld
- Monday thru Wednesday Appraisal Continuing Education – Brian Gatzke
- Basic Appraisal Principles, Basic Appraisal Procedures, USPAP – Jordan Bauer
- Highest & Best Use – Barbara Hegerfeld, Jim Jansen

## **WEST RIVER FOLLOW UP TO SDSU NETWORK EVENT DRONE PRESENTATION**

By Norm Edwards, ARA

On Saturday May 30, 2015 the Rapid City Propbusters AMA put together a Workshop for regulatory agencies and emergency services on the use and misuses of unmanned aerial vehicles (UAV) s. It was held at the Pennington County Administration Building EOC Room, 130 Kansas City Street and Propbuster R/C Club Field. The head of Emergency Services of Pennington County Mr. Elm Willett opened the program.

Mr. Jim Tiller of the UAV community introduced the presenters and presented a short presentation of the use of UAV and discussed the general etiquette and proper use of air space.

The first presenter was Arend Schuurman who spoke on the use of UAVs for the Brookings County Fire and Rescue Department. Arend made comments on the Development, Training and Maintenance of Drones.

He has been experimenting with this technology and explained how it was helpful in getting real time information of a developing emergency situation, say have a heavy refrigeration unit on a building which was burning, and how to access the risk of entering the smoky building to fight the fire. There was a discussion on using developing technologies such as infrared filters to find missing persons and find routes in inclement conditions for vehicles to remote sites.

Arend also demonstrated the use of drones for monitoring sites later at the Field and presented some photos that he and his daughter had taken of Agricultural Activities and Rural Home sites and Terrain. It could be used for showing property limitations and characteristics of various sales and subject conditions. There was a 15 to 20 mph wind at the field and the drone operated very well under these conditions.



Dr. Dan Dolan a teacher at the SD School of Mines in R/C gave a presentation of current technology that is being developed at the School of Mines and future developments. There were two students Marcus and Xavier, who built their own drone, and were in a national competition. They finished ahead of several prominent tech schools in a competition of guiding a drone down the halls in a simulated building, and retrieving a thumb drive and exiting the building undetected..

There are also research projects involving livestock monitoring livestock and monitoring a power line. There are sensors that can look through two foot thick concrete walls and detect people. Dr. Doland said there are quantum leaps being developed in computer chips and they are becoming more sophisticated all the time and cheaper. It generally takes students 16 hours on a simulator before they can fly these drones. The students can typically fly about a quarter mile from the operator when operating the drone.

There was approximately 27 people who attended the workshop which displayed many types of aerial vehicles and about that many went to the field where they were demonstrated.

## **SD CHAPTER - KJERSTAD MEMBER SCHOLARSHIP**

### **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 1<sup>st</sup>.
- **Pay member registration fee for first time national meeting attendance** - The member planning to attend their first national meeting would inform President and Treasurer.
- **Pay up to two \$500 scholarships annually to attend the National Meeting for members who have attended the National Meeting in the past.** Those intending to attend a National Meeting would state their intent to do so to the President and Treasurer. Then, those submitting their intent will be in a drawing for one of the two scholarships. The scholarship would be for members that are not reimbursed their costs by their employer. The scholarship would be limited to the same winner once every three years if several are entered in the drawing.
- **\$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 1<sup>st</sup> 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.