

**Officers:**

President  
Craig Sommers

President-Elect  
Terry Leibel

Secretary  
Paul Reisch, ARA

Treasurer  
Paul Sickler, AFM

Past President  
Ron Ensz, ARA

**Directors:**

Jeff Barker (2019)  
Jim Dunlap, ARA-AFM (2017)  
Brian Gatzke, ARA (2018)  
Jay Knuppe (2018)  
Loy Matthes, ARA (2019)  
Don Threadgold, AFM (2019)

**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



**SOUTH DAKOTA CHAPTER**

2 / 2016

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

**DATES TO REMEMBER!**

- March 10 - West River Breakfast Meeting – Rapid City
  - March 18 - East River Breakfast Meeting – Sioux Falls
  - April 22 – SDSU Network Event – Brookings
  - May 12 - West River Breakfast Meeting – Rapid City
  - May 20 - East River Breakfast Meeting – Sioux Falls
  - May 20 – SD Chapter Board Meeting – Sioux Falls
  - May 24-27 – SD Assessor Conference - Spearfish
  - June 25 – July 1 – Summer Education Week – Des Moines, IA
  - July 14 - West River Breakfast Meeting – Rapid City
  - July 22 - East River Breakfast Meeting – Sioux Falls
  - September 8 - West River Breakfast Meeting – Rapid City
  - September 12-16 - Leadership Institute – Washington, DC
  - September 16 - East River Breakfast Meeting – Sioux Falls
  - October 27 or 28 - West River Breakfast Meeting – Rapid City
  - October 27 or 28 - SD Chapter Board Meeting – Rapid City
  - November 7-11 - 87<sup>th</sup> ASFMRA Annual Meeting – Indian Wells, CA
  - November 18 - East River Breakfast Meeting – Sioux Falls
  - December 10 - West River Breakfast Meeting – Rapid City
- 2017**
- January 25-27 – Winter Education & Joint Meeting W/PAASD - Chamberlain
  - October 18-20 – Yellow Book Seminar – Deadwood

**CHAPTER MEMBER ANNIVERSARIES**

	Member	Join Date	Years
Education Foundation Auction	Paul Sickler	3-27-1992	24
Government Relations	Jim Hollenbeck	3-12-1999	17
	John McMahan	3-12-1999	17
Appraisal Review & Ethics	Ron Rucker	3-12-1999	17
	Craig Sommers	3-12-1999	17
Mentor	Jim Vietor	3-12-1999	17
	Allan Husby	3-15-2002	14
Kjerstad Member Scholarship	Brian Gatzke	3-21-2003	13
	Loy Matthes	3-07-2003	13
Nominating Committee	Scott Heimes	3-26-2004	12
	Dan Hilgenkamp	3-11-2005	11
Communication	Troy Swee	3-18-2011	5
	Curtis Brooks	3-27-2015	1
	Matthew Pullen	3-11-2015	1

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

Thank you for your support!!

## **PRESIDENT'S MESSAGE**

It's now the end of February and the winter is rounding the final curve. I am grateful for that, as living up here in northern SD, one is always ready for some spring weather!

We had a most excellent SD Chapter meeting in Chamberlain January 27<sup>th</sup>. I was happy to preside over the 176<sup>th</sup> (or something like that!) annual SD ASFMRA Chapter Membership meeting. I believe it was a record, or near record attendance. The education was a hit, the Chapter made some operating capital, and most importantly, we all shared in the friendship and fellowship that makes our Chapter successful. Thanks to Barry Wilfahrt for the group photo. And of course, we all agree that Jack Davis did an outstanding job on his presentation and a round of applause is in order! ☺

Scott Heimes and the Education Committee members did a fantastic job for all of us. Someone told me that the President role in our chapter is an enjoyable role, "as long as you have the right people in the right places". I could not agree more. All of you that have taken an active role in our Chapter deserve more thanks than I can give in this column, but I salute you, and I whole heartedly thank you!

We finish the January Education and start with the next Chapter activity, the spring SDSU social meeting. Brian Gatzke has been hard at work lining up plans so that it will come off without a hitch, as usual. Thanks Brian, for that effort. More great Chapter volunteers met with the FIRE Club February 16th, and you can read about that later in this issue. Thank you all!

I'm proud to be President of our Chapter. It is a privilege to be in that role. I'm proud because each of you has made our SD ASFRMA Chapter successful by stepping up and getting things done. A celebration of successes is in order!

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

## **CHAPTER MEMBERSHIP UPDATE**

We welcome our newest members.

Wade Buck from Rapid City is a certified general appraiser with Titles of Dakota Appraisal Services. Wade was previously a member from March 1999 thru June 2007 and SD Chapter President in 2005-06.

Rick Gullickson from Aurora is a farm manger with Farmers National. Prior to joining Farmers National, Rick had sales and management experience in agronomy and farm equipment.

Tom Sternhagen from Groton is a state registered appraiser with Braun Appraisals. Tom was summer intern with Mike in 2014 and began working with him after graduation from Northern in May 2015.

Summary of Current 86 Members / 66 accredited / associate / academic:

1 ARA/AFM 10 ARA 7 AFM 44 Associate – 37 appraisers / 7 farm managers - 60 total  
4 Academic 10 Student 2 Affiliate 3 Retired 4 Partner 1 Honorary

## **CHAPTER SETS RECORD MEMBER ATTENDANCE AT ANNUAL MEETING**

**Thirty seven members and two guests** were in attendance for the chapter annual meeting on Wednesday evening January 27<sup>th</sup>.



Members Present: Jesse Ball, David Baker, Jeff Barker, Jordan Bauer, Michael Braun, Curtis Brooks, Jack Davis, Jim Dunlap, Ron Ensiz, Barbara Hegerfeld, Scott Heimes, Dan Hilgenkamp, Jim Hollenbeck, Jerry Hulm, Allan Husby, Tom Jass, Dave Koenigshof, Jay Knuppe, Kim Larson, Terry Leibel, Amanda Leighton, Loy Matthes, John McMahon, Adam Nelson, Keith Newman, Dawn Rasmussen, Paul Reisch, Travis Shaykett, Paul Sickler, Craig Sommers, Kayla Suther, Don Threadgold, Jason Vaith, Jim Vietor, Shawn Weishaar, John Widdoss, Russell Wyatt

Others Present: Barry Wilfahrt, Betty Wyatt

President Craig Sommers conveyed highlights this past year.

- Craig attended his first national meeting in San Antonio and found it interesting and fun. He noted the strong friendships he observed and recommended attending national meetings to all.  
2016 Meetings:
  - June 27-July 1 Summer Education Week – Des Moines
  - September 12-16 Leadership Institute – Washington, DC
  - November 7-11 ASFMRA Annual Meeting – Indian Wells, CA
- Membership growth continues. Craig thanked Scott Heimes, Jim Hollenbeck, and others for continuing education program. He also thanked Jeff Barker / Barb Hegerfeld (East River) and Norm Edwards / Loy Matthes (West River) for efforts in organizing breakfast meeting social events.
- Craig conveyed that national is looking at organizational branding and possible name change. 2015 survey revealed most felt current name is too long. A high percent liked the tag line Most Trusted Rural Property Professionals.

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## ANNUAL MEETING CONTINUED



Jerry Hulm's hat won the vote for best look for a professional appraiser.



The Nominating Committee slate as provided by Chair Ron Ensz and committee members David Baker and Tom Jass 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 – Jeff Barker, Loy Matthes, Don Threadgold  
2017 Nominating Committee – Tom Jass

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

## ETHICS SEMINAR TO BE HELD AT JANUARY 2017 WINTER MEETING

At their October meeting the SD ASFMRA Board of Directors approved having an ethics seminar at the January 2017 winter meeting. All accredited and associate members are required to take the ethics class within two years of joining ASFMRA and every six years thereafter.

July research indicated that 33 members need the ethics course in 2016 thru 2018. **ASFMRA has approved the 12 members needing the course in 2016 can meet the requirement by taking the January 2017 class.**

Ron Ensz encourages members to attend the on-site Ethics Course. Here are Ron's comments: "I was required to take the course by January 1, 2016 and signed up for the December webinar course.....yes, I procrastinated in taking the course. Looking at my monitor for four hours was a challenging feat. When the instructor asks questions about situations or examples, the type written responses are okay but it doesn't compare to in-class conversations and feedback. I believe I would have benefited and gotten much more out of the course in a classroom setting instead of the webinar."

All chapter members are encouraged to take the class, even those not needing it until 2019 thru 2021. If participation is good enough to make the seminar work financially, the chapter can plan future seminars to address the ethics requirement.

## **YELLOW BOOK SEMINAR IN DEADWOOD MOVED TO 2017!**

The SD Chapter offering of the ASFMRA Yellow Book course at The Lodge in Deadwood has been moved to the fall of 2017. This offering will replace the annual fall offering in Denver.

The SD Chapter was scheduled to offer the ASFMRA Yellow Book course at The Lodge in Deadwood in the fall of 2016 on Wednesday October 12 thru Friday October 14.

The Yellow Book is being rewritten with the Appraisal Foundation in charge of this rewrite as the Justice Department transferred publication to TAF for both delivery and education. It was thought our offering would be the first under the rewrite.

Loy Matthes, ARA, has been leading the SD ASFMRA Education Committee efforts in putting this offering together. Loy reported at the membership meeting that we are now learning the rewritten material will be in draft form by the end of the first quarter to mid- second quarter this year. The draft will then go to the agencies for comments and will be returned for final review / edit. From a practical standpoint, it is unlikely it will be finalized before the fourth quarter of the calendar year.

Considering this, the decision was made to move the offering to the fall of 2017 on Wednesday October 18<sup>th</sup> thru Friday October 20<sup>th</sup>.

## **GOVERNMENT RELATIONS UPDATE**

At the chapter's annual membership meeting, Government Relations Chair Terry Leibel and lobbyist Barry Wilfahrt updated the membership on 2016 activity and the history over the past 10 years that Barry has been our lobbyist

In January HB 1074 was introduced. HB 1074 would have eliminated anonymous complaints. Appraisal Certification Program is in the process of modifying the complaint process.

The rules amendments will ensure that a formal complaint will not be entered against an appraiser until any allegation of noncompliance has been fully investigated and a determination has been made that there is clear evidence of noncompliance of applicable rules, laws and/or uniform standards. This will shield appraisers from being penalized for merely have a complaint filed against them which may be meritless, and clearly establishes that only the Secretary of the Department has the authority to enter a formal complaint against an appraiser after an investigation reveals disciplinary action is warranted.

Considering this, the chapter testified against the bill along with Sherry Bren and PAASD. In the January 25, 2016 Judicial Committee hearing, by a vote of 10-2, HB 1074 was deferred to the 41st day, effectively killing the bill.

Lobbyist Barry Wilfahrt presented history of bill results since he became lobbyist 10 years ago. Six out seven bills initiated or supported by the appraisal industry have passed. The one that failed was reintroduced the following year under appraiser section of state law instead of real estate section and passed. Four bills introduced by legislators opposed by the industry have failed.

Barry said there has been concerted effort over the past 10 years to build relationships with bankers, regulator, and realtors. This is a positive contribution to the success over past 10 years. Barry commended Jim Dunlap and Terry Leibel for their efforts over the years.

## **GOOD CHAPTER MEMBER SUPPORT FOR CONTINUING EDUCATION**

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

- Wednesday afternoon – 45 in attendance with 32 of these chapter members
- Thursday USPAP – 94 in attendance with 29 of these chapter members
- Friday morning – 31 in attendance with 22 of these chapter members

The Wednesday afternoon session covered several topics presented by SDSU faculty and extension staff and their relationship to land value trends.

Extension Field Specialist Crop Business Management Jack Davis provided information on Corn Production Costs, current and historical. The top 40% of producers had direct expenses as 40% to 45% of gross income in the 2008 to 2013 time frame. This increased significantly in 2014 and 2015. Generally, higher profit producers have lower land costs and a lower percent of machinery cost to gross income.

Commodity Marketing Specialist Lisa Elliot provided information on Crop Basis. Lisa provided information on current corn and soybean outlook, comparison of profit potential of traditional corn / soybean crops to sunflowers, camelina, and carinota / canola, historical nominal versus real basis levels and current basis.



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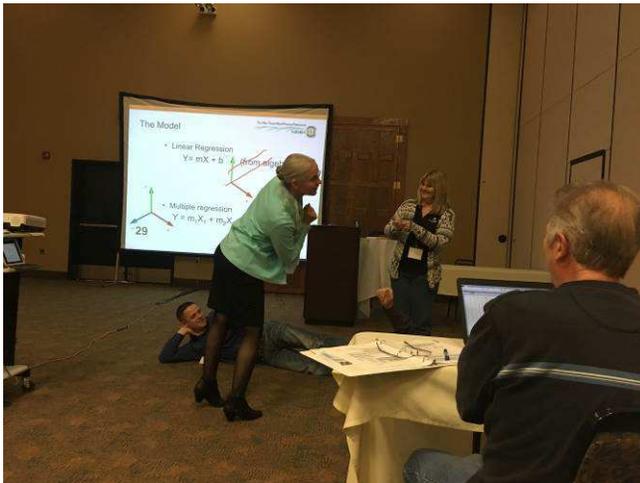
## CONTINUING EDUCATION CONTINUED

Natural Resource Management Specialist Alexander Smart provided interesting information on Pasture and Range Management. He addressed the economics of rotational grazing. Benefits include reducing rotational grazing, increasing harvest efficiency, facilitating animal management, and improving wildlife habitat.

Extension Specialist Risk & Business Management Matt Diersen presented information on PRF (Pasture Rangeland Forage) insurance. This insurance has been available in South Dakota since 2007. It was initially linked to Vegetation Index but switched in 2013 to Rainfall Index. Currently insuring about 10% of eligible acres compared to 95% on crops. Those insuring have been getting back \$2 for every \$1 invested over time so Matt feels usage will increase in the future.



On Thursday Craig Steinley, SRA, AI-RRS updated appraiser participants on USPAP changes. On Friday, Ann Roehm provided participants on utilization of various tools and techniques for efficient use of excel in their work analysis and reports. This included a demonstration involving our Chapter President Craig Sommers and Education Chair Scott Heimes.



## **FUNDRAISING / SOCIAL ACTIVITIES**

On Thursday evening, members had the opportunity to network with chapter and PAASD members at the joint pizza social and PAASD sponsored Casino Night fundraiser.

From Wednesday evening thru Friday morning, chapter members sold tickets to the Super Bowl Pool organized by Treasurer Paul Sickler. \$10 tickets provided participants the opportunity to be winners with half time and final scores.

44 people bought tickets including 31 chapter members. 14 people were winners including 10 chapter members. Ron Ensz was the big winner (\$150) but Ron did purchase 9 squares on the board. This fundraiser raised \$560 for the Kjerstad Scholarship fund.

The chapter purchased a sculpture at the San Antonio national meeting Education Foundation Auction that will be used in a future raffle to raise additional funds for the scholarship.





## **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 accredited, associate, and academic 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 National Meeting for members who have attended the National meeting in the past.** Scholarships are intended for members that are not reimbursed their costs by their employer. Priority for the two scholarships will go first to younger members that have already used the first time attendance scholarship; then to other members that have gone to national meeting multiple times. Those intending to attend a National Meeting would state their intent to do so and be considered for the scholarship to the President and the Treasurer. In the event more than two members apply, there will be a drawing for the scholarships – first among those in the younger member priority, then to other members who have gone to national meeting multiple times. The scholarship is limited to the same winners once every three years if several members apply and are entered into the drawing.
- **\$500 scholarship for first ASFMRA education course that is a part of obtaining AFM accreditation or certified general appraiser license 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 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, Secretary, and Treasurer.