

Officers:
 President
 Terry Leibel

President-Elect
 Paul Sickler, AFM

Secretary
 Paul Reisch, ARA

Treasurer
 Adam Nelson

Past President
 Craig Sommers

Directors:
 Jeff Barker, ARA (2019)
 Jim Dunlap, ARA-AFM (2020)
 Brian Gatzke, ARA (2018)
 Jay Knappe (2018)
 Loy Matthes, ARA (2019)
 Don Threadgold, AFM (2019)

YPN: Barb Hegerfeld

Committee Chairs:

Membership: Kim Larson

Social: Jeff Barker, ARA

East River Breakfast
 Barb Hegerfeld

West River Breakfast
 Norm Edwards, ARA

Fishing Social
 Jeff Barker ARA &
 Don Threadgold AFM

Education
 Travis Shaykett & Jason Vaith

SDSU Relationships: Brian Gatzke ARA & Allan Husby ARA
 Career Fair – Jaret Sievers
 Curriculum - Gatzke/McKnight
 Network Event–Ryan McKnight
 Scholarship – Keith Newman
 Student Involvement
 - Jordan Bauer

Assessors Conference
 Ron Ensz, ARA

Education Foundation Auction
 Ron Ensz, ARA

Government Relations
 Terry Leibel

Appraisal Review & Ethics
 Allan H, ARA

Mentor: Jim Dunlap, ARA

Kjerstad Member Scholarship
 Terry Leibel

Nominating Committee
 Craig Sommers

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



SOUTH DAKOTA CHAPTER www.asfmra-sd.com

10/2017

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

DATES TO REMEMBER!

November 13-17 - 88th ASFMRA Annual Meeting – Savannah, GA
 December 8 - East River Breakfast Meeting – Sioux Falls
 December 14 - West River Breakfast Meeting – Rapid City

2018

January 17 –Property Rights Seminar & Annual Meeting - Chamberlain
 January 18 –UPSPA Update & Joint Pizza Social W/PAASD - Chamberlain
 January 19 –PAASD Educational Offering - Chamberlain
 June 6 – SD ASFMRA Board Meeting - – Kimball / Chamberlain
 June 6-7 – SD ASFMRA Fishing Social – Kimball / Chamberlain
 June 24 – 29 – Summer Education Week – Des Moines, IA
 August 2-3 – Chapter Leader Day - Denver

CHAPTER MEMBER ANNIVERSARIES

Member	Join Date	Years
Norm Edwards	11-01-1979	38
Joseph John Doran	11-10-2014	3

Thank you for your support!!

CHAPTER MEMBERSHIP UPDATE

We welcome our newest member Josh Kiesow from Aberdeen. Josh is a state registered appraiser gaining experience hours working with Marvin Siebrecht. Josh graduated from South Dakota State University in May 2001 with a degree in Wildlife and Fisheries Science. Prior to beginning his appraisal career this past summer, he was a Conservation Specialist with Ducks Unlimited for the past 6 years. He also has past work experience with USDA Forest Service, Lower Brule Sioux Tribe, and US Fish and Wildlife Service.

Retention is currently 87 members out of 91 or 96%. Eight new associate appraisal members and one student member have joined since January 1, 2017. Total chapter members have increased 5 since January 1, 2017.

Summary of Current 96 Members / 74 accredited / associate / academic:
 1 ARA / AFM 1 ARA / RPRA 11 ARA 8 AFM
 50 Associate – 43 appraisers / 7 farm managers
 3 Academic 11 Student 2 Affiliate 4 Retired 5 Partner

PRESIDENT'S MESSAGE

Greetings Fellow Members;

(History of Agriculture Continued)

The rural prosperity bubble burst suddenly and completely in 1920. Prices plummeted as the government withdrew its support on wheat, and at the same time the foreign market collapsed as the overseas competitors returned to production. Nations began establishing tariffs, prohibiting shipping grain overseas. As grain and land prices fell, farmers continued to be faced with high mortgage payments incurred during the war years and with tax rates that doubled in the 1920's.

Advertising came of age and new technology, such as automobiles, radios, washing machines and refrigerators were eagerly being purchased. The cost of manufacturing goods went up, while farm commodity prices went down. As the decade progressed, the farmers role in the consumer economy continued to shrink. With the deteriorating economy, bank failures accelerated. From 1922 to 1925 a total of 175 banks in the state closed their doors.

Farmers responded to their financial shortfall by producing more crops, which, given the laws of supply and demand, continued to lower commodity prices. Improved modern machinery made it much easier to over-produce. The number of acres that could be harvested by one man went from 33.2 acres in 1920 to 100 acres by 1929. Land used for crop production increased by over 15% from 1925 to 1929. With more acres now in production, it was too common of a practice to cultivate the more marginal soils, thus, endangering the delicate ecological balance. Within a few years a prolonged drought, high winds and an unrelenting sun created massive dust storms. The "dirty thirties" had arrived.

As the drought intensified throughout the majority of the state, there was a general feeling of despair and hopelessness among farmers. The dust was everywhere, seeping and blowing through the windows in houses. Dust drifts high enough to cover fences completely. The land was desolate, with farmers cutting and putting up Russian thistles for hay.

The dry conditions were an excellent environment for grasshoppers to multiple, with swarms making quick work of cornfields and gardens, devouring the leaves and bark of trees, and even eating on the wood fence posts. (As a personal note, my father lived through those times as a young man. I remember him saying that only the lucky ones had some thistle to put up for hay. It sort of gives a whole new meaning to the work "lucky" doesn't it.)

(More Next Time)

It's fall in full force. Harvesting of crops going full speed. As always, yields vary substantially. Commodity prices pretty much in the tank, but hopefully, most operations will see a profit. The one bright spot is cattle prices staying relatively strong.

Fall is also a very busy time of year for our chapter. Lots going on. Career Fair Days and our Chapter Scholarship Presentation at SDSU, our Fall Board Meeting and Yellowbook Course in Deadwood, and SDSU Extension Ag Lenders Panel in Sioux Falls and Watertown. And, of course, the National Meeting in Savannah coming up next month. **A huge thanks to all of you who make things happen; it couldn't work without you.** What a strong organization we have. Oh, and don't forget the pheasant quilt raffle---I think I may have to buy more tickets to take it home!

Later;

Terry Leibel Email: midstateprsl@aol.com

PROPERTY RIGHTS SEMINAR BEING OFFERED IN JANUARY

Under the leadership of Co-Chairs Travis Shaykett and Jason Vaith, the SD ASFMRA Education Committee is offering the Property Rights Seminar ““Why Haven’t I Heard This Before?”” with Instructor John Widdoss, ARA, MAI. On January 17, 2018 in Chamberlain.

While the topic of property rights is basic and taught the first day of the first valuation class, something has been missed. Appraisers regularly report the “rights appraised” as fee simple, or sometimes appraisals are rejected by lenders, because the appraiser reported or appraised something other than fee simple when full rights did not exist. Properties have evolved over the years; therefore, it is rare to find property that does not have encumbrances for something. The seminar will also discuss the impact of the encumbrances in cases where there is a resulting change in the highest and best use of the property. More details to follow in upcoming newsletters.

SOUTH DAKOTA CHAPTER ATTENDS 2017 SDSU CAREER FAIR

By Career Fair Chair Jaret Sievers

Three chapter members attended the South Dakota State University (SDSU) Ag Bio Career Fair on October 4th on the Brookings campus.

The Chapter was represented on the appraisal side by Keith Newman and Kevin Johannsen (with Farm Credit Services of America), while Troy Swee (with Farmers National Company) represented the farm management and agricultural consulting profession.

SDSU Career Fair Chair Jaret Sievers lined up members to be at the fair, the booth, and materials.

Committee goals for the event include:

- Increase student awareness of the property economics professions of appraisal, farm management, and agricultural consulting and
- Increase student awareness of the ASFMRA, the South Dakota Chapter, and the annual Summer Education Week (SEW) Career Day for students, and the South Dakota Chapter of the ASFMRA SDSU scholarship awarded annually.



Committee members answered questions that students had about ASFMRA and the farm management and appraisal professions. Thru these visits and handouts, committee members made students aware of farm management and real estate appraisal career opportunities, created awareness of SD ASFMRA including the chapter scholarship as well as the ASFMRA Career Day for students at SEW in Des Moines, Iowa, in June of 2018.

Students were encouraged to apply for the ASFMRA SDSU scholarship for next year and to register for the SEW Career Day. The Denver office provided description brochures along with the display materials. Several students visited with chapter members to discuss the farm management and appraisal professions and learn more about the South Dakota Chapter.

The winner of the \$50 SDSU Bookstore gift card was McKenzie Zuzek, a sophomore pre-veterinary medicine major from Farmington, MN.

CHAPTER SCHOLARSHIP PRESENTED AT SDSU

Keith Newman and Paul Sickler represented the chapter at the October 18th Ag-Bio Scholarship Banquet at the Student Union Volstorff Ballroom. Alec Weber was announced as the recipient of the chapter's \$1,000 scholarship for the 2017-2018 academic year. Alec was chosen from those who submitted application / essays for the scholarship.

Alec is working on an Agronomy major (with Ag Business & Precision Agriculture minors). Alec is from Tyndall, SD, in addition to being a graduate of Bon Homme High school. When asked how he first heard about the scholarship opportunity, Alec indicated that he had applied for the scholarship the past four years.

In his college career, he is an active member of Agronomy & Conservation Club, Harvest Table, and the Jacks for Life Club. He has taken Farm and Range Management classes and hopes to pursue a career in Agronomy, or in agricultural (soil) consulting. Alec also volunteers for the Campus Wide Clean-up.

Upper level undergraduate students enrolled in the College of Agriculture and Biological Sciences are eligible for the scholarship. A cumulative GPA of 2.5 minimum, or upper half of class ranking, is required – along with a stated interest in considering rural appraisal, farm management, or agricultural consulting as a career. The following preferences are also considered:



preferences are also considered:

- Community service achievements and demonstrated leadership qualities,
- Completion of / or current enrollment in rural appraisal and / or farm / ranch management courses,
- South Dakota resident,
- Financial need.

Past Scholarship Winners:

2005 – Seth Zilverberg – Holabird, SD
2007 – Emily Hansen – Marshall, MN
2009 – Kent Buchholz – Philip, SD
2011 – Jerilynn Reed – Faith, SD
2013 – Sara DeClerk – Flandreau, SD
2015 – Elizabeth Bertolotto - Sturgis, SD

2006 – Becky Lambert – Doland, SD
2008 – Jim Jansen – Fordyce, NE
2010 - Maria Skoglund – Canova, SD
2012 – Austin Mann – Bloomfield, NE
2014- Brett Ziemer – Browns Valley, MN
2016 – Ridge Sandal – Quinn SD

The scholarship continues to contribute to a strengthened chapter relationship with SDSU personnel and students.

CHAPTER BOARD ACTIONS AT FALL MEETING

Ten of the eleven board members attended the SD ASFMRA fall board meeting held October 17, 2017 in Deadwood.



Meeting highlights not addressed elsewhere in the newsletter:

Retired Member Chapter Dues: SD chapter dues are \$0, one of 3 chapters with rest ranging from \$5 to \$50, most \$20 to \$30. There was a consensus to leave retired member dues as it is.

SDSU Network Event: Board supported committee recommendation to have fall social event around a football game maintaining the concept of several SDSU representatives providing updates.

Fishing Social: Nine members attended the 2017 fishing event. Members were a mix that included newer members and people that did not typically interact with each other. Board members felt this was a success to build on for 2018. Jeff Barker made contacts and confirmed June 6, 2018 afternoon board meeting followed by supper social and June 7, 2018 fishing event. Invitations to participate will be sent to Nebraska chapter members, Executive Council officers, and national staff.

ASFMRA Logo: Approved SD Chapter utilizing new logo when available and legal to do so.

Continued

CHAPTER BOARD ACTIONS CONTINUED

ASFMRA Chapter Recognition Program: Approved SD Chapter participation in the program. We are confident that we can be a Patron Chapter by maintaining the chapter success in recent years.

Chapter Recognition Program

The American Society of Farm Managers and Rural Appraisers (ASFMRA) understands that the key to our overall success is our Chapters!

Strong chapters make for a strong, vibrant and cohesive organization and we want to recognize those Chapters that contribute to our success – so become a **Patron Chapter of ASFMRA!**

Your participation in the Chapter Recognition Program begins on October 1, 2017 and ends on September 1, 2018. Your Chapter will be recognized at the 2018 ASFMRA Annual Conference in Chandler, Arizona! The members of your Chapter will receive individual thanks and recognition!

So what does your Chapter need to do?

A **Patron Chapter of ASFMRA** has actively contributed to ASFMRA by meeting all of the following ten criteria:

- Chapter is in “good standing” with ASFMRA and one or more delegates attended the most recent ASFMRA Annual Conference.
 - Good standing means the following:
 - Your Chapter has a mission statement
 - Your Chapter has adopted and/or incorporated the new ASFMRA logo
 - Ninety percent of your members are current with their dues and account balances
 - All members are current with Ethics, continuing education credits and USPAP (if applicable)
- Chapter has demonstrated net growth in membership (excluding student members).
- Chapter has a program and/or committee to encourage members to obtain their accreditation and/or has a newly accredited member in the past year.
- Chapter has sponsored CE courses for members through ASFMRA in the last year.
- Chapter has held one or more chapter meetings in the past year (tour, business meeting, regional meeting, educational meeting, etc.)
- Chapter has a Young Professionals Network (YPN) group that meets at least once a year.
- Chapter has a broad base of membership serving as their Chapter Leaders and has filled (at a minimum) the following position:
 - President
 - Vice President
 - Membership Chair
 - YPN Committee Chair
 - Education/Program Committee Chair
- Chapter has send members to Chapter Leader’s Day in the past year
- Chapter is participating with a local college or university – making presentations to classes and/or participating in a Career Fair, etc.

Chapter has provided monetary sponsorship to support a National function – Annual Conference, (Summer) Education Week and/or the ASFMRA Education Foundation

CHAPTER HOLDS SUCCESSFUL YELLOW BOOK SEMINAR

Forty-seven people attended the chapter's Yellow Book offering in Deadwood October 18-20 taught by chapter members John Widdoss and Brian Gatzke.

This included thirteen chapter members and individuals from fourteen other states besides South Dakota. Attendees included experienced Yellow Book appraisers, appraisers new to this type of work, and several government reviewers.

Attendees developed a better understanding of the concepts of before and after appraisals of a taking, Unit Rule, the larger parcel, and the importance of legal instruction in this type of work.

John Widdoss emphasized the importance of knowing property rights appraised on the subject property and the rights sold on sales when analyzing the market. John conveyed concepts on sales verification and analysis valuable to all types of appraisal work.



Sales interviews should ask buyer: What were the positives and what were the negatives of the property in your eyes?

When analyzing sales, appraisers should consider: Can sale conditions and circumstances be replicated at a similar price?

Thank you Loy Matthes for all of the work put into making this a successful event!!

CHAPTER MEMBERS NETWORK AT SOCIAL BEFORE YELLOW BOOK SEMINAR

Over 30 people gathered the evening October 17 at The Lodge in Deadwood prior to the Yellow Book Seminar for fellowship and networking. Fifteen members (David Baker, Jeff Barker, Jim Dunlap, Norm Edwards, Ron Ensz, Brian Gatzke, Allan Husby, Terry Leibel, Loy Matthes, Adam Nelson, Paul Reisch, Paul Sickler, Craig Sommers, and John Widdoss) visited with Yellow Book attendees from other states while enjoying beverages and snacks.



PHEASANT QUILT RAFFLE TICKETS SALES CONTINUE AT YELLOW BOOK SEMINAR

Loy Matthes promoted ticket sales at the seminar for the pheasant quilt raffle with net proceeds going to the Education Foundation. Another \$190 of tickets sales brought total gross sales to 161 tickets for \$550, a net of \$175 over expenses.

Sales will continue at the ASFMRA national meeting in Savannah, GA with national staff handling sales and the January 2018 joint meeting with PAASD in Chamberlain. Drawing for the winner will occur at the January 2018 joint meeting with PAASD in Chamberlain.

Nancy Reisch made the quilt.

Members involved in the project:

- Paul Reisch (quilt making, Network Event sales, national sales coordination)
- Jim Dunlap (national support)
- Loy Matthes, Paul Sickler and Craig Sommers (raffle tickets sales).



GOOD TURNOUT FOR COST SEMINAR

The Professional Appraisers Association of South Dakota in conjunction with the Black Hills Home Builders Association presented a timely and interesting one day seminar on Costs and considerations of modern home construction in the area at this time and economic times.



This October 6, 2017 class was attended by approximately 100 attendees, 76 paid attendees and the balance comped by the BHHBA to its participants and members.

Craig Steinley, SRA, AI-RRS started the presentation by explaining the difference between Cost as experienced by the contractor and Value as indicated by the Appraisal Professional in the exercise and use of established appraisal standards.

The professional builders part of the program were contributors to the seminar from various builders in the area and surrounding states. They

provided timely considerations that a typical builder would experience in build homes in the current market. They chose several types of houses to show the varying construction grades and costs including a speculation home, a semi-custom home and a custom home.

The panel broke down the building costs and permitting fees, the utility costs, the excavation costs, the concrete cost, the exterior finish options, interior system, HVAC options, floor coverings, landscaping options and Closing costs of the different options.

Their practical knowledge and on the job experience was demonstrated by their willful participation with the audience through questions and examples.

CHAPTER MEMBERS PARTICIPATE IN AG LENDERS CONFERENCE PANEL

Several chapter members participated in the Land Values and Rental Rates Panel at the SD Extension Ag Lenders Conferences held October 23 in Sioux Falls and October 25 in Watertown. Jesse Ball, Brian Gatzke, ARA, and Troy Swee, AFM were on the Sioux Falls panel. Jackson Hegerfeld and Paul Resich, ARA were on the Watertown panel. David Baker and Wade Buck agreed to participate on the Rapid City panel that was cancelled because of a lack of participant registrations.

Each member of the panel:

- Introduced themselves and their firm.
- Conveyed thoughts on land sales and rent trends this past year and anticipated for the year coming up.

Panel members then answered questions from the Ag lenders attending the conference.

CHAPTER MEMBERS ATTENDING ASFMRA ANNUAL CONFERENCE

Eight South Dakota chapter members are known to have plans to attend the 88th ASFMRA / annual meeting & trade show to be held in Savannah, GA November 13 thru 17, 2017.

Academic Vice President Jack Davis and District VI VP Paul Reisch, ARA are attending the Executive Council Meeting on Monday and Tuesday prior to participating in the events the remainder of the week.

Allan Husby, ARA, arrives with his wife Linda on Monday evening by car and will deliver the chapter raffle pheasant quilt to national staff prior to participating in classes and events the remainder of the week.

Mark Elder arrives on Tuesday for AgWare class and AgWare booth during the trade show on Wednesday and Thursday.

Jim Dunlap, ARA/ AFM is attending the Government Relations Committee Meeting on Tuesday afternoon. Jim is also the SD Chapter delegate at Tuesday afternoon's Board of Directors / Membership meeting.

Jeff Barker, ARA will receive recognition for his ARA late Wednesday afternoon at the Accreditation Ceremony & Awards Presentation.

After this event, chapter members can relax and enjoy the remaining week festivities including the Wednesday evening Trade Show Opening Reception. The SD Chapter has donated \$500 for joint sponsorship of the Trade Show Opening Reception.

Don Threadgold, AFM is delivering the chapter donation of a case of wine from six SD wineries for the Education Foundation Live and Silent Auction fundraiser on Thursday night. The chapter has also donated \$500 to the Foundation Auction event.



Other members participating in national meeting activities are Matt Gunderson and John Widdoss, ARA.