

**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 (2021)  
 Dave Koenigshof (2021)  
 Loy Matthes, ARA (2019)  
 Don Threadgold, AFM (2019)

**YPN:**  
 Barb Hegerfeld & Jordan Bauer

**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 – Barb Hegerfeld  
 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 – Curtis Brooks  
 Website – Adam Nelson



# American Society of Farm Managers & Rural Appraisers

THE MOST TRUSTED RURAL  
 PROPERTY PROFESSIONALS

**SOUTH DAKOTA CHAPTER** [www.asfmra-sd.com](http://www.asfmra-sd.com)

12/2018

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

## DATES TO REMEMBER!

January 23-24: Winter Education & Joint Meeting W/PAASD – Chamberlain  
 March 14: West River Breakfast Meeting – Rapid City  
 March 22: East River Breakfast Meeting – Sioux Falls  
 July 21 – 26: Education Week – Omaha, NE  
 August 15-16: Chapter Leaders Day – Denver, CO  
 September 9-13: Leadership Institute – Washington, D.C.  
 November 16-22: ASFMRA Annual Meeting – Louisville, KY

## CHAPTER MEMBER ANNIVERSARIES

<u>Member</u>	<u>Join Date</u>	<u>Years</u>
Geoff Oliver	1-22-1993	26
David Baker	1-13-2003	16
Jay Knappe	1-01-2009	10
Wade Buck	1-28-2016 (7 prev)	10
Adam Nelson	1-01-2010	9
Kim Larson	1-20-2014	5
Ron Dunker	1-23-2015	4
Jim Jansen	1-01-2015	4
Kevin Johannsen	1-24-2017 (2 prev)	4
Bradee Pazour	1-10-2017	2
Timothy Sletten	1-10-2017	2

Thank you for your support!!

## JANUARY 23-24 MEETING IN CHAMBERLAIN

Early bird pricing for classes ends Tuesday January 7, 2019. Price increases \$25 after that date. Get details and register for all classes at [www.paasd.com](http://www.paasd.com)

Location: Arrowwood Resort & Conference Center at Cedar Shore Resort  
 Take Exit 260 from I-90 - follow W Hwy 16 to Shoreline Dr  
 605-734-6376

## PRESIDENT'S MESSAGE

Greetings fellow members;

As they say "Time flies when you're having fun". Two years and twenty three newsletters later, this is my last one. All I really want to say is "THANKS". Thank you to all who are involved with the chapter. To those of you who have ever been on a committee, any time, thanks for all you have invested, both time and resources, to make this a great chapter over the last many years. To those of you who might be coming on new to a committee, thank you for your commitment, to carry forward the continual workings of our chapter on the various activities of each committee. Thanks to the board of directors; what an insightful group of individuals who stay on top of everything throughout the year.

The one thing I have learned from being a board and committee member over the last many years, is that it is not really about who might be President at the time. Being President, in any organization, means absolutely nothing without the commitment of those involved. It is you, the members that make this chapter what it is. There is a lot of talent out there that we can continue to cultivate.

As I said in my first newsletter two years ago, this chapter has a long list of advantages of being a member. There is the obvious advantage of professional enhancement and advancement in all we can learn through our peers, and how it helps make us all better at our chosen careers. I know it has made me a better appraiser. But there is something more than that. Through all those members who first become acquaintances, I consider myself now to have made many friends, and that has made me a better person. Networking is always as good thing.

Networking? Speaking of which, at Cedar Shore Resort in Oacoma (Chamberlain), our annual general membership meeting (**Membership Meeting is January 23<sup>rd</sup> @ 5:00**), and joint continuing education with PAASD, is now less than one month away.

And don't forget, for our social our first ever LIVE AUCTION. The annual membership meeting, excellent education, a fun social, and great networking all around---it's a tough deal to beat. Hope to see you all then.

Later,  
Terry Leibel  
Email: midstateaprsl@aol.com

## **Chapter/PAASD Joint Social**

By: Terry Leibel, SD Chapter President

Our annual membership meeting and joint educational offerings with PAASD is coming up quickly. Of course along with this is also the joint social that our chapter has continued to do with PAASD. This year our board has decided that we need a change, thus, we are going to have a “live” auction for our social night. We shared this idea with PAASD, who also thought it would be a great idea, and are totally on board with it. PAASD has decided to not do the casino night this year and instead commit to the live auction with us.

Our chapter has committed \$500 towards purchasing items for the auction. PAASD has also committed an amount towards it. Basically, how it will work is that whoever donates the item, the proceeds from the sale will go towards the chapter affiliation. Thus, if our chapter or an individual member of our chapter donates an item, the proceeds would then go to our chapter, and the same for PAASD. If the individual donating the item was a dual member (belonging to both organizations) the proceeds from that item would be split 50/50 between the organizations.

We are thinking that this will be a good joint function to get everyone involved. Our chapter will be supplying the auctioneers and ring-men. We are also asking any members that feel so moved to please donate items. The more items the better the auction and subsequent fundraising event it will be. Items we have so far include hunting, camping, fishing, tools, household, and stuff specifically for the ladies.

**And it will all be for a very good cause---funds going to the Kjerstad Member Scholarship.** So, bring some greenbacks with you and be ready to bid'em up. See you all then.

If you do wish to donate something, if you could let me know what the item is by January 18th, we will be able to get a better handle on how much stuff we'll have. You can email me at [midstateaprsl@aol.com](mailto:midstateaprsl@aol.com).

## **NOMINATING COMMITTEE ANNOUNCES CANDIDATE SLATE FOR 2019**

Nominating Committee Chair Craig Sommers and committee members Scott Heimes and Keith Newman have secured nominations for the 2019 elections to be held on January 23rd at the chapter membership meeting at Cedar Shores Resort in Chamberlain beginning at approximately 5:00 p.m.

### **Chapter Officer Nominations:**

- President – Paul Sickler
- President Elect – Brian Gatzke
- Secretary - Paul Reisch
- Treasurer - Adam Nelson

**Board Member Nominations:** Jack Davis, Jerry Hulm, Don Threadgold

**2019 Nominating Committee Member:** Jim Hollenbeck - Will join Terry Leibel as Chair and a member to be appointed by President and / or board.

**Other nominations can be made at the meeting on January 23<sup>rd</sup>.**

Tuesday Night, January 22—PAASD BOD Meeting  
Wednesday Night, January 23, SD-ASFMRA Membership Meeting



**WEDNESDAY JANUARY 23, 2019**  
Co-Sponsored by PAASD and SD ASFMRA Chapter  
A 7-Hour CE Day



5 hours will appeal to all Credentialed Appraisers and 2 hours may appeal mainly to Residential Appraisers

A 3-Hour Seminar—8:30am—11:30am

**What the Future Holds for South Dakota Appraisers:  
*An Update From The Appraisal Subcommittee, Fannie, and Freddie***  
Speakers from the ASC, Fannie Mae, and Freddie Mac are scheduled

A 4-Hour Appraisal Institute Seminar—12:30pm—4:30pm



Co-Sponsored by PAASD, the SD-ASFMRA Chapter, and the Wyoming and Western SD Chapter of the Appraisal Institute



**Ignorance Isn't Bliss: Understanding an Investigation by a State  
Appraiser Regulatory Board or Agency**

Written and Instructed by Craig Steinley, SRA, AI-RRS



**Seminar Description:**

This brand new 4-hour seminar from the *Appraisal Institute* was developed to offer participants an opportunity to peek behind the regulatory curtain surrounding complaints filed against real estate appraisers, and the resulting investigations completed by state regulators. Attendees are provided with an understanding of the origins, processing, due process requirements, statutory limitations, and federal constraints at play when a state regulatory board or agency properly investigates a complaint against a real estate appraiser. Additionally, the thresholds and mileposts that lead from investigative findings to a potential disciplinary action against an appraiser's credential are studied to allow the attendees the greatest advantage in resolving such matters. Finally, appeal options available to professional appraisers are outlined for those instances where a genuine disagreement exists as to the regulator's final findings and sanctions.

**TWO 7-HOUR SEMINARS ON THURSDAY JANUARY 24, 2019**



**The Cost Approach:  
Unnecessary or Vital to a  
Healthy Practice?**

Written and Instructed by Craig Steinley, SRA, AI-RRS

**A 7-Hour Seminar sponsored by PAASD**

The participants in the secondary market often suggest to residential practitioners that the cost approach is unnecessary for credible assignment results, or at least is not relevant to valuing a 1-4 unit property. This is highlighted in the *Fannie Mae Selling Guide*, as one example, where the cost approach is only required for the valuation of manufactured homes. Unfortunately, this mindset will often limit the potential professional growth and diversity of an appraiser, and leave him or her ill-prepared for the atypical assignments that would otherwise grow and strengthen their practice. More importantly, a decline in the day-to-day use of the cost approach leaves a residential appraiser with an incomplete ability to properly support adjustments in the sales comparison approach, to understand trends in market conditions that are often driven by building costs, and to recognize and quantify the forms of depreciation that can affect residential improvements.

Appraisers often repeat that "cost doesn't equal value". By the same token, failure to truly understand the cost approach limits the value of an appraiser to his or her clients. Through a combination of lecture and case studies, this 7-hour seminar will allow residential appraisers to regain and/or strengthen their proficiency with the cost approach so that they can rely on its indications when they have plentiful market data, very little market data, or confusing market data.

**Get Details and Register for all  
Classes at [www.paasd.com](http://www.paasd.com)**

**A 7-hour Continuing  
Education Seminar Sponsored by  
SD ASFMRA Chapter**



This 7-hour day will consist of continuing education geared towards real estate appraisers and farm managers while focusing in two areas.

Current presenters and topics consist of the following:

**Independent Contractor vs Employee:  
An Appraisal of the Pros and Cons**

Presented by: Michael S. McKnight and  
Patrick J. Knecht of Boyce Law Firm LLP

Is it better to have trainees be independent contractors or employees? This presentation will discuss the legal significance of being an employee versus an independent contractor and how that legal determination is made by considering the relevant legal factors.

**Managements Effect on Land Values**

Each segment of this portion of the seminar will provide context and insight in helping Real Estate Appraisers and Farm Managers to understand important issues that influence real estate values and profitability for cropland and pasture in South Dakota.

- **Corn Production Costs Impact on Land Value**  
Facilitated by Jack Davis
- **Changes and Impacts to Agricultural Taxes**  
Facilitated by Matthew Elliot
- **Pasture, Range, and Forage (PRF) Insurance and NAP**  
Facilitated by Matt Diersen
- **Grain Market Outlook & Strategies**  
Facilitated by Lisa Elliot

Please contact Bev Luke if you have questions: 605-716-9011 or 605-381-9415  
Email: [bkluke@rushmore.com](mailto:bkluke@rushmore.com)

## **AQB APPROVES SDSU DEGREES FOR QUALIFYING EDUCATION CREDIT**

The Appraiser Qualifications Board (AQB) has reviewed and is granting qualifying education credit for South Dakota State University's Bachelor of Science Degree in one of the following majors: Agricultural Business, Business Economics, or Construction Management.

This degree must also include a Minor in Land Valuation and Rural Real Estate with an emphasis in Agriculture and Rural (Farm and Ranch Management). The qualifying education hours granted for this degree include the following:

**APPROVAL PERIOD:** 2018/19 Academic Year – 2020/21 Academic Year  
**Real Property Appraiser Qualification Criteria Credential Hours Approved**

- Trainee 60 Hours Deficiencies 15 - Hour National USPAP Course
- Licensed Residential 135 Hours Deficiencies 15 - Hour National USPAP Course
- Certified Residential 185 Hours Deficiencies 15 - Hour National USPAP Course
- Certified General 285 Hours Deficiencies 15 - Hour National USPAP Course

The AQB has determined that those who graduated with the above mentioned degree from South Dakota State University as of the 2018-2019 academic year or later can receive the above credit. At the time of this review the following courses were required for the above referenced degree:

### **Applicable Prerequisites**

- English 277/379 – Technical Writing in Engineering/Technical Communications
- Stats 281 – Introduction to Statistics

### **Core Requirements**

- AGECE 473/473L – Rural Real Estate Appraisal & Lab
- BLAW 433 – Real Estate
- BLAW 453 – Principles & Procedures of Valuation

### **Law Requirement (students must select one of the following)**

- AGECE 350 – Environmental Law
- AGECE 352 – Agricultural Law
- BLAW 351 – Business Law

### **Area of Emphasis Agricultural and Rural**

- AGECE 271 – Farm and Ranch Management
- AGECE 471 – Advanced Farm and Ranch Management

### **Area of Emphasis Rural Finance and Banking**

- ACCT 211 – Principles of Accounting II
- FIN 310 – Business Finance

### **Area of Emphasis Rural Construction**

- CM 232 – Cost Estimating
- CM 485 – Site Development and Feasibility Analysis and Lab

### **Area of Emphasis Land Use Planning**

- GEOG 365 – Land Use and Planning
- AGECE 372 – Introduction to Geographic Information Systems

Continued

## **AQB APPROVES SDSU DEGREES CONTINUED**

The AQB has approved graduates of the overall degree program only for the above educational hours. No approval is granted for individual, stand-alone courses that are part of the degree program, or partial completion of the degree.

South Dakota State University is one of 10 undergraduate degree programs in the nation with the AQB approval. This is very positive news for South Dakota State University.

### **Real Estate Degree Review Program**

The Appraiser Qualifications Board (AQB) of The Appraisal Foundation has established a review program for college degrees in real estate.

Under this program, the AQB analyzes degrees in real estate to determine how the education required to obtain a degree can be applied to the *Required Core Curriculum* in the *Real Property Appraiser Qualification Criteria*. The results of the review are published for state appraiser regulatory agencies to use when reviewing the educational qualifications of applicants that hold such degrees.

AQB approval of a degree in real estate is not a guarantee of acceptance by any individual state appraiser regulatory agency. Individual jurisdictions have rights to establish criteria that are greater or more stringent than that established by the AQB. As a result, a state regulatory agency may elect to not accept the AQB's analysis of a college's degree program. Applicants considering entering a degree program in real estate should make sure to check with their respective state appraiser regulatory agency prior to enrolling to determine that particular jurisdiction's policies pertaining to this issue.

## **AQB Approved Degrees in Real Estate**

### **Undergraduate Degrees**

Colorado State University  
Indiana University  
Lehigh University  
South Dakota State University  
Texas A&M University  
University of Denver  
University of Nebraska - Omaha  
University of Northern Iowa  
University of Wisconsin - Madison  
Virginia Commonwealth University

### **Graduate Degrees**

Florida International University  
Texas A&M University  
University of Denver  
University of Florida  
University of Wisconsin - Madison  
Virginia Commonwealth University

## **MEMBER PROFILE**

By: Kevin Johannsen

### **Describe your experience and education related to the property professional field (appraisal, farm management, consulting, academic relation).**

I graduated from SDSU with an Ag Business degree and started my career working in the seed business. The past 5 plus years I've been with Farm Credit Services of America and have enjoyed learning the appraisal process.

### **Describe what has led you to becoming a chapter member of the South Dakota ASFMRA and why you remain a member, if a member for a number of years.**

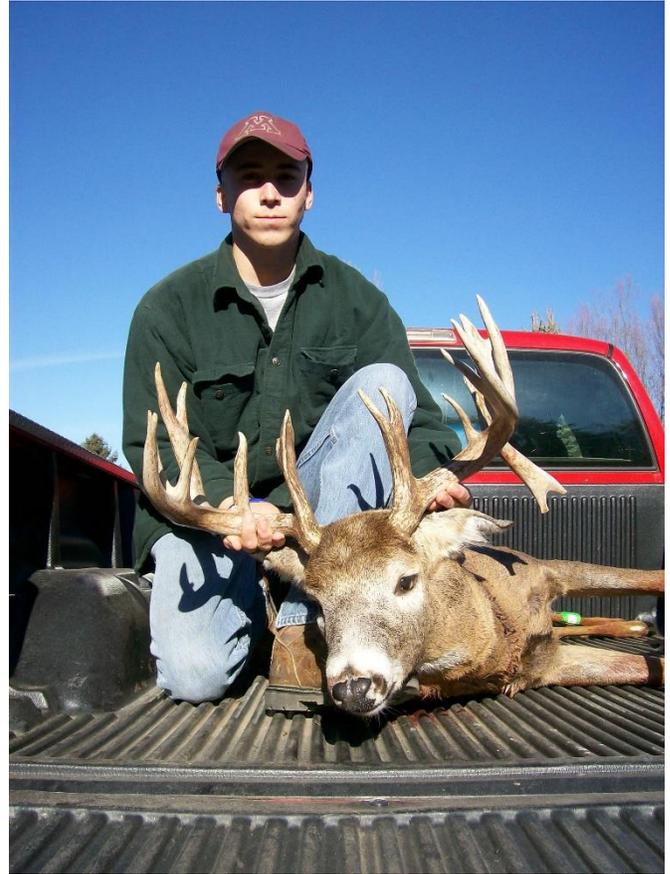
I joined based on the recommendation of my FCSA teammates. I enjoy the networking the most. Getting to know the other members has been a great experience.

### **Describe personal background items that would be of interest to fellow chapter members (e.g. family, ethnic heritage, other communities lived, other jobs / careers, main hobbies or interests).**

I grew up around the Vermillion Hills of SW Lake County. We raise Charolais cattle and do a lot of prairie hay. I grew up very thrifty attending about every personal property auction and rummage sale in the state of South Dakota. I enjoy restoring Massey tractors and keeping up with my fleet of Dodge-Mopar vehicles. My main hobby is cutting and splitting wood. I live in a log cabin with no furnace which this time of year I don't recommend!!!

### **Describe a few memorable or unique experiences in your life.**

I worked some less than ideal jobs growing up; janitor; mail man; septic truck driver, welder and garbage man. But they've really helped me appreciate what I have now.



## 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.

The Kjerstad Member Scholarship Committee will administer the scholarship. Committee members are President, Past President, President-Elect, Secretary, and Treasurer.

### **Scholarship opportunities for accredited, associate, and academic members when their employer does not pay the cost include:**

- **Pay basic member registration fee and transportation up to \$500 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 March 15<sup>th</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 member registration fees 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.

Continued

## SD CHAPTER - KJERSTAD MEMBER SCHOLARSHIP

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.

### Farm Manager

- **Pay member registration fee first ASFMRA education course that is a part of obtaining AFM accreditation after becoming a 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.
- **Pay member registration fee for accreditation education class 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 member registration fee toward the cost of a class still needed within 3 years of scholarship approval.
- **Pay for cost of ALM 4 Review for Exam, application fee, and accrediting exam** - Payable upon application and approval to sit for exam as communicated by member to President and Treasurer. The cost of application fee and 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.

### Appraiser

- **Pay member registration fee for two ASFMRA education course(s) that is a part of obtaining trainee license after becoming a member or all three if taken as Trainee Bundle at Education Week.** - 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.
- **Pay member registration fee for two ASFMRA education course(s) that is a part of obtaining certified general appraiser license after becoming a 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.
- **Pay member registration fee for accreditation education class 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 member registration fee toward the cost of a class still needed within 3 years of scholarship approval.
- **Pay for cost of A500 Appraisal Exam Prep, application fee, and accrediting exam** - Payable upon application and approval to sit for exam as communicated by member to President and Treasurer. The cost of application fee and 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.