

Officers:

President
Paul Sickler, AFM

President-Elect
Brian Gatzke, ARA

Secretary
Paul Reisch, ARA

Treasurer
Adam Nelson

Past President
Terry Leibel

Directors:

Jack Davis (2021)
Rick Gullickson, AFM (2020)
Dave Koenigshof (2020)
Kim Larson (2022)
Don Threadgold, AFM (2021)
Don Zacher (2021)

Committee Chairs:

Membership: Kim Larson

Social: Jeff Barker, ARA

East River Breakfast:
Jeff Barker ARA

West River Breakfast:
Norm Edwards, ARA &
Justin Uhrig

Fishing Social
Jeff Barker ARA &
Don Threadgold, AFM

Auction Social
Terry Leibel
Jim Dunlap, AFM / ARA

Education: Travis Shaykett

Nominating: Terry Leibel

Communication:
Paul Reisch, ARA
Newsletter – Curtis Brooks
Website – Adam Nelson

NE-SD Summer Meeting:
Dave Koenigshof

Government Relations:
Paul Sickler AFM &
Jim Dunlap, AFM-ARA

Mentor: Allan Husby, ARA

Assessors Conference
Don Zacher

SDSU Relationships:
Barb Hegerfeld
Education Liaison
- Ryan McKnight
Scholarship – Keith Newman
Student Involvement
-Rick Gullickson, AFM

YPN: Ryan McKnight

Kjerstad Member Scholarship:
Paul Sickler AFM



American Society of Farm Managers & Rural Appraisers

THE MOST TRUSTED RURAL PROPERTY PROFESSIONALS

SOUTH DAKOTA CHAPTER www.asfmra-sd.com

10/2020

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

DATES TO REMEMBER!

- November 6: Affinity Group Presentation-*Virtual Online*
- November 7-13: Annual Meeting – San Antonio, TX-*Virtual Online*
- November 13: Affinity Group Presentation-*Virtual Online*
- November 20: East River Breakfast Meeting – Sioux Falls
- December 10: West River Breakfast Meeting – Rapid City
- December 14-17: Integrated Approaches Course – Sioux Falls
- January 21-22: Winter Education & Joint Meeting W/PAASD –Chamberlain
- February 11: West River Breakfast Meeting – Rapid City
- March 18: East River Breakfast Meeting – Sioux Falls
- July 19-22 Education Week - Omaha, NE

MEMBER ANNIVERSARIES

<u>Member</u>	<u>Join Date</u>	<u>Years</u>
Norm Edwards, ARA	11-01-1979	41
Joseph John Doran	11-10-2014	6
Marvin Mutschler	11-01-2018	2

Thank you for your support!

PRESIDENT'S MESSAGE

By: Paul Sickler, AFM

Last month, I started my message off with “it seems as if fall has arrived”. Now, this month it seems like winter is here. Last weekend welcome us with a blanket of snow. However, it appears that we will have a nice warm up next week and maybe have some time to complete those fall jobs before winter sets in for good.

You will notice that we have a longer newsletter this month, indicating that your chapter continues to be very busy. You can read elsewhere in this newsletter about our recent board of directors meeting in Deadwood, the subsequent West River Breakfast meeting, upcoming education opportunities for both December and January, as well as some changes coming for appraiser training experience and the ability for appraisers to complete evaluations.

Your board of directors recently approved a change to the by laws to allow a video conference as an option to an in person board or membership meeting. The previous by laws did not even address this situation, I guess times are changing, as they say. At this time, we are still planning to have “in person” education, annual meeting and social in Chamberlain in January. However, in the event that the need arises to change this, we can now hold our annual meeting online and be in compliance with the by-laws.

We were recently notified that our South Dakota chapter has earned the Patron Chapter designation for the third year in a row. You can read all about this award starting on page 10. Congratulations to everyone as you all had a part in our chapter earning this award.

Elsewhere in this newsletter, you will find information about the upcoming 2020 Virtual Annual Conference. This would be an excellent opportunity for anyone, but especially for those that have not attended an annual conference in the past. The cost is FREE and you can sign up for the topics, etc. that you want. Please see the story on this in the newsletter starting on page 11.

I would like to compliment and thank each of our board members for another successful board meeting earlier this month in Deadwood. Each of your board members is committed to building a better chapter and are working hard to do so.

In closing, I would like to say that I hope each of you finds some time to enjoy what is left of our fall. It is always a wonderful time when we get to reap the benefits of the crops we have worked all spring and summer to produce. As always, please feel free to contact me at any time with your questions or comments.

Paul Sickler
psickler@farmersnational.com

WEST RIVER BREAKFAST

By Justin Uhrig

ASFMRA Board Members joined a few West River Members for the first West River Meeting of 2020. Previous 2020 meetings had been cancelled due to concerns with COVID-19. The breakfast meeting was the morning after the board meeting and was therefore held at The Lodge in Deadwood, SD.

Those in attendance, were Terry Leibel, Kim Larson, Marvin Mutchler, Adam Nelson, David Baker, Justin Uhrig, Don Zacher, Paul Sickler, Rick Gullickson, and Paul Reisch. Breakfast was graciously arranged by Don Zacher and paid for by Don Zacher and Ron Ensz.

COVID-19 could have been the easiest conversation piece for everyone to join in on; however, the group seemed eager to catch up on missed discussion opportunities. The group quickly jumped into a round of local market trends. Discussion was built on some of the key influences in the agriculture market and the trends of different market participants. Conversation continued in a round table format, ranging from current property listings to terms and factors of past sales. Discussion was rounded out on impacts of conservation easements and the various easement requirements that had been observed by the group members.

It was rather apparent with the robust nature of the discussion, comradery and group discussion was still alive and thriving. We look forward to getting back to regular discussion opportunities in the months ahead.



EDUCATION UPDATE AND MARK YOUR CALENDARS

By: Travis Shaykett

As many of you have discovered, planning any in-person event has become rather complicated over the past six months. The education committee has gone back and forth on in-person vs virtual education.

With that being said, the education committee in coordination with the chapter board are moving forward with in-person education for our traditional meeting in Chamberlain. On Thursday, January 21st, 2021, we will hold a new seminar called National Best Practice for Rural Property Appraisers, and the instructor will be Jeff Berg. For Friday, January 22nd, 2021, we are assembling an expert panel on conservation easements to discuss new easements, new mapping tools, types of easements, and related encumbrances, and we will have a Q and A session. Look for registration and further details in future emails and newsletters.

New in 2021, the education committee and social committee have teamed up to incorporate an education session during the fishing/hunting social. This is still a work in progress, so look for further details in future newsletters.

The education committee is always looking for new ideas, so if you have any education requests, please forward them on to me, by email address is travis@shaykettappraisal.com. Additionally, we are in need of additional committee members—if you are interested please contact me!

Thank you

INTEGRATED APPROACHES TO VALUE (A304)

The SD Chapter will be offering the Integrated Approaches to Value (A304) course live in-person setting.

Class: Integrated Approaches to Value (A304)

When: December 14-17, 2020

Location: Sioux Falls, SD

Venue: The New Hyatt Place Sioux Falls South

The course is specifically designed to illustrate how all the approaches to value fit together in an appraisal, drawing from the body of knowledge taught in Cost Approach for General Appraisers (A301), Sales Comparison Approach for General Appraisers (A302), and Income Approach for General Appraisers, Part 1 (A303). The material will be presented primarily in the form of case studies, supplemented with lectures and class discussion. This course is intended to satisfy the 30 hours of Subject Matter Electives required by the Appraiser Qualifications Board for Qualifying Education for Certified General Appraisers.

This course is one of the four required courses after general certified license for the ARA accreditation.

You can find more details and register at ASFMRA.org under the education tab. Also be on the lookout out for emails from ASFMRA.

CHAPTER BOARD MEETING HIGHLIGHTS

By Secretary Paul Reisch, ARA

Nine of the eleven board members attended the SD ASFMRA fall board meeting held October 1, 2020 in Deadwood. Meeting highlights not addressed elsewhere in the newsletter:

Sherry Bren, Director of the Appraiser Certification Program, spoke to the board on three issues...ASC distance education (see below), 2020 proposed rules (see article page 7), and proposed appraiser experience training program (see article page 6).

ASC Distance Education Extension: The Appraisal Subcommittee has approved the extension of relief for traditional classroom Continuing Education offerings to be converted and taught via distance education through December 31, 2021 as well as Qualifying Education offerings be allowed to be converted to a synchronous platform in the same manner. Sherry requested a letter of support for the extension to December 31, 2021 for continuing education and qualifying education. The board approved a letter of support, which has been sent to Sherry Bren, Director of the Appraiser Certification Program.

2021 Continuing Education: The board reviewed and concurred with Education Committee plans.

January 2021 in Chamberlain:

- Thursday full day (tentatively 8 to 4) so membership meeting can start at 4:30
- Friday morning half day completed by noon

Plan for in classroom but have offerings that can be converted to virtual zoom settings if necessary.

September 2021: Try half day education combined with hunting / fishing social.

Mentor Committee: Based upon chapter member plans, the chapter could have two new ARA's and two new AFM's in the next two years. Eleven additional members have expressed interest in longer term plans to achieve accreditation.

2021/2022 Planning: President Elect Brian Gatzke provided board members with a summary of the 2020 member survey conducted this past summer.

40 members responded. 52% supported the Vo-Tech outreach concept. If we pursue, what do we promote? How do we implement? Do we have a separate committee? Perhaps, visit with those who responded positively to a particular Vo-Tech.

Education responses had equal support with chapter developed, national seminars, national multiple day class, and qualifying education. 93% supported joint meeting with PAASD and ND appraisal associations.

About seven people said they were willing to be on a Liaison Committee to other appraisal organizations (PAASD, neighboring states ASFMRA chapters and Appraisal Institute chapters). Don Zacher indicated willingness to be part of this with PAASD.

APPRAISER EXPERIENCE TRAINING PROGRAM PROPOSED

Sherry Bren, Director of the Appraiser Certification Program, conveyed details of a planned appraiser experience training program.

The Training Program will simulate a traditional supervisor-trainee relationship and be conducted under the supervision of and facilitated by a lead experience-trainer with proficiency as a credentialed real property appraiser. The Training Program will be delivered primarily via a virtual classroom model, and significant portions of the offering will be completed by the Trainee under the direct supervision of the Lead Trainer. Goals are to provide an alternative to the traditional model and serve underserved markets. ASC is watching this and intrigued.

South Dakota has been awarded a \$125,000 grant for three years. The plan is to hire a lead trainer under contract to provide the experience training with a goal of 20 students. This will be for state licensed, state certified residential, and state certified general. The experience will be on actual properties. At the end, there will be a demonstration report to be reviewed by an independent reviewer.

It is desired that the lead trainer will have experience in at least two of the three disciplines (agricultural, commercial, and residential). If the lead trainer is lacking experience in one of the disciplines, an associate trainer may be hired to address this discipline. There would be a tuition charge paid by the students. Sherry indicated the current plan is for \$300 / month for two years and \$275 / month for 3 years. Students would also be responsible to obtain necessary education. Sherry hopes that some stakeholders would support students with scholarships.

Legislation during the 2021 session is needed. The goal is to have legislation passed and the program up and running by the summer of 2021. Sherry requested chapter support for this legislation and program.

The board approved such support. A letter of support has been sent to Sherry Bren, Director of the Appraiser Certification Program and the chapter plans to support the legislation in the next legislative session.



CERTIFICATE OF VALUE PROJECT TASK FORCE UPDATE

By Project Task Force Chair Jim Dunlap, AFM, ARA

The six members of the **Certificate of Value Project Task Force** (Jim Dunlap, AFM, ARA Jeral Gross, Eric Hanson, Terry Leibel, John McMahon, Paul Reisch, ARA) were in attendance for Zoom meetings on July 28 and September 10. The Task Force identified three issues to be addressed:

1. The ability of appraisers to actually view the certificate of values at the courthouse. This is an issue in a few counties.
2. Having information that is required being included by the person completing the form. This is an issue in some counties.
3. Additional information desired on the Certificate of Real Estate form. We want to keep this request at a minimum since the form has just recently been revised. Possible changes identified:
 - a. Include Property Tax ID or Record # with the legal descriptions.
 - b. Print the name of the signer of the certificate of value.
 - c. Check box format for signer to identify: buyer, seller, agent of buyer, agent of seller, other).

Team members have made or are in process of making contact with PAASD, Department of County Official, Assessor, Register of Deeds, and Department of Revenue representatives to address these issues.

CHAPTER BOARD APPROVES SUPPORT FOR EVALUATION PROPOSED RULES

Appraiser Certification Program Proposed Rules sent to licensed appraisers in early September address the evaluation legislation passed in the last legislature and housekeeping items. After October 16, 2020 hearing some modifications were made to the rules but nothing substantive. The Appraiser Certification Program proposed rules are scheduled to be considered at the Rules Review Committee meeting on November 10, 2020.

National ASFMRA worked with the Appraisal Foundation and received this communication in October:

Per the Criteria for Appraisal Sponsorship, one of the requirements is:

6. The appraisal sponsor (or applicant for appraisal sponsorship) for all of its appraisal members who are required by law or by the organization itself to comply with USPAP shall....

Since it is the individual states who have the power to make, judge and enforce law, if a specific state has a JURISDICTIONAL EXCEPTION (what USPAP considers as such) where a state licensed appraiser is exempt from complying with USPAP, then, those appraisers are not “required by law...to comply with USPAP.” The Foundation does not require the members of sponsoring organizations to comply with USPAP if they are not required to comply by law, or by that sponsoring organization.

This communication means that our members could complete evaluations in South Dakota and be in compliance with both state law and ASFMRA ethics and standards.

The evaluation rules convey that competency and ethics under uniform standards still need to be followed. Appraisers should be more competent than others to complete credible work. SD ASFMRA members should have the opportunity for this business if they desire.

Based upon the above, the SD ASFMRA board approved support of the proposed rules in an October 19, 2020 zoom meeting.

PAASD is offering a 4 hour virtual seminar on Evaluations on November 16. Find details and registration steps at <https://paasd.com>

Evaluation rule highlights:

Definition: “Evaluation” means a valuation of real estate prepared for a federally insured depository institution for a transaction that, pursuant to regulations promulgated by one or more federal financial institution regulatory agency, qualifies for the appraisal threshold exemption, business loan exemption, or subsequent transaction exemption;

20:14:14:01. Transactions that require an evaluation. An appraiser may perform an evaluation assignment for a federally insured depository institution if required in connection with federally related transactions as specified in § 20:14:04:05.

20:14:14:02. Compliance with guidelines. An appraiser performing an evaluation shall comply with the guidelines.

20:14:14:03. Evaluation content. An appraiser shall include in an evaluation the following:

1. The location of the property;
2. A description of the property, including its current and projected use;
3. An estimate of the property’s market value in its physical condition, use and zoning designation on the date of the evaluation with any limiting conditions;
4. A description of the method used to determine the property’s physical condition and the extent to which an inspection was performed;
5. A description of the analysis that was performed and the supporting information that was used;
6. A description of the supplemental information that was considered when using an analytical method or technological tool;
7. An indication of all sources of information used in the analysis, as applicable, to value the property, including: (a) External data sources; (b) Property-specific data; (c) Evidence of a property inspection; (d) Photos of the property; (e) Description of the neighborhood; and (f) Local market conditions.
8. Name, contact information, and signature.

20:14:14:04. Competency requirement when performing an evaluation. An appraiser performing an evaluation shall be subject to the competency rule of the uniform standards.

20:14:14:05. Ethical requirement when performing an evaluation. An appraiser performing an evaluation shall be subject to the ethics rule of the uniform standards.

20:14:14:06. Record keeping requirement for an evaluation. An appraiser performing an evaluation must prepare a workfile for each evaluation that includes the following:

1. The name of the client;
2. A copy of the evaluation; and
3. The data, information or documentation that supports the evaluation.

The evaluation workfile must be retained by the appraiser for five years from the date of the submittal of the evaluation to the client unless the evaluation is subjected to an investigation, litigation, or state or federal review during the five-year period. The records of an evaluation that is subjected to an investigation, litigation or state

of federal review must be retained for five years from the date of final disposition of the investigation, litigation, or state or federal review.

One other change besides housekeeping in the proposed rules is shown below.

A supervisory appraiser may supervise no more than three state-registered appraisers at any one time- except when the supervisory appraiser, having met all of the supervisory certified appraiser qualifications, provides experience training for state-registered appraisers in accordance with a progress monitored appraiser experience training program developed and administered by the department.

This change relates to the proposed Appraiser Experience Training Program (see page 6).

CHAPTER BOARD APPROVES BYLAW CHANGE

By Secretary Paul Reisch, ARA

Current bylaws do not address video conference as an option to an in person board or membership meeting.

The chapter plans to hold 2021 annual meeting in Chamberlain. However, the Covid 19 situation is fluid and it is prudent to plan for a backup zoom meeting contingency.

Considering this, the board took the following action at the October 1, 2020 meeting.

Changes SD Chapter Bylaw - add yellow highlight

ARTICLE V CHAPTER BOARD OF DIRECTORS

Section 10. Meetings in Person, by Video Conference or by Conference Telephone. The Chapter Board of Directors may hold its meetings either in person, **video conference**, or by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another. Action taken at a **video conference** or conference telephone meeting shall be as effective as if the Directors had met in person. The Secretary shall record the minutes of any **video conference** or **conference** telephone meeting.

ARTICLE VII NOMINATIONS AND ELECTIONS

Section 4. Election. Chapter elections shall be held at the Chapter annual meeting. At the regular membership meeting at which the election is to be held, the Chapter membership shall receive the Nominating Committee report and any additional nominations. The membership shall then proceed to elect the necessary Chapter officers and Directors for the succeeding year.

Alternatively, by at least a majority vote of the Chapter Board of Directors, Chapter **annual meeting** and elections may be conducted by **video conference** or by mail ballot. If a mail ballot is utilized, the Chapter must adopt a procedure that insures voting security. At a minimum, the Chapter Secretary shall transmit a numbered ballot to each member with a numbered return envelope so that security will be maintained. At least twenty (20) days shall be allowed for the return of ballots. Tabulation shall be conducted by the Chapter Secretary, who shall also be responsible for the notification of results as provided for in the following section.

SOUTH DAKOTA IS PATRON CHAPTER FOR THIRD YEAR

By: Secretary Paul Reisch ARA

South Dakota is one of nine chapters to be honored as a Patron Chapter at the national conference in November. Thirteen chapters demonstrated growth among paying members during the 2019-20 Calendar year of 10/1/19 – 9/30/20. The chapters were Carolinas Virginias, Florida, Georgia, Illinois, Iowa, Michigan, Montana, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming.

Carolinas Virginias, Illinois, Iowa, Michigan, Montana, North Dakota, Texas, and Wyoming were the other chapters to achieve Patron Chapter status by reporting achievement of the other nine criteria. **South Dakota is the only chapter to achieve the recognition in 2018, 2019, and 2020.**

2020 Patron Chapters will:

- Receive \$500 from the ASFMRA for use in membership acquisition and growth programs.
- Receive a banner signifying their accomplishment (we need a mailing address).
- Have the opportunity to have a video or personal essay/blog posted to the ASFMRA website and social media channels promoting their Chapters and celebrating their accomplishments. There is no due date on these pieces, and the ASFMRA National Office can assist with scripts or ideas, if Chapters need them.
- Be recognized as part of the 2020 ASFMRA Accreditation and Awards Ceremony, sponsored by Hertz. They will be named off at that time, and the 2020 Patron Chapter logo will be appended to their Chapter links on ASFMRA.org.

A **Patron Chapter of ASFMRA** has actively contributed to ASFMRA by meeting all of seven 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 and continuing education credits
- 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 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 sent members to Chapter Leader’s Day in 2019 and /or 2020.

- 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.

Three criteria related to CE course sponsorship, chapter meeting, and YPN meeting were eliminated for this year because of the Covid 19 pandemic.

2020 ASFMRA VIRTUAL CONFERENCE

On July 23, the ASFMRA Executive Council voted unanimously to transition the 2020 ASFMRA Virtual Annual Conference, sponsored by LIA, to an online-only format.

Since that time, the ASFMRA National staff and a Virtual Annual Conference Task Force have worked hard to iron out a new schedule of virtual educational and celebratory events to take place throughout the week of November 9-13.

Monday November 9

2:30-3:00 PM MT - Officer Installation, President's Address, Executive VP Address - sponsored by AgWare

3:00-4:00 PM MT - Accreditation & Awards Ceremony - sponsored by Hertz

4:00-5:00 PM MT - Education Foundation Auction - sponsored by Pioneer

The live portion of the 2020 ASFMRA Education Foundation Auction, sponsored by Pioneer, will take place on the evening of November 9. A silent auction will also take place in the weeks leading up to and throughout the duration of the 2020 ASFMRA Virtual Annual Conference, sponsored by LIA. **The CZ Quail - 20 Gauge Over/Under Shotgun donated by SD chapter will be on the live auction.**

Tuesday November 10

8:00-10:00 AM MT - Membership Advisory Group - sponsored by MapRight

4:00-5:30 PM MT - YPN Workshop & Networking Event - sponsored by Bayer Crop Science

Wednesday, November 11

8:00 AM-12 PM MT - Appraiser Rapid Fire - sponsored by AgWare

Appraising Residential Property on Tribal Land - **Brian Gatzke, ARA; Northern Plains Appraisal, LLC**

How to Engage Conservation Practices with Share Risk and Reward - **Margy Eckelkamp, Farm Journal**

Appraising RV Resort Campgrounds - **Larry Foltz; Valhalla Management Services**

Shoddy Work = Discounted Value - **Mark Williams, ARA; Value Midwest**

Highest and Best Use - **Brian Sousa; Yosemite Farm Credit**

More details on the topics on ASFMRA website under Annual Conference.

Thursday November 12

8:00-9:00 AM MT - General Session: Vance Crowe-The Story We Tell Ourselves - sponsored by KEFA

9:00-10:00 AM MT - General Session: Jim Farrell & Glen Smith – Today’s Farm Economy - sponsored by Farmers National Company

10:00-11:00 AM MT - Management Breakout Session – Economics of Sustainable Agriculture - sponsored by Bayer Crop Science and Farmers National Company

More details on the topics and speakers on ASFMRA website under Annual Conference.

Friday November 13

8:00-9:00 AM MT - General Session: Steve Elmore - Economics Facing Agriculture - sponsored by Pioneer

9:00-9:30 AM MT - General Session: Stephen Fredric’s – Policy Impact in 2020-2021 - sponsored by KEFA

9:30-10:00 AM MT - General Session: Keynote Speaker TBA

10:00-11:00 AM MT – Appraisal Breakout Session – Panel Discussion - sponsored by MapRight

More details on the topics and speakers on ASFMRA website under Annual Conference.

All of the events will be free to attend for those who do not require state continuing education credit or for those whose states do not provide credit for synchronous online education. ASFMRA members seeking state continuing education credits for attending the Appraiser Rapid Fire event will receive a discounted rate.

Register at: <https://www.accelevents.com/e/ASFMRAAnnualConference#Agenda>