

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

11/2020

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

DATES TO REMEMBER

- December 10: West River Breakfast Meeting – Rapid City
- December 14-17: Integrated Approaches Course – Sioux Falls
- December 18: Intro to Cannabis Operations and Value – Sioux Falls
- January 21-22: Winter Education & Joint Meeting W/PAASD –*Virtual*
- February 11: West River Breakfast Meeting – Rapid City
- March 18: East River Breakfast Meeting – Sioux Falls
- July 19-22 Education Week - Omaha, NE
- October 28-November 6: ASFMRA Annual Conference - Las Vegas, NV

MEMBER ANNIVERSARIES

<u>Member</u>	<u>Join Date</u>	<u>Years</u>
Jack Davis	12-21-2001	19
Brad Johnson	12-17-2012	8
Ryan McKnight	12-14-2016	4
Tyler Radke	12-01-2017	3
Jeral Gross	12-01-2019	1
Deidre Lange	12-01-2019	1
Tom Young	12-01-2019	1

Thank you for your support!

PRESIDENT'S MESSAGE

By: Paul Sickler, AFM

I hope that each of you had a wonderful Thanksgiving with your family and friends, however you spent the day this year. It certainly has been a year of challenges and changes, but even so, we have much to be thankful for. The weather has certainly been fantastic for those that did travel over this past weekend.

Speaking of changes and challenges, the leadership of your chapter has decided in the best interest of all chapter members, that our January meeting and education will be held virtually. With COVID-19 seemingly running rampant in South Dakota, it appears that this is the best decision at this time. I, for one, will miss the personal interaction of meeting in person in Chamberlain, but we are in unusual times. National ASFMRA just held the national convention virtually, which I understand it was a success and I know we can do it as a chapter as well.

Elsewhere in this newsletter, our fabulous education chair has outlined the upcoming educational opportunities. Integrated Approaches to Value will be offered December 14-17 in Sioux Falls. Then, on Friday, December 18, a one day Introduction to Cannabis and Valuation class will be held in Sioux Falls and virtually through Zoom. I understand that there is still room to attend both of these classes.

As far as the January education, January 21 will be an 8 hour course titled National Best Practices for Rural Property Appraisal Seminar. The second day on January 22, will be a half day class title Conservation Easements Basics and Impacts to Value. Both of these classes will be offered virtually via Zoom. Please contact Travis Shaykett to register as there are limited spots for these classes.

Our annual meeting will also be held virtually via Zoom. We will most likely hold this Friday January 22 at 1:00 PM central time after the morning education. Stay tuned for more information, but that is the plan at this time! We will send out Zoom instructions sometime prior to the 22nd of January for the annual meeting. There will not be a social or fundraising auction this year due to everything being held virtually.

A big "THANK YOU" to Travis Shaykett and everyone else involved with all the changes this year. Travis has worked countless hours getting these classes approved for continuing ed credit as they changed from in person to being held virtually.

As I think about the fast approaching end of 2020 and our meeting coming up in January, that also means the end of my terms as your President. At the meeting in January, President-Elect Brain Gatzke will take over as President and take our chapter into 2021. I have been very fortunate during my tenure as President to have excellent board members and committee chairs that are all dedicated to the success of our chapter.

With this in mind, I would like to encourage those of you who might be interested in helping to serve as a Board member or as a Committee volunteer, to just do it. I have served on the board and / or in an officer role for many years and am looking forward to the next two years as "Past-President". Our South Dakota chapter has some of the best members! Thank you!

ASFMRA HOLDS SUCCESSFUL VIRTUAL CONFERENCE

By Secretary Paul Reisch, ARA

ASFMRA completed its November 9 thru 13 Virtual Annual Conference sponsored by LIA with around 400 registrants.

On Monday afternoon November 9, 100 to 120 people participated in the Officer Installation, Past President, and President's Address sponsored by AgWare and the Accreditation & Awards Ceremony sponsored by Hertz.

SD chapter highlights relative to accreditation and awards:

- Chapter member Jim Jansen, AFM-AAC was recognized for receiving his AFM.
- The South Dakota chapter was recognized as one of nine Patron Chapters.
- On behalf of Bayer Crop Science, chapter member Ron Dunker presented the Early Career Award to Jeffrey Hignight, AFM.
- Chapter member Matt Gunderson, AFM was one of five members recognized with the H.E, "Buck" Stalcup Excellence in Education for management education for their work related to online education.

About 85 members participated in the live portion of the Education Foundation Auction sponsored by Pioneer. The live auction generated \$8,500 from 12 items. **This included \$1,150 for the CZ Quail - 20 Gauge Over/Under Shotgun (\$629 value) donated by SD chapter.**

National President Dennis Reyman, AFM, ARA purchased the shotgun after strong competitive bidding from chapter member John Widdoss, ARA. John did purchase the Silver Oak Wine (\$595 value) donated by Julie Young, ARA for \$1,200.

The silent auction ran through Friday evening November 13 and generated \$10,000. The Wildlife of South Dakota quilt (\$250 value) donated by Paul and Nancy Reisch, made by Nancy, was purchased by chapter member Brian Gatzke, ARA for \$325.

An additional \$7,750 was raised by donation from ASFMRA members. The auction netted in the mid \$20,000's compared to \$15 to \$40,000 net over past 5 years.

On Tuesday November 10, SD ASFMRA President Elect Brian Gatzke, ARA participated in Membership Advisory Group sponsored by MapRight.



There were 90 to 100 participants throughout the Wednesday, November 11 Appraiser Rapid Fire presentations sponsored by AgWare. These sessions included:

- 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**

Presentation slides can be found on the ASFMRA website

<https://www.asfmra.org/conferences/annualconference/annualconference-rapid-fire>

Thursday November 12 General Session started with Vance Crowe-The Story We Tell Ourselves sponsored by KEFA. Mr. Crowe emphasized that the mind can only handle 7 (+/-2) details at one time. For this reason, people listen to stories, not the details. Stories are decision models so it is important to know how to tell stories that improve decisions. Vance then covered three categories of stories...black sheep, motivations, and mentors.

Remember that we are all on a hero's journey. To tell better stories, listen to other people's stories. Listen as though they know something you need for your hero's journey.

1. Ask about their black sheep and heroes.
2. Convey the 7 (+/-2) details that connect with their journey.
3. Reflect on the stories that you hear.

Other Thursday General Sessions sponsored by Farmers National:

- Jim Farrell, AFM Retired; President Farrell Growth Group Today's Farm Economy & Federal Reserve
- Glen Smith, ARA-Inactive; Chairman and CEO, Farm Credit
- Taylor Purucker (Mosaic) and Lisa Streck (Bayer) on Economics of Sustainable Agriculture

Friday General Sessions

- Steve Elmore - Economics Facing Agriculture sponsored by Pioneer
- Stephen Frerichs – Policy Impact in 2020-2021 - sponsored by KEFA
- Bill Northey, USDA Under Secretary of Farm Production and Conservation – USDA Here for #OurFarmers
- Appraisal Breakout TAD and AQB Updates sponsored by MapRight
 - Ronny Johnson (Capital Farm Credit, Appraisal Foundation Board of Trustees)
 - Dave Ganun, ARA (Farm Credit East, Past President ASFMRA)
 - Mark Lewis, ARA, RPA AQB Chair)

General Session presentations can all be found at:

<https://www.asfmra.org/education/education-sponsored-webinars>

Mark the dates October 28 thru November 6 for the 2021 ASFMRA Annual Conference in Las Vegas, NV.

LAND VALUATION & RURAL REAL ESTATE MINOR

By: Ryan McKnight

I hope this finds you well in these turbulent times! My name is Ryan McKnight, and I am an instructor in the Ness School of Management and Economics as well as the Curriculum Chair for the ASFMRA. I am writing to give you an update on the LVREE Minor at SDSU.

The Minor received approval from The Appraisal Foundation for qualifying education hours associated with four (4) different majors: Business Economics, Agribusiness Economics, Construction Management, and Geography with an emphasis in Land Use Planning. The approval hours are the following:

TAF/AQB - SDSU Approval Hours				
Real Property Appraiser Qualification Criteria Credential	Ag Business*	Construction Mgmt**	Business Econ*	Geography**
Trainee	60	60	60	60
Licensed Residential	135	135	135	135
Certified Residential	185	185	185	185
Certified General	285	242	285	242
<i>* Deficiency - 15 Hour USPAP</i>				
<i>** Deficiency - 15 Hour USPAP and 43 Hours of General Appraiser Income Approach</i>				

The Minor has also received attention from the South Dakota Abstracters Association as well as the South Dakota Real Estate Commission. We are currently in the process of trying to obtain qualifying education hours for each licensure requirement. Moreover, four students and I even attended the South Dakota Land Title Conference in 2019 to spread the word about our minor. The feedback was extremely positive with a strong desire to partner going forward.

The affinity group and lunch specials have also drawn a lot of attention from professionals throughout the state. We have done eight lunch specials with more coming in the spring. We are still planning on doing a networking event next fall, but we must wait and see what is happening with the pandemic. Moreover, the affinity group is helping prepare an experiential learning class for our LVREE Capstone Course this spring. If you want to help, please let me know.

I am also the Chair of the SDASFMRA YPN. Due to COVID, however, we have not had our YPN Event, but we are in the process of planning a virtual event for this fall or winter.

Take good care

EDUCATION UPDATE AND MARK YOUR CALENDARS

By: Travis Shaykett

Education planning continues to be a moving target. Thank you to all of you that responded to the survey. It has been determined we will move our January Education to a virtual format—PAASD has done the same. The following is the education lineup for the next two months. Course descriptions can be found on the following pages.

Class: Integrated Approaches to Value (A304)

When: December 14-17, 2020

Location: Sioux Falls, SD

Venue: The New Hyatt Place Sioux Falls South

This class is only being offered in-person, and capacity is limited to 20 people. We currently have a few open spots.

To Register: go to ASFMRA.org

Class: Introduction to Cannabis Operations and Valuation

When: December 18, 2020

Location: Sioux Falls, SD

Venue: The New Hyatt Place Sioux Falls South AND virtual through Zoom

This seminar is limited to 20 in person and 30 through zoom format.

Continuing Education Hours: 8 Hours- South Dakota, National is checking other state approvals as needed.

To Register: go to ASFMRA.org

January Education

Due to capacity of online format, we are giving South Dakota ASFMRA Chapter Members priority UNTIL JANUARY 1, 2021. After that, registration will be open to everyone. This applies to both days.

To Register: Contact Travis Shaykett at Travis@shaykettappraisal.com or 605 321-4286

Day 1 -

Class: National Best Practices for Rural Property Appraisal Seminar

When: January 21, 2020 8 AM to 5 PM CENTRAL – Just like Chamberlain

Location: Zoom – National will send Zoom instructions prior to class

Instructor: Jeff Berg, ARA, ASA, FRICS

Continuing Education Hours: 8 for Appraisal –

Fee: \$190 ASFMRA Members – Non-Members after January 21, 2021 - \$220

Day 2 -

Class: Conservation Easements Basics and Impacts to Value

When: January 22, 2020 8 AM to Noon CENTRAL – Just like Chamberlain

Location: Zoom – National will send Zoom instructions prior to class

Instructor: Paul Coughlin, SD GFP; Boyd Shulz, USFW; Owen Fagerhaug, USDA; Brandon Kottke, NRCS; and Brian Gatzke, MBA, ARA.

Continuing Education Hours: 4 for Appraisal –

Fee: \$90 ASFMRA Members – Non-Members after January 21, 2021 - \$120

COURSE DESCRIPTIONS:

Class: Integrated Approaches to Value (A304)

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.

Class: Introduction to Cannabis Operations and Valuation

The Introduction to Cannabis Operations and Valuation seminar is designed to introduce students to basic terminology, processes, and methods of valuing a cannabis operation with emphasis on real property valuation.

Students will learn about the various legal and land use regulations pertaining to this unusual commodity (both State and Federal) and about the importance of a well-prepared and well-written Highest and Best Use analysis. Discussion will include the potential challenges and common pitfalls of valuing special use facilities with a focus on understanding key components and commonalities found in most cannabis operations.

The seminar will enable students to successfully identify and understand variations in growing methods and facilities associated with medicinal, recreational and industrial hemp; review actual construction costs for a well-prepared Replacement Cost New (RCN) analysis; and understand what analysis is necessary for the production of a credible and supported opinion of value.

Class: National Best Practices for Rural Property Appraisal Seminar

This seminar will address issues related to the completion of agricultural appraisals using techniques deemed "best practices." The seminar will help the appraiser to consistently exceed the expectations of intended users and the standards and practices of their peers for similar assignments. 'Best Practices' is intended to reinforce the need to continually question the use of existing techniques and methodology, promote innovation, and improve the quality of appraisals being completed by rural appraisers. Users of farm appraisal reports will benefit from more thorough, readable reports and reliable, well supported valuations. Those taking the seminar will benefit from increased confidence and perceived value in appraisal results and improved reputation for quality and professionalism.

Course Descriptions: (continued)

Class: Conservation Easements Basics and Impacts to Value

This course will provide the real estate appraiser and farm manager with a basic understanding of the types of conservation easements and programs that can encumber South Dakota real estate and impact value. The student will learn how different conservation easements and programs restrict property rights, impact management practices, & add income potential, which can in turn impact management practices & property values. In addition to the learning how property rights restrictions and income potential associated with different conservation easements and programs impact value, the student will learn how to identify/research encumbered real property through various sources, including online databases, and will be exposed to real market examples of encumbered vs. non-encumbered market sales showing the impact of conservation easement and CRP practices on real property values.

Course Outline

Instructor:	Topic:	Time:	Duration:
Paul Coughlin: SD GFP Wildlife Habitat Program Administer	Overview of SDGFP Habitat programs, including restrictions to property rights upon enrollment, cost sharing options, and enhancements and income opportunities.	8:00	45 minutes
Boyd Schulz: USFW Wildlife Biologist & Easement Specialist	Overview of USFW wetland and grassland easements, including restrictions to property rights and physical enhancements to encumbered properties.	8:45	45 minutes
Owen Fagerhaug: USDA FSA Conservation Programs Manager	Overview of CRP program practices, both traditional and continuous sign up, and the property rights restrictions and income potential of differing practices.	9:30	45 minutes
	BREAK	10:15	15 minutes
Brandon Kottke: NRCS Easement Program Manager	Overview of NRCS W.R.P, W.R.E., and Warranty Deed Easement reserving grazing rights, including the restrictions to property rights and physical enhancements associated with the different easement programs.	10:30	45 minutes
Brain J. Gatzke, M.B.A.: Certified General Appraiser, A.R.A.	Examples of market sales encumbered vs. non-encumbered showing the impact of conservation easements and CRP practices on real property value	11:15	45 minutes

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 15th.
- **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

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 1st 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 1st 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.