



# American Society of Farm Managers and Rural Appraisers Minnesota Chapter



## Notable Dates

- **2019 Winter Meeting** January 23-25 St. Cloud, MN – [REGISTER](#)  
\*note—Motel Registrations must be made by Dec 22nd, 2018. More details below.
- **2019 Summer Tour** June 19-21 Lake Okoboji, IA (joint mtg)
- **ASFMRA Education Week** July 21-26, 2019 Omaha, NE
- **ASFMRA Annual Conference** November 16-22, 2019 Louisville, KY

*The Minnesota Chapter of the ASFMRA supports our skilled members through education, ethics, and networking opportunities in order to strengthen their trusted and reliable agricultural services.*

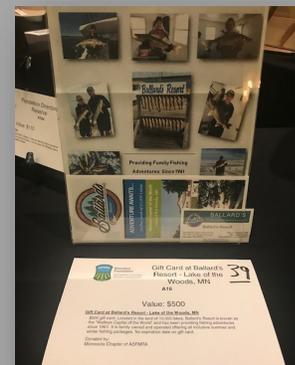
## President's Comments - Eric Skolness, AFM



This year marked the 89<sup>th</sup> annual conference and was held at the Sheraton Wild Horse Pass in Chandler, Arizona. I appreciated the opportunity to attend the conference. In doing so, I noticed several of our Chapter members participating in sessions, being recognized with awards, being presented with their accreditation or serving on various committees. Chapter members should be proud of how well MN was represented and engaged at the conference! More details below.



Your Chapter Board approved of sponsoring the Cocktail Social event prior to the start of the Education Foundation Silent and Live Auction in addition to donating a \$500 gift certificate to Ballards Resort on Lake of the Woods for the Live Auction! Both items offered good chapter exposure and were well received. I also participated in the Board of Directors/Membership meeting where the proposed governance change and proposed amendments to the ASFMRA Bylaws was voted on and approved.



# 2019 MN Chapter Winter Meeting

## Registration is open!

An email was sent to you last week with details on the winter meeting including a registration link. You can view these same details by visiting our chapter website, [www.mnasfmra.com](http://www.mnasfmra.com).

## **Note: Hotel reservations must be made no later than December 22<sup>nd</sup>, 2018**

Please call (320) 253-0606 and mention the ASFMRA rooming block for discounted rates of \$109/nt plus tax.

If you would like to view more detail on the course descriptions being offered you can click "show" in the Show/Hide Course Descriptions area similar to if you want to view the Meal Menu further down in the registration form. You will receive an email confirmation following your registration.

Tentative Agenda is as follows:

### **WEDNESDAY, JANUARY 23, 2019**

**1:00 – 1:45 PM** REGISTRATION – [NOLUNCH]

**2:00 PM** WELCOME/BRIEF OVERVIEW OF MEETING/CE FORMS

**2:15 PM – 4:15 PM** Keynote Speaker – Mike Swanson-economic outlook APPRAISER AND FARM MANAGER EDUCATION SESSION/SPEAKER (Break - 10 mins)

**4:30 PM** BOARD MEETING

**5:30 PM** SOCIAL

**6:00 PM** MEAL

**6:30 PM** BUSINESS MEETING (Incl. Bylaw Amendments, Dues Increase)

### **THURSDAY, JANUARY 24, 2019**

**6:30 – 8:00 AM** - BREAKFAST

**8:00 – 5:00 PM** - Dairy Seminar by Cindy Best

**-OR-**

**7:30 – 4:30 PM** - Google Earth Pro

**10:00 - 10:15** - Snack

**NOON – 1:00 PM** - MEAL

**5:15 PM** SOCIAL

(CASH BAR TO 9PM - Incl a \$5.00 ASFMRA drink ticket per registrant)

**6:00 PM** MEAL

**7:00 PM** AUCTION

### **FRIDAY, JANUARY 25, 2019**

**7:00 – 8:00 AM** BREAKFAST

**8:00 – 9:00 AM** *Kent Thiese Farm Bill*

**9:20 – 10:20 AM** *Bob Craven*

**10:20 – 11:20** L&R Survey

**11:30 - Noon** Final thoughts

**Noon** - Adjourn

The Executive Board is in the process of finalizing language for proposed amendments to the Chapter Bylaws which will be provided to all members prior the 2019 Annual Winter Meeting.

# National Conference - attended by President Skolness

The traditional Ag Tour sponsored by Pioneer-Corteva was at the Quarter Circle U Ranch, one of the oldest continuously operated ranches in Arizona and the first solar powered ranch in the world!



Chuck Backus, owner, is a commercial Angus producer and former provost of Arizona State University. Chuck and his wife Judy have applied innovation and taken a herd of zero brand qualifiers 10 years ago to 95% today.

They had to account for genetics, cattle health, range conditions and certainly water in this South-western desert. The ranch received 5-7" of rain in October, but only 1-2" in the 9 months prior. The

ranch has one working well that was hand dug several years ago, 6 feet wide by 18 feet deep that averages 10 feet of water throughout the year. They run 200+/- cows on 20 sections of land with one hired man and help from family and friends. The terrain does not allow for the use of ATV's, only horseback.



According to Chuck and Judy, approximately 17% of the land in Arizona is privately owned, 30% Tribal owned, 20% owned by the state, and the balance is owned by the Federal Government and managed through the Bureau of Land Management, the Forest Service or Fish and Wildlife.



# National Conference - continued from President Skolness

Several other sessions were held that I participated in. Here are a few highlights from each:

## **Policy Landscape: Volatility Prevails - Jim Wiesemeyer, Washington Policy Analyst, *Pro Farmer***

From 2010 to 2018 net cash income was 60% higher than in the previous decade

Working capital has dropped 70% from the peak of 2012

Farmers and ranchers are giving President Trump a chance to correct or make right trade policy with China....but not long term!

36 million U.S. jobs depend on trade

Farm bill gets passed in lame duck session

## **Succession Planning for Agribusiness Owners- Kevin Spafford, CFP, Legacy by Design**

### **Why succession plans fail:**

No plan

A deficient plan – incompatible estate planning, insufficient cash flow, failure to prepare the next generation

### **Plan should address:**

Financial security

Ownership transition

Leadership structure - define roles/responsibilities

Estimate tax strategies – eliminate estate tax, minimize transfer costs

**Plan should include** regular reviews – annually, keep working towards continually improving it, checking goals as goals change over time

## **Washington Update – Stephen Frerichs, AgVantage, LLC**

Better than 50% chance Farm Bill will pass in lame duck session

Federal Budget – FY 2018 budget deficit estimated at \$782 billion by CBO on October 5. Up \$116 billion from FY 2017

3.9% of GDP

## **China as the leading trade partner of U.S. Ag - Wendong Zhan Assistant Professor of Economics, Iowa State University**

China bans gmo production on their acres but buy gmo soybeans from U.S.

Corn and soybean yields in China are about half of the yield produced in Iowa

China – poorer quality soil, non-gmo seed, less precipitation

U.S. average farm size is 400+ acres compared to 2 acres in China

Chinese people are getting wealthier and will need more protein and better environment.

1992 – China GDP per capita was \$1,846 and in 2016 was \$14,275

## National Conference - continued from President Skolness

### U.S. Economy in high gear; Ag stuck in neutral – Nathan Kauffman, VP and Omaha Branch Executive – Federal Reserve Bank of Kansas City

- Maintaining sufficient liquidity remains top priority for producers and lenders as interest rates have begun to rise at a modest pace
- Ag economy remains in a prolonged downturn
- Ag credit conditions have deteriorated gradually
- Demand is strong. Supply levels are weighing on crop prices

Most Ag lenders highlight that their greatest concern in rural areas are commodity prices

Just prior to the business meeting, Doug Bergemann and I decided to venture outside the resort and found a walking trail posted with signs that read, "CAUTION – The beautiful Sonoran Desert is home to many desert animals such as coyotes, rattlesnakes, bobcats, and scorpions. Please be aware and cautious of desert animals when enjoying the trail".....not much further down the trail we came across this



A Rattlesnake shed!!!



## Chapter Members - achievements

The Minnesota Chapter had two members recognized for earning their Accredited Farm Manager (AFM) designation, Tyler Erickson and Darwin Thue. Congrats to Tyler and Darwin!

Brian Field, ARA, was presented with the Early Career Award and Corey Prins, AFM, was presented with the H.E. Stalcup Excellence in Education Award. Congrats to Brian and Corey!



Tyler Erickson, AFM



Darwin Thue, AFM



Brian Field, ARA



Corey Prins, AFM

## YPN Update - by Brian Field, ARA



The Young Professionals Network had a pair of successful events at the Annual Meeting in Chandler, AZ. On Wednesday October 31st an evening social was held at the Hanyo on the River club at the resort and approximately 40-45 YPN members from around the country attended the event sponsored by Bayer CropScience.

The following morning Bayer CropScience sponsored the first annual YPN breakfast. A guest speaker and executive coach, Sarah Beth Aubrey, was scheduled to present on professionalism. Unfortunately, a few days prior to the conference, Ms. Aubrey's husband suffered an accident, forcing her to cancel. Ron Dunker and Will Mullenix of Bayer improvised and we still had a great breakfast event! A brainstorming session was held in which YPNers shared what they are doing in their chapters and what has and has not been successful in regards to chapter socials, student presentations/involvement, career fairs, etc.

Locally, as we have done for the past few years, a YPN event will be held at the chapter annual meeting in St. Cloud this coming January. Stay tuned for details. Hopefully we can have another strong turnout! We will also continue to present to as many college students as possible. If you are interested in helping with student presentations or engagement, please contact the chapter. We will get you prepared and send you everything that you need to make a great impression.

Lastly, this will be my last newsletter article as the chapter YPN representative as my term is soon expiring. I am glad to announce that Tyler Erickson, AFM of Northwestern Farm Management Company has stepped up and volunteered to take the reins. Regionally, Clint Kaller, AFM of Hertz Farm Management in Cedar Falls, IA has taken over as the District 4 YPN representative on the national leadership committee. I know that both of these gentlemen are very dedicated and will push YPN to greater heights!



**Young  
Professionals  
Network**

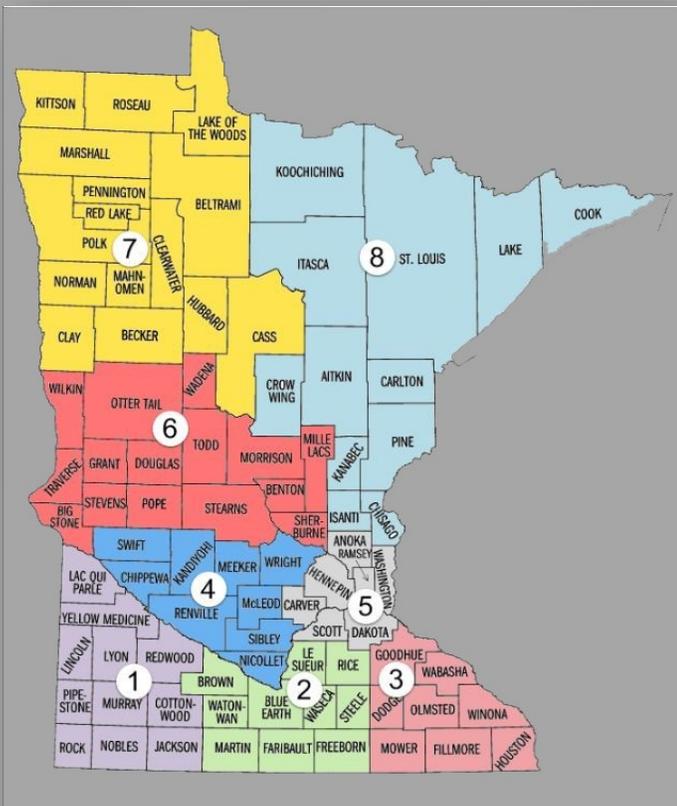
Future Leaders  
of ASFMRA

*The Young Professionals Network is dedicated to making a positive difference in the professions of agriculture management, appraisal and consulting through premier leadership, career development and personal success while transitioning to the next generation of leadership.*

# Land Value & Cash Rent Survey - by Brandon Kirk

## How & When to Participate

The Land Value and Cash Rent Survey for 2018 will be open for participation on Monday December 3rd, through Monday December 31st. Survey participation will be conducted in a similar fashion as years past, with Chapter Members being strongly encouraged to participate in at least one of multiple forums. The quickest way to participate is going to [www.mnasfmra.com/landRentSurvey.html](http://www.mnasfmra.com/landRentSurvey.html) and uploading a spreadsheet of qualified sales/rental data or filling in the convenient form located on the website. An additional way to participate is contacting a Regional Captain by phone/email, please see the Regional Map for Captain's contact information. The final opportunity for participation of the Land Value and Cash Rent Survey is replying to a friendly postal reminder that includes how to instructions, which will be sent out December 3rd.



## What Sales/Rental Information Qualifies?

Simply put, the sales in which you would use in your day to day practice - typical arm's length transactions. Cash rents should be indicative of land that is professionally managed. Please stray away from "family discounts".

## Why Your Participation is Important

Your help is needed in producing a credible and professional Land Value and Cash Rent report. As a member of ASFMRA we are the most trusted rural property professionals. In a way to gain public trust and increase the marketability of the Society, MN Chapter, and your business, a credible and professional Land Value and Cash Rent survey starts with your participation. Please do not hesitate to contact a Regional Captain with questions or suggestions.

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# Contacts - *click names to email*

## Executive Directors

President:	<a href="#">Eric Skolness, AFM</a>	Secretary:	<a href="#">Ward Nefstead</a>
First Vice President:	<a href="#">Jerry Dee, ARA</a>	Treasurer:	<a href="#">Tyler Walsh, CPA</a>
Second Vice President:	<a href="#">Lee Williams, AFM</a>	Past President:	<a href="#">Adam Schmidt, ARA</a>

## Committees

Nominating Committee:	<a href="#">Adam Schmidt, ARA</a>	Professional Advancement Committee:	<a href="#">Eldon Krull, AFM, Chair</a>
	<a href="#">Richard Johnson, ARA</a>		<a href="#">Shirley Mille, RPRA</a>
	<a href="#">Dennis Schmidt, AFM</a>		
Membership Committee:	<a href="#">Tyler Walsh, CPA, Chair</a>	Scholarship Committee:	<a href="#">Christine Reitsma, Chair</a>
	<a href="#">Rick Hauge, ARA</a>		<a href="#">Rachel Daberkow</a>
	<a href="#">Ron Zitzow</a>		<a href="#">Adam Schmidt, ARA</a>
Management Education Committee:	<a href="#">Klay Walinga, AFM, Chair</a>	Land Rent Survey Committee:	<a href="#">Brandon Kirk</a>
	<a href="#">Dennis Schmidt, AFM</a>		
	<a href="#">Mike Norgaard, AFM</a>		
Appraisal Ed and Review Committee:	<a href="#">Gary Schutte, ARA</a>	Friends of Chapter:	<a href="#">Tim Mahoney</a>
	<a href="#">Mark Grant, ARA, Chair</a>		
	<a href="#">Richard Johnson, ARA</a>		
Government Affairs Committee:	<a href="#">Terri Jensen, ALC, Chair</a>	YPN:	<a href="#">Brian Field</a>
	<a href="#">Tyler Erickson</a>		
	<a href="#">Rachel Daberkow</a>		

## Other

Chapter Administrator: [Jeremy Bengtson](#) 800-574-9185



**American Society of Farm  
Managers and Rural Appraisers**

**Minnesota Chapter**