

AEDE-RP-

## Ohio Farm Custom Rates 2014

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A large number of Ohio farmers hire machinery operations and other farm related work to be completed by others. This is often due to lack of proper equipment, lack of time or lack of expertise for a particular operation. Many farm business owners do not own equipment for every possible job that they may encounter in the course of operating a farm and may, instead of purchasing the equipment needed, seek out someone with the proper tools necessary to complete the job. This farm work completed by others is often referred to as “custom farm work” or more simply “custom work”. A “custom rate” is the amount agreed upon by both parties to be paid by the custom work customer to the custom work provider.

The custom rates reported in this publication are based on a statewide survey of 256 farmers, custom operators, farm managers and landowners conducted in 2014. These rates, except where noted, include the implement and tractor if required, all variable machinery costs such as fuel, oil, lube, twine etc., and the labor for the operation.

Some custom rates published in this article have a wide range. Possible explanations are the type or size of equipment used, size/shape of fields, condition of the crop (for harvesting operations), the value of labor, the mix of labor and equipment used and the different income goals of full-time custom operators versus farmers supplementing their income. Also some custom operations are provided at bargain rates due to family relationships between the parties or due to the fact that custom providers may see an increased probability of eventually securing the custom farmed land in a cash rental or other rental agreement.

Average custom rates reported in this publication are a simple average of all the survey responses. The Range rates represent  $\pm$  one standard deviation around the average<sup>1</sup>. The Median represents the middle value in the survey responses. The Minimum and Maximum reported reference the minimum and maximum responses from the survey data for a given operation.

Charges may be added if the custom provider considers a job abnormal such as distance from the operator’s base location, difficulty of terrain, amount of product or labor involved with the operation, or other special requirements of the custom work customer.

There is no assurance that the average rates reported in this publication will cover your total costs for performing the custom service or that you will be able to hire a custom operator for the average rate published in this factsheet. Calculate your own costs carefully before determining the rate to charge or pay. It may be helpful to compare these custom rates with machinery costs calculated using an economic engineering approach. The data calculated with this approach are intended to show a representative farming industry cost for specified machines and operations. The following resources are available to help you calculate and consider the total costs of performing a given machinery operation. Users may also consider using the data contained in these publications as a base for future custom rates.

OSUE Decision Aids:

<http://aede.osu.edu/research/osu-farm-management/decision-tools>

Farm Machinery Cost Estimates available at:

<http://faculty.apec.umn.edu/wlazarus/documents/machdata.pdf>

Machinery Economics at farmdoc:

<http://www.farmdoc.illinois.edu/manage/index.asp>

<sup>1</sup> Standard deviation is a measure of the variability of the survey responses and one standard deviation both above and below the average includes approximately two-thirds of all survey responses.

## Estimating Farm Machinery Costs

<http://www.extension.iastate.edu/agdm/crops/html/a3-29.html>

Before entering into an agreement, discuss all of the details of the specific job with the other party. Fuel prices have an impact on custom rates and rates may fluctuate based on large movements in fuel prices. The approximate price of diesel fuel at the time of this survey was \$3.25-\$3.75 per gallon for off-road (farm) usage.

	<b>Avg</b>	<b>Std</b>	<b>Range</b>		<b>Med</b>	<b>Min</b>	<b>Max</b>
<b>Soil Preparation</b>							
Stalk Chopper / Acre	12.55	3.35	\$9.15	\$15.90	12.00	7.00	20.00
Moldboard Plow / Acre	20.40	5.03	\$15.35	\$25.40	20.00	15.00	34.50
Chisel Plow / Acre	17.10	5.10	\$12.00	\$22.20	16.00	10.00	34.50
Disk Chisel / Acre	19.00	4.50	\$14.55	\$23.50	18.00	12.00	34.50
Disk-Tandem / Acre	13.20	3.69	\$9.50	\$16.85	12.00	8.00	25.00
Disk-Offset / Acre	19.30	4.13	\$15.15	\$23.45	17.50	15.00	25.00
Soil Finishing / Acre	14.85	4.13	\$10.70	\$19.00	14.00	10.00	26.00
Field Cultivator / Acre	13.80	3.92	\$9.85	\$17.70	12.00	9.00	26.00
Land Leveling / Acre	12.30	4.40	\$7.90	\$16.70	10.00	8.00	22.00
Land Leveling / Hour	68.35	25.82	\$42.50	\$94.15	75.00	25.00	100.00
Sub-soiling / Acre	20.20	4.80	\$15.40	\$25.00	20.00	12.00	30.00
V-Ripping / Acre	24.30	5.76	\$18.55	\$30.10	24.25	16.00	40.00
Strip Tillage / Acre	18.50	3.39	\$15.10	\$21.90	19.00	14.00	24.00
Strip Tillage w/ Fertilizer Injection / Acre	24.75	11.06	\$13.70	\$35.80	22.00	16.00	39.00
<b>Fertilizer Application - Ground</b>							
Dry Bulk / Acre	6.15	1.70	\$4.45	\$7.85	6.00	3.00	13.00
Liquid Knife / Acre	9.50	3.43	\$6.05	\$12.90	9.00	3.00	18.00
Liquid Spray / Acre	7.15	2.17	\$5.00	\$9.35	7.00	3.00	15.00
Anhydrous / Acre	12.90	4.10	\$8.80	\$17.00	12.38	6.50	24.00
Lime / Acre	8.05	2.84	\$5.20	\$10.90	8.00	3.50	15.00
Lime / Ton	7.30	3.19	\$4.10	\$10.45	6.50	2.00	18.00
<b>Chemical Control of Weeds or Insects</b>							
Spraying - Self Propelled / Acre	7.00	1.79	\$5.20	\$8.80	6.50	4.00	15.00
Spraying - Pull Type / Acre	7.00	2.41	\$4.60	\$9.45	6.38	3.00	15.00
Highboy Spraying / Acre	8.75	2.70	\$6.05	\$11.45	7.50	5.50	15.00
<b>Mechanical Weed Control</b>							
Rotary Hoeing / Acre	7.00	2.03	\$4.85	\$8.90	7.50	4.00	10.00
<b>Aerial Application</b>							
Fertilizer / Acre	11.60	3.14	\$8.45	\$14.75	11.00	7.50	18.00
Seed / Acre	11.30	2.33	\$8.95	\$13.60	10.00	9.00	17.00
Chemicals / Acre	10.50	1.54	\$8.95	\$12.00	11.00	7.00	12.00

<b>Planting Operations</b>	<b>Avg</b>	<b>Std</b>	<b>Range</b>		<b>Med</b>	<b>Min</b>	<b>Max</b>
<b>Conventional Till</b>							
Plant Corn 30" Rows / Acre	17.80	4.82	\$12.95	\$22.60	17.00	10.00	30.00
Plant Corn w/ Starter Fertilizer 30" Rows / Acre	19.50	5.27	\$14.20	\$24.75	18.25	10.00	34.00
Plant Soybeans 15" Rows / Acre	18.80	5.31	\$13.50	\$24.10	18.00	10.00	30.00
Plant Soybeans 30" Rows / Acre	18.40	5.78	\$12.60	\$24.15	18.00	12.00	28.00
Drill Soybeans / Acre	16.25	4.08	\$12.20	\$20.35	15.00	10.00	26.00
Drill Small Grains / Acre	16.60	4.67	\$11.95	\$21.25	15.50	10.00	26.00
<b>No-Till</b>							
Plant Corn 30" Rows / Acre	19.45	5.34	\$14.10	\$24.80	18.50	10.00	32.00
Plant Corn w/ Starter Fertilizer 30" Rows / Acre	20.90	5.95	\$14.95	\$26.85	20.00	10.00	36.00
Plant Soybeans 15" Rows / Acre	19.05	5.09	\$13.95	\$24.15	18.50	10.00	32.00
Plant Soybeans 30" Rows / Acre	20.40	6.56	\$13.80	\$26.95	19.00	12.00	34.00
Drill Soybeans / Acre	17.30	3.92	\$13.40	\$21.25	17.00	10.00	28.00
Drill Small Grains / Acre	16.75	4.08	\$12.65	\$20.85	16.00	10.00	26.00
<b>Grass/Legume/Pasture Seeding</b>							
Broadcast / Acre	11.15	5.22	\$5.90	\$16.35	9.00	6.00	20.00
Grain drill / Acre	16.80	5.24	\$11.55	\$22.05	16.00	9.50	26.00
<b>Grain Harvest</b>							
Harvest Corn-Combine & Grain Cart / Acre	34.65	7.50	\$27.15	\$42.15	33.00	25.00	68.00
Harvest Soybeans-Combine & Grain Cart / Acre	32.00	6.07	\$25.90	\$38.05	31.00	23.00	50.00
Harvest Wheat-Combine & Grain Cart / Acre	31.80	6.28	\$25.55	\$38.10	30.00	22.00	50.00
Combine Corn / Acre	28.75	5.21	\$23.55	\$34.00	28.00	16.00	45.00
Combine Soybeans / Acre	28.10	5.28	\$22.85	\$33.40	27.50	16.00	45.00
Combine Small Grains / Acre	27.70	5.23	\$22.45	\$32.95	26.50	16.00	45.00
Ear Corn Picker / Acre	29.40	6.07	\$23.35	\$35.50	25.00	25.00	37.00
Grain Cart / Acre	6.20	3.37	\$2.85	\$9.60	5.00	2.00	15.00

	<b>Avg</b>	<b>Std</b>	<b>Range</b>		<b>Med</b>	<b>Min</b>	<b>Max</b>
<b>Grain Storage - On Farm</b>							
Storage / Month / Bushel	\$0.045	\$0.02	\$0.025	\$0.065	\$0.04	\$0.03	\$0.10
Storage / Year / Bushel	\$0.315	\$0.10	\$0.210	\$0.415	\$0.33	\$0.18	\$0.48
<b>Grain Dry</b>							
Per Point of Moisture Removed / Bushel	\$0.055	\$0.03	\$0.025	\$0.085	\$0.05	\$0.02	\$0.12
<b>Grain Haul</b>							
Farm to Market / Bushel	\$0.16	\$0.07	\$0.090	\$0.230	\$0.15	\$0.05	\$0.47
Average Miles - Farm to Market	23.6	17.0	6.6	40.6	20.0	3.0	81.4
Field to Farm / Bushel	\$0.10	\$0.04	\$0.055	\$0.140	\$0.10	\$0.03	\$0.20
Average Miles - Field to Farm	8.7	5.4	3.3	14.1	10.0	1.0	25.0
<b>Custom Farming - Tillage, Plant, Spray/Tending, Harvest (all or a combination of those listed)</b>							
Corn / Acre	\$122.20	\$32.04	\$90.15	\$154.25	\$125.00	\$70.00	\$175.00
Soybeans / Acre	\$103.50	\$22.33	\$81.15	\$125.80	\$100.00	\$65.00	\$140.00
Small Grains / Acre	\$97.30	\$27.07	\$70.20	\$124.35	\$88.00	\$70.00	\$140.00
<b>Corn Silage Harvest</b>							
<b>Upright Silo</b>							
Chop - Corn Silage / Ton	\$5.50	\$0.41	\$5.10	\$5.90	\$5.50	\$5.00	\$6.00
Chop, Haul, and Fill - Corn Silage / Ton	\$7.40	\$0.95	\$6.45	\$8.30	\$7.75	\$6.00	\$8.00
Chop, Haul, and Fill - Corn Silage / Hour	\$183.35	\$28.87	\$154.50	\$212.20	\$200.00	\$150.00	\$200.00
<b>Bunker Silo</b>							
Chop - Corn Silage / Ton	\$6.25	\$1.09	\$5.15	\$7.35	\$6.00	\$5.00	\$7.50
Chop, Haul, and Fill - Corn Silage / Ton	\$6.90	\$2.68	\$4.25	\$9.60	\$7.13	\$3.50	\$10.00
<b>Silage Bag</b>							
Chop - Corn Silage / Ton	\$5.50	\$0.50	\$5.00	\$6.00	\$5.50	\$5.00	\$6.00
Chop, Haul, and Fill - Corn Silage / Ton	\$6.50	\$4.95	\$1.55	\$11.45	\$6.50	\$3.00	\$10.00
<b>Haylage Harvest</b>							
<b>Bunker Silo</b>							
Chop - Haylage / Ton	\$6.50	\$0.50	\$6.00	\$7.00	\$6.50	\$6.00	\$7.00
Chop, Haul, and Fill - Haylage / Ton	\$8.50	\$1.32	\$7.20	\$9.80	\$8.00	\$7.50	\$10.00
Pack Bunker Silo / Hour	\$85.00	\$18.03	\$67.00	\$103.05	\$90.00	\$65.00	\$100.00
Fill Silage Bag / Ton	\$5.65	\$1.89	\$3.75	\$7.55	\$6.50	\$3.50	\$7.00



<b>Drainage and Tile Installation</b>	<b>Avg</b>	<b>Std</b>	<b>Range</b>		<b>Med</b>	<b>Min</b>	<b>Max</b>
<b>Ditching Machine - without Materials</b>							
4" Plastic / Foot	\$0.49	\$0.18	\$0.31	\$0.66	\$0.46	\$0.30	\$0.90
6" Plastic / Foot	\$0.51	\$0.23	\$0.28	\$0.74	\$0.48	\$0.25	\$1.00
8" Plastic / Foot	\$0.65	\$0.31	\$0.34	\$0.96	\$0.55	\$0.25	\$1.20
10" Plastic / Foot	\$0.66	\$0.35	\$0.31	\$1.01	\$0.70	\$0.25	\$1.00
Typical Depth - Inches	33.2	5.1	28.1	38.3	33.0	24.0	42.0
Typical Lateral Spacing - Feet	37.8	10.6	27.1	48.4	35.0	30.0	60.0
<b>Drainage Plow - without Materials</b>							
4" Plastic / Foot	\$0.24	\$0.08	\$0.16	\$0.32	\$0.22	\$0.14	\$0.41
5" Plastic / Foot	\$0.33	\$0.06	\$0.28	\$0.39	\$0.30	\$0.30	\$0.40
6" Plastic / Foot	\$0.52	\$0.28	\$0.24	\$0.80	\$0.48	\$0.20	\$1.25
Typical Depth - Inches	33.1	3.0	30.0	36.1	33.0	30.0	39.0
Typical Lateral Spacing - Feet	39.3	8.5	30.8	47.7	40.0	30.0	60.0
<b>Drainage Plow - with Materials</b>							
4" Plastic / Foot	\$0.54	\$0.12	\$0.41	\$0.66	\$0.50	\$0.34	\$0.80
<b>Miscellaneous</b>							
Bush Hogging / Acre	\$17.05	\$11.69	\$5.35	\$28.75	\$13.00	\$8.00	\$62.50
Income Tax Preparation / Hour	\$73.50	\$33.52	\$40.00	\$107.00	\$60.00	\$40.00	\$125.00
Income Tax Preparation / Return	\$364.50	\$205.68	\$158.80	\$570.15	\$350.00	\$40.00	\$950.00
Track Hoe / Cleaning Ditches / Hour	\$99.40	\$28.63	\$70.75	\$128.00	\$100.00	\$45.00	\$150.00
Remove Snow with Loader / Hour	\$69.65	\$28.65	\$41.00	\$98.30	\$70.00	\$25.00	\$125.00
Remove Snow with Blade / Hour	\$56.90	\$26.33	\$30.55	\$83.20	\$60.00	\$15.00	\$100.00
Remove Snow with Blower / Hour	\$83.55	\$17.25	\$66.30	\$100.80	\$85.00	\$60.00	\$100.00
Hauling Livestock / Loaded / Mile	\$2.30	\$0.86	\$1.45	\$3.15	\$2.00	\$1.00	\$3.75
Bulldozing per Foot of Blade / Hour	\$9.40	\$2.19	\$7.20	\$11.60	\$9.69	\$6.25	\$15.00
Soil Testing / Sample	\$18.30	\$10.28	\$8.00	\$28.55	\$17.00	\$7.50	\$32.50
Soil Testing / Acre	\$5.55	\$1.87	\$3.65	\$7.40	\$5.00	\$4.00	\$10.00
Grid Soil Sampling / Acre	\$8.50	\$3.41	\$5.10	\$11.90	\$8.00	\$4.00	\$18.50
Power Washing / Hour	\$32.70	\$16.64	\$16.05	\$49.35	\$40.00	\$10.00	\$50.00

<b>Machinery Rental</b>	<b>Avg</b>	<b>Std</b>	<b>Range</b>		<b>Med</b>	<b>Min</b>	<b>Max</b>
Tractor / \$ Per Horsepower / Hour	\$0.34	\$0.20	\$0.14	\$0.53	\$0.28	\$0.10	\$1.00
Corn Planter: Conventional / Acre	\$12.55	\$5.88	\$6.70	\$18.45	\$12.50	\$6.00	\$25.00
Average Number of Rows	12.0	8.5	3.5	20.5	12.0	6.0	30.0
Corn Planter: No-Till / Acre	\$13.15	\$6.56	\$6.55	\$19.70	\$13.00	\$6.00	\$25.00
Average Number of Rows	12.0	7.9	4.1	19.9	12.0	6.0	30.0
Combine / Seperator Hour	\$174.00	\$58.89	\$115.10	\$232.90	\$155.00	\$100.00	\$250.00
Combine / Acre	\$30.80	\$5.63	\$25.15	\$36.45	\$30.00	\$25.00	\$38.00
Avg Grain Table Header Wth in Ft	28.3	2.6	25.8	30.9	30.0	25.0	30.0
Avg Number of Corn Header Rows	7.7	0.8	6.9	8.5	8.0	6.0	8.0
Grain Drill: No-Till / Acre	\$11.60	\$4.37	\$7.25	\$15.95	\$10.00	\$6.00	\$25.00
Average Width in Feet	17.5	8.0	9.5	25.5	15.0	10.0	40.0
Bobcat or Skidsteer Loader / Day	\$226.40	\$153.66	\$72.70	\$380.05	\$157.50	\$80.00	\$450.00
Dry Bulk Fertilizer Applicator / Acre	\$3.30	\$1.58	\$1.70	\$4.85	\$2.40	\$2.00	\$5.00
Liquid Fertilizer Applicator / Acre	\$5.70	\$3.56	\$2.15	\$9.25	\$4.75	\$2.00	\$12.00
<b>Facility Rental</b>							
Machinery Storage - Square Foot / Year	\$0.51	\$0.25	\$0.26	\$0.76	\$0.52	\$0.25	\$1.00

Avg = Average, Std = Standard Deviation, Range = Average +/- 1 Standard Deviation, Med = Median, Min = Minimum, Max = Maximum