

## Ohio Crop Production and Farm Operation Benchmarking for 2020

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Benchmarking provides a summary of crop production, financial performance measures and operators and labor information, allowing producers to evaluate their individual performance in comparison with a cohort with similar farm characteristics. We focus on summarizing farm business management benchmarking for Ohio farms.

We analyze information for Ohio farms that participate in the Ohio Farm Business Analysis and Benchmarking Program conducted by the Ohio State University Extension. There are 26 corn farms and 23 soybean farms that participated in the program in 2020. There were a total of 39 Ohio crop farms that participated in the program in 2020. The data gets reported by FINBIN from the Center for Farm Financial Management at the University of Minnesota. FINBIN provides benchmarking financial information for farm producers, educators, lenders, and other agricultural professionals. The database summarizes farm data from farm producers from several states, including Ohio. We summarize these data here, though careful attention needs to be paid as these summaries are based on the farms that participate in the program and may not be representative of all Ohio farms.

### CORN AND SOYBEAN PRODUCTION



We summarize data for Ohio farm on cash rented land. In 2020, Ohio corn producers had an average of 219.58 acres per farm for corn production. With corn production of 169.34 bushels per acre and a reported average value of corn of \$4.04

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per bushel, corn growers earned an average of \$714.67 per acre.

Ohio farms had an average of 263.08 acres per farm for soybean production. Soybean growers earned an average of \$594.7 per acre with soybean yield of 55.78 bushels per acre and an average reported value of \$10.23 per bushel.

Average gross return/acre includes the average value of the crop produced plus any other income directly associated with the production of the crop, including crop insurance proceeds and related patronage dividends.

The average value of crop/bushel is assigned by the producer. For cash crops, the average value is based on the actual sales price for production sold or contracted before year-end and the inventory value for crops still in inventory at year-end.

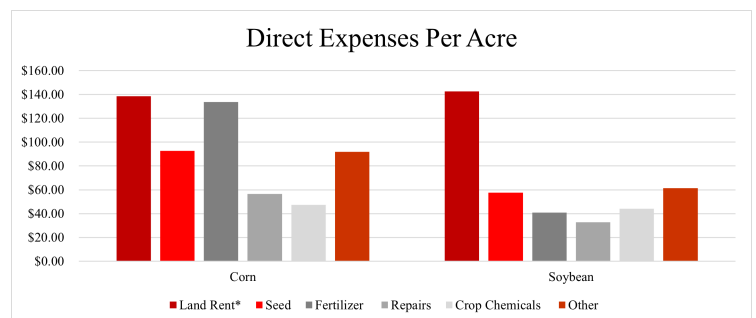
The average net farm income is the average net income from the farm that is available for owner withdrawals, income taxes, and equity growth.

### DIRECT EXPENSES OF CROP PRODUCTION

Direct expenses include expenses that are directly related to the production of the specific crop. Most direct expenses are directly assigned to the production of the crop and simply divided by acres. Some, such as Fuel and Oil and Repairs, which are difficult to assign directly to specific fields or crops, are determined by allocating the total annual expense across all enterprises using allocation factors entered for each crop.

For cash rent farms, the cost of production for corn was \$4.25 per bushel, including a labor and management charge. Direct expenses for farms in 2020 averaged \$560.8 per acre with more than half going to land rent, seed and fertilizer. Likewise, for cash rent farms, the cost of production for soybean was \$8.16 per bushel, also including a labor and management charge. Direct expenses for farms in 2020 averaged \$379.20 per acre with around one third going to land rent.

Overall, corn production had higher total expenses per acre than soybean production, especially with fertilizer expenses being three times higher than those for soybean farms.



## GOVERNMENT PAYMENTS FOR CROP PRODUCTION

Government payments averaged \$34 per acre for corn producers, and \$27.08 per acre for soybean producers, which increased in 2020. In addition, farmers received CFAP payments.

## THE BOTTOM LINE OF CROP PRODUCTION

Net return over labor and management is the return, including government payments, remaining after compensating the operator for unpaid labor and management. This is the per acre return to equity capital.

Net returns for corn enterprises in Ohio averaged negative \$35.96 per acre after factoring in all direct, overhead and management expenses as well as contributions from government payments. Net returns for soybean enterprises in Ohio were \$115.41 per acre in 2020.

CORN/SOYBEAN EXPENSES PER ACRE	
Ohio, 2020	
<b>\$ 560</b> total direct expenses (corn) / acre	<b>\$ 379</b> total direct expenses (soybean) / acre
<b>\$ 139</b> total overhead expenses (corn) / acre	<b>\$ 77</b> total overhead expenses (soybean) / acre
<b>\$ 34</b> government payments (corn) / acre	<b>\$ 27</b> government payments (soybean) / acre
<b>\$ -36</b> net return over labor and management (corn) / acre	<b>\$ 115</b> net return over labor and management (soybean) / acre

OHIO 2020 FARM OPERATOR QUICK FACTS
<b>1.6</b> average number of operators per farm
<b>53</b> average age of operators
<b>32</b> average years of experience per operator
<b>\$157,468</b> average net farm income
<b>249</b> average total acres owned

## WHOLE FARM LABOR INFORMATION

The average hourly hired labor wage was \$17.83 for Ohio farms in 2020. The average value of farm production per hour was \$95.9 in 2020.

FARM HIRED LABORS QUICK FACTS Ohio, 2020
<b>\$18</b> average amount paid per employee per hour
<b>\$96</b> average of farm production/hour

## REFERENCE

Hadrich, J. "Upper Midwest Organic Corn, 2020." University of Minnesota Extension, September 2021.

Shoemaker, D. "2020 Ohio Farm Business Summary." Ohio State University Extension, September, 2021.



**Farm Income Enhancement Program**

## WHOLE FARM OPERATOR INFORMATION

The average number of operators per farm in Ohio was 1.6 in 2020. The average age of operators was 52.9, with an average number of 32 years farming experience. Net farm income averaged \$157,468 with a total of 248.7 acres owned for Ohio farms in 2020.