A look at farming today in Ogle County

with contributions from the Ogle County Farm Bureau and other local agricultural agencies

Planting 2024

Published By Ogle County Life & The Rochelle News-Leader

ECR-WSS

ROCHELLE NEWSPARERS 61068 U.S. POSTAGE PAID ROCHELLE NEWSPAPERS 61068

POSTAL CUSTOMER

Live life to the **FULLEST**.

Customized solutions for all ages





Rochelle Community Hospital

Full range of orthopedic solutions including:

- Knee, hip, and shoulder replacement procedures
- Fracture care-splinting and casting
- Arthritis and carpal tunnel solutions
- Sports medicine
- Hand, foot and ankle injury treatments
- Same day appointments available



Dr. Gadini Delisca



Harrison Swalla, MPAS, PA-C

Same Day Appointments **Available!**

> 900 N Second St Rochelle, IL 60168

2670 DeKalb Ave Sycamore, IL 60178

Get back to the life you enjoy.

To learn more about XCEL Orthopedics or schedule an appointment, call **815-561-2774** or visit **xcelorthopedics.com**.



Planting 2024 — Table of Contents



Johnson, WWII veteran and longtime area farmer, passes away at age 99 – 4-6, 8

Kennay Farms Distilling partners with Grown Climate Smart program to show commitment to sustainability - 9-10

A 'surprising' year in 2023 for agriculture in Ogle County – 11-13

Polo and Ogle County's Duncan elected as new president of Illinois Farm Bureau – 14, 16

Illinois ranks as No. 1 soy, No. 2 corn producing state for 2023 – 17

Farm income to drop from 2022 record -18

ERS report details characteristics of U.S. farms - 19-20

Guebert Jr.: Illinois agriculture remains resilient amid year of challenges, uncertainty – 21-23



(815) 946-2393 | www.partsdays.com

Case IH is a trademark registered in the United States and many other countries, owned by or licensed to CNH Industrial N.V., its subsidiaries or affiliates. 'Subject to credit approval. Terms and conditions apply.

Johnson, WWII veteran and longtime area farmer, passes away at age 99

BY JEFF HELFRICH MANAGING EDITOR

MALTA — On Dec. 12, Yngve "Morry" Johnson, a World War II veteran and longtime Malta/Creston-area corn, soybean and livestock farmer, passed away at the age of 99.

Johnson's military service included serving in the US Army during World War II in the Pacific Front from April 3, 1944 to April 11, 1946.

He saw basic training in Fort Custer, Michigan and combat engineer training in Fort Lewis, Washington. He sailed on a liberty ship from Fort Lewis to Enewetak Island then onto Okinawa Island, where he drove a truck hauling rock to extend the existing runway so that damaged B-29 bombers returning from Japan could land rather than ditch in the ocean. After the war ended, he was sent to Korea to help rebuild after the Japanese destruction from their invasion of Korea.

On April 6, 1944, Johnson left Sycamore for the U.S. Army induction center at Fort Sheridan, Illinois. Later the same day, he boarded a train for Fort Custer, Michigan, where he endured six weeks of basic training. Because of his photographic memory, he was selected to become a combat military policeman and spent another nine weeks of advanced training in small arms from the Colt 1911 pistol to the 50-caliber machine gun.

Johnson's son, Kevin, said that during basic training, Yngve was asked to walk through a room and later identify everything he saw in it.

See page 5



Yngve "Morry' Johnson

TFP2024





Walters Accounting specializes in Farm Accounting. ACCOUNTING INC. 202 N. Walnut, Stillman Valley 815.645.8979

After he scored well, his photographic memory came to light. That skill would help him through the remainder of his life, especially with building his farming expertise.

Johnson then boarded a train to Fort Lewis with 300 other recruits. As they approached Three Forks, Montana, a box car axle caught fire and the car was left on a spur in Three Forks. After arrival at Fort Lewis, the new commander was informed that all their records were left in three Forks, Montana, on a box car. It was decided that the recruits would get a 10-day pass plus travel time until the situation could be sorted out.

When Johnson arrived back at Fort Lewis after his short vacation, he was transferred to the 1778th Engineer Headquarters Service Company and trained for 12 weeks as a combat engineer, due to the fact that the records were never found.

After all training, Johnson boarded a liberty ship with 1,200 other troops. The ship was loaded beyond capacity, so it was unable to keep up with the convoy. It took the ship 41 days to get to Okinawa with a 10-day layover in Anowetok waiting for destroyer escorts because of the threat of Japanese submarines.

Both that delay and the one caused by the records loss may have saved Yngve's life, as troops that arrived earlier suffered numerous casualties.

Once the ship arrived at Okinawa, they anchored in Naha Harbor. While anchored, Johnson saw an LST (landing ship tank) number 1405. On this ship was his brother, Bert. Yngve commandeered a dingy with the help of a sailor and visited his brother for about four hours. With 16 million Americans serving in WWII and almost 11,000 ships.



Johnson was lucky enough

to anchor right next to his

While on Okinawa, John-

brother's ship.

Yngve "Morry' Johnson son started his rock hauling work.

HS

See page 6

CHS Rochelle is strategically located with access to interstate highways, railways, and the Illinois River.

We are able to process 48 million bushels of corn annually, producing 140 million gallons of ethanol, and 360,000 tons of dried distillers.

Contact us today to set up an account.

1900 Steward Rd, Rochelle, IL (815) 561-0650



TFP2023

The trucks were under constant sniper fire day and night, and while driving one night, Yngve became disoriented and drove into a large pothole, which caused him to injure his back. Five vertebrae were compressed and this ended his truck driving. He was then tasked to oversee the motor pool from behind a desk, which he did up until V-J day.

Johnson's children, Kevin, Yvonne, Brenda, Brent and Wanda, did not hear much about his service in their early years, though the Johnson family always placed a large emphasis on supporting the military and patriotism.

"I was always so grateful after I found out everything he had been through for the country and what could have happened to him," Brenda said. "Mom and dad were all about patriotism and celebrated every holiday."



See page 8





SERVING YOU FOR 40+ YEARS!

www.hueberfeed.com Follow us on 🗗 💿

Illinois DOORMASTERS LLC 815-440-9827

Servicing and Installing Residential and Commercial Overhead Doors

LiftMaster Amary



We are located in Oregon, IL and we are committed to providing FAST, QUALITY, service at a FAIR price.

Call for a

FREE QUOT

today

At Yngve's funeral, a strong presence was shown by the military, including U.S. Navy sailors, Army soldiers from Chicago that came to present the flag, and the color guard from the Rochelle VFW Post.

Decades after his service, appreciation meant a lot to Yngve Johnson.

"My dad loved to eat at Butterfly," Brenda said. "Once we had a family come over and thank him for his service after they saw the hat he was wearing. He was so proud of that. He was very humble. You could tell being thanked meant something to him."

Johnson's three years in the military were the only years he spent away from the farm during his 99 years of life. That was something he always bragged about.

Johnson started farming as a young boy. He saw the agriculture industry revolutionized, and was witness to self-driving tractors and GPS in his later years after plowing fields behind horses in his early years of life.

"He was just totally overwhelmed with the technology and how farming had progressed over his 99 years," Kevin Johnson said. "He almost started to not like how much of the work and learning had been cut out of it. Things were difficult when he started. He took care of a family of six and had to make ends meet with jobs off the farm."

Despite being busy with the work on his own farm, Yngve Johnson was always willing to help out neighboring farmers when they were in need.

"When they needed something, they always knew they could pick the phone up and call my father and he'd be right there," Kevin said. "He'd be in the middle of planting and he'd stop planting corn and help the neighbor plant corn. That's just how he was." "It was unbelievable. And then the neighboring farmers would always come around. They'd ask my dad what he thought. That happened up until he passed away. He had a photographic memory. That's why he had all that knowledge that he shared with all the neighboring farmers."

Kevin Johnson

he built up over 99 years.

Brenda recalled her father being up earlier and out working later than the rest of the family and taking him meals out to the field late at night with her mother. That work ethic was passed down to the Johnson children, she said.

Up until his Yngve's passing, each spring and fall he would sit in the barn with his son and talk about farming. That was when he would impart the knowledge "It was unbelievable," Kevin Johnson said. "And then the neighboring farmers would always come around. They'd ask my dad what he thought. That happened up until he passed away. He had a photographic memory. That's why he had all that knowledge that he shared with all the neighboring farmers. Once he saw something, he never forgot it."



Kennay Farms Distilling partners with Grown Climate Smart program to show commitment to sustainability

BY JEFF HELFRICH MANAGING EDITOR

ROCHELLE — Kennay Farms Distilling in Rochelle has collaborated with The De-Long Company and its Grown Climate Smart program to showcase the use of sustainable grain in its spirits.

The distillery that now resides in the renovated former space of the Hub Theater has been using certified sustainable grains since its inception, and the Kennay family farm has been certified sustainable for the past eight years. The collaboration with the Grown Climate Smart program will see a logo placed on Kennay Farms Distilling bottles to differentiate them on the market and give consumers a chance to champion sustainable products.

The DeLong Co. is a sixth-

generation, family-owned agribusiness with headquarters in Clinton, Wisconsin and many grain facilities in Illinois. Grown Climate Smart is a \$40 million program funded by the USDA's \$3.1 billion Climate-Smart Commodities grant that was awarded to The DeLong Co.

The Grown Climate Smart program works with farmers on promoting and incentivizing sustainable farming practices such as cover crops, reduced or no-till, nutrient management plans and windbreaks. Throughout 2023 it enrolled over 160 growers throughout 11 states and sent out over \$6.5 million worth of incentives directly to farmers doing sustainable practices.

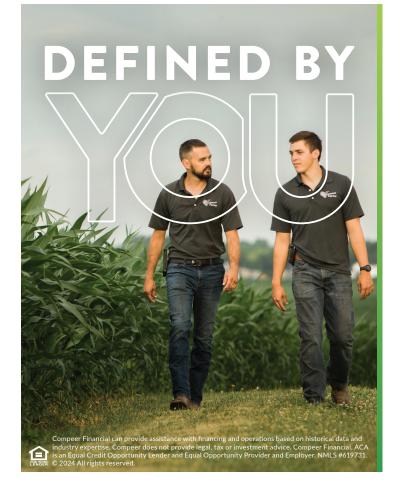
The second part of The DeLong Co.'s grant work will involve building and develop-



ing a market that commands a premium for products made with sustainably-grown and produced grain, such as the spirits sold by Kennay Farms Distilling, The DeLong Co. Brand and Marketing Manager Dylan Vaca said. buying and purchasing," Vaca said. "That's how this partnership and collaboration came to be. We realized that we had to work with a distillery like this that has consumer-facing products that utilize sustainable grains and ingredients."

"Part of that is the consumers need to know what they're

See page 10



AG LENDING & CROP INSURANCE SOLUTIONS ALIGNED TO YOUR INDIVIDUAL GOALS.

Whether you need an experienced lender or a trusted financial services provider you can count on, we're ready.



Branden Alexander Financial Officer (815) 595-4585 Branden.Alexander@compeer.com



Adam Herwig Financial Officer (815) 595-4861 Adam.Herwig@compeer.com



Emily Pratt Insurance Officer (815) 595-4542 Emily.Pratt@compeer.com



DEFINE YOUR SUCCESS AT COMPEER.COM/YOU

Rochelle News-Leader Ogle County Life

"We're really excited about working with companies that have products out there for consumers to purchase, to get them to think about their moral compass of what they want to buy. Sustainably-marked products are a huge market right now."

Vaca said The DeLong Co. has done similar partnerships with other distilleries in the past that have seen "great success and feedback." He said that 17.3 percent of products on the market are currently marked as sustainable or something similar to it, but those products make up one third of all product growth.

"We think that's really interesting," Vaca said. "It's becoming more and more common. We realize that we can't be the only one. There need to be a lot of players that come together and find a sustainable market. It's getting there." Kennay Farms Distilling Owner Rick Kennay said that he wanted his farm to go through the sustainability certification process eight years ago to keep soil in place and improve it through reduced tillage.

"From a farmer's standpoint, you have to keep the soil in place," Kennay said. "If you lose your soil, you lose your productivity. That was my number-one goal, keeping the soil in place. The number-two goal is to improve the soil that's there. God put it there. It's my job to be a steward for a short period of time of 50 years or so. I want to improve what's there. I think we can do that and still be a productive farmer. It's kind of a dual role. You want to be a productive farmer and keep that soil in place. I think we can do both. That's what we're attempting to do. Improve what we do and keep what's already there."

Due to the fact that it was



already using sustainable grain, the collaboration and recognition won't require any changes in the ways Kennay Farms Distilling produces its products.

"That's the nice part about it," Vaca said. "A lot of times we might talk to another company or business and there's difficulties about changing their supply chains

filma

and ingredients and sourcing sustainable grains. The nice thing about this partnership is there's ultimately nothing they need to change. They've already gone through that journey of becoming sustainable. We're really excited about it and creating a differentiator in the market that shows a difference and why this product is better."



At Stillman Bank, we have been committed to serving our agricultural communities for 142 years. And we will be around for years to come working with local farmers, our neighbors, offering financial solutions to meet their ever-changing needs.

WE'RE HERE TO HELP YOU grow



ryanr@stillmanbank.com

Member FDIC We know there is a unique story down every dirt road. Wherever you are heading, let's travel there together.

Ryan Reeverts Contact us today! 815.645.2012

www.stillmanbank.com

A 'surprising' year in 2023 for agriculture in Ogle County

BY JEFF HELFRICH MANAGING EDITOR

OGLE COUNTY — In a word, Ogle County Farm Bureau Manager Ron Kern called the year that was 2023 "surprising" for farmers in Ogle County.

After a drought hit the county over the summer of 2023, farmers were concerned for what yields harvest time would bring. Kern said on average, yields turned out to be "good to excellent," performing "exceedingly better" than anyone anticipated.

"Nobody wants to put in the time of planting a crop to end up with poor yields at the end of the year," Kern said. "I think most farmers were just really pleasantly surprised with their final numbers. Regardless of what prices are, it's always good to have a crop to sell at the end of the year. I think farmers were surprised and happy with the final numbers."

As Ogle County farmers head into another year and planting season, Kern said he is hoping to see more moisture before April and May. He said moisture levels have been short for the past three years of weather in the area.

Snowfall levels have been lower in Ogle County over the past few winters, including so far this season.

"But we haven't had any frost in the ground yet either this year," Kern said. "At least the recent rain we've gotten in the last month or so has gone into the ground and recharged the topsoil. I'm sure at some point we'll get cold enough to have frost. We've been able to pick up rain so far if it hasn't run off. Whether it's rain or snow, we need to pick up our normal amount of moisture that we should be picking up



for January through March." Outside of the fields, Kern said commodity prices are still "sagging behind" and demand has been stagnant, impacting markets for farmers. Kern would like to see those situations improve in the coming months.

The new year will see a new federal farm bill, which takes place every five years.

"Farmers need some security in a farm bill in order to have some type of feeling of security that they're going to be able to farm without farming themselves out of business," Kern said. "The crop insurance component in a farm bill is huge for producers these days."

See page 12



"People need to understand that the crop insurance component has replaced all of the disaster programs and things like that of the past. Now you have the federal government and farmers as partners in this thing. Being able to take out crop insurance to be able to protect against disasters is huge for producers."

The Illinois Farm Bureau recently elected a new president, Ogle County and Polo livestock farmer Brian Duncan, who brings years of farm bureau leadership experience at both the county and state levels.

"I think for all of our folks here locally in Ogle County, there's a sense of pride in knowing that one of our own local farmers could ascend to this position to lead the largest farm organization in the state and one of the largest farm organizations in the country," Kern said.



See page 13



Local service & great rates

Call, click or stop by today



Huber Ins and Fin Svcs Inc Shane Huber, Agent

221 E II Route 38 Rochelle, IL 61068-2303

Bus: 815-562-7011 shane@shanehuber.com



State Farm Bloomington, IL

"Brian has always been a critical thinker and a motivated leader. I think that his tenure with the IFB is going to help move the organization forward in a very positive way. And I think as an organization, we're fortunate to have a leader who is as hands-on and involved in the membership as Brian is going to be."

Kern has a wishlist for Ogle County farmers that he would like to see at the start of 2024 ahead of planting season.

"I'd love to see more moisture out in our fields," Kern said. "We want to see more global demand for commodities to start pushing prices back up. I want to see fertilizer prices and fuel prices stay nice and low. Farmers today tend to pre-price inputs like fuel and fertilizer early in the year and lock in prices. I don't know what those contacts look like exactly. But if someone is contracting out fuel right now, the fact that prices have gone down lately is going to help. The price of fertilizer is also lower now than it was a couple of years ago. I would say it's stabilizing now."

Workshop

The Young Leaders in Carroll, Ogle, Lee, Stephenson and Winnebago-Boone County Farm Bureaus are hosting Dr. Ron Hanson for a farm succession workshop on Feb. 29 at the White Pines Lodge. The evening will begin at 6 p.m. followed by Dr. Hanson's presentation.

Hisprogram is titled "Avoiding the mistakes of a farm succession planning train wreck; and empowering families to succeed in farm succession." His six-step program will guide you through the emotional pitfalls families face when deciding how to structure their succession plan for success.

Cost for the program is \$50



per person. This program is open to farm bureau member families only in Carroll, Stephenson, Ogle, Lee and Winnebago Counties. Seats will be reserved for the first 125 who register. To make your reservation either call the Ogle County Farm Bureau at 815-732-2231; or email cfb@ogle.comcastbiz. net

All reservations must be made no later than Feb. 15.



Polo and Ogle County's Duncan elected as new president of Illinois Farm Bureau

BY JEFF HELFRICH MANAGING EDITOR

POLO — Ogle County livestock farmer Brian Duncan of Polo was elected the new president of the Illinois Farm Bureau during the organization's annual meeting in Chicago, Dec. 2-4.

Duncan, who replaces the retiring Richard Guebert Jr., previously served as the vice president of the IFB since 2017. He also served as president of the Ogle County Farm Bureau (OCFB) from 2004-2017, and on the American Farm Bureau Federation's (AFBF) Swine Advisory Committee 2003-2006, National Pork Producers Council Price Discovery Task Force, Ogle County Pork Producers board of directors and the IFB Young Leaders Committee from 1990-1994. He was the IFB Discussion Meet winner in 1990 and Young Leader Achievement Award winner in 1999.

"It's an incredible honor to have the trust of the delegates and members to serve in this position," Duncan said. "We as an organization stand on the shoulders of giants. The people who founded this organization and have led throughout the years have left big shoes to fill. I'm excited about the challenges and the opportunities that will no doubt come before us in agriculture and as an organization."

Duncan called the IFB's work "incredibly important" for not just its members, but for agriculture as a whole. He said he's looking forward to working with the IFB board of directors and team in Bloom-



ington, county farm bureaus and members to find solutions to problems facing agriculture, along with meeting challenges and seizing opportunities.

The experience of serving as vice president was "very rewarding" for Duncan.

"I was very much hands on

with the members and county farm bureaus and I listened to and helped them craft policy positions," Duncan said. "The IFB is driven by the policy positions that the delegates take at our annual meeting."

See page 16



TRUCKING:

- Non-Union Local Freight Hauling
- Van Trailer/Hopper/Flatbed/Dump
- Daily Loads on the Customers Time Schedule

Queens Trucking & Construction Inc

322 Errett Road, Rochelle

815-562-6064 | queens-trucking.com

CONSTRUCTION:

- Union Construction & Deconstruction
- Excavation/Site PrepDrainage/Sewer/Water
- Repair & Replacement
 Union Heavy Hauling &
 Jobsite Hauling
- Emergency Work
- Restoration/Traffic Control
 Sidewalk/Curb
- SIDEWAIK/CUID
- Hourly or Bid Work (We can create a Specialized Rate for any Job)

TFH2023



Rochelle News-Leader Ogle County Life

"The vice president oversees that entire process. With it being that kind of hands-on experience, it was gratifying and important work and I continue to be impressed by the organization, our structure and the hard work that goes on every day by our members at the county farm bureau level."

Farm profitability, and any barriers facing that, will be the top priority for Duncan in his new IFB position. He mentioned continuing to build out the biofuels market and encouraging a robust agenda for international trade as well. The IFB will be keeping a solid eye on regulatory burdens its members face and making sure regulations make sense and aren't developed without stakeholder input.

Duncan called 2023 "a trying year" for farmers in Illinois. Despite a drought that hit the state, crops were resilient and yields came through, including in his home of Ogle County. Duncan called the year challenging for hog, livestock and dairy farmers and those challenges will continue into 2024, he said.

"It was overall a challenging year," Duncan said. "It was a year where we showed our resilience. But we go into 2024 with some unresolved issues as we look at trade, biofuels and the overall demand for our products, whether it's crops or protein, and trying to break down the barriers to increasing demand."

Duncan is a graduate of Sauk Valley Community College and an active member of Forreston Grove Presbyterian Church. He and his wife, Kelly, raise corn, soybeans, wheat, pigs and cattle on their farm near Polo; they have four children. Their son, Levi, and daughters, Sarah and Emma, are all part of the farming operation.

Their youngest daughter, Molly, is a technician and crew leader for the Nature Conser-



vancy Nachusa grasslands near Rochelle.

Being IFB president means representing the entire state, but Duncan's background, roots and family farm are in Ogle County. He will also represent livestock farmers in his new position, and he said he's not sure when the last time was that a livestock farmer was IFB president.

"Ogle County is obviously a livestock county," Duncan said. "Northwest Illinois is a livestock territory. I am very sensitive to those issues and what they mean. Not only what they mean to livestock producers, but ultimately what they mean to crop farmers. Livestock is a very important component of crop demand. A vibrant livestock industry is one of the things that I'll always look to promote. I represent the entire state, but my grounding and training was done at the Ogle County Farm Bureau. OCFB Manager Ron Kern and the past presidents there all guided and invested in me. I certainly will not forget that and will still have a strong connection to Ogle County."



Illinois ranks as No. 1 soy, No. 2 corn producing state for 2023

so far," Joe Camp, of Com-

mStock Investments, told the RFD Radio Network after the

release of the report. "I think it

was triggered first off by these

estimates from its previous re-

port by 9 bushels in Nebraska,

4 bushels in Minnesota and 1

bushel in Iowa, along with the

boost in Illinois. Iowa finished

with a final corn yield estimate

of 203 bushels per acre while

Indiana was right behind at

really add extra production,"

Camp said. "It's hard to rec-

up better than we feared it was

going to be," he continued.

"Still, to see states like Iowa be

ahead of where they were a year

beans and wheat all closed the

week on a down note following

is out of the way, with an out-

look toward higher seasonal

prices normally leading us

into spring," Camp said. "But

there's nothing really friendly

to talk about on this crop

USDA pegged stocks in all

positions as of Dec. 1 at 12.2

billion bushels of corn (up

13% from the previous year), 3

billion bushels of beans (down

As for crop inventory,

report."

the release of the report.

Futures prices for corn, sov-

"It can be a relief this report

ago is hard to put together."

oncile after the year we had.

"Those are big states that

"No doubt this crop ended

201 bushels.

USDA raised corn yield

higher vield estimates.'

BY DANIEL GRANT FARMWEEK

LLINOIS once again produced some of the largest crops of any state in the nation despite drought and other weather challenges last year, according to USDA's crop production report released Jan. 12.

Prairie State farmers produced 648 million bushels of soybeans in 2023 (down from 2022 but the most of any state nationwide) and 2.27 billion bushels of corn (up slightly from the previous year and the second-most nationwide behind Iowa).

Statewide, yields averaged 206 bushels per acre for corn in 2023 (up 3 bushels from the November estimate but down 8 bushels from the 2022 record) and 63 bushels for beans (up 2 bushels from November and even with last year).

The trend of higher-than-expected yields was also evident nationwide in USDA's annual crop summary.

U.S. corn production was pegged at 15.3 billion bushels last year with an average yield of 177.3 bushels per acre, both records. Soybean production totaled 4.16 billion bushels last year (down 2% from 2022) with an average yield of 50.6 bushels (up 1% from the previous year).

"It's a bearish one this year, at least from the reaction



815-762-6867 • PreciousPastures.com

TFP2024



1%) and 1.41 billion bushels of wheat (up 8%).

USDA also released its winter wheat seedings report on Jan. 12. It pegged all winter wheat plantings for the 2024 crop at 34.4 million acres, down 6% from the previous year.

Seedings of soft red winter wheat totaled 6.86 million acres, down 13% from 2023. But Illinois farmers bucked that trend and planted 860,000 acres of winter wheat last fall, up 2% from the previous year and up significantly from 650,000 acres in 2022, USDA reported.

This story was distributed through a cooperative project between Illinois Farm Bureau and the Illinois Press Association. For more food and farming news, visit FarmWeekNow. com.



MiTM[®] Gas Motor Hot Units are Best in USA Design and Iowa Built Quality Karcher® Electric Motor Hot Pressure Washers Offer Great Pricing, Anti Coil Scale System, <u>New</u> Steel Chassis, Voltage Tolerance, Easier Mobility & Hose Reel Mounting

Pressure Washers – Floor Sweeper & Scrubbers CETA™ Repair Service

KARCHER



815-399-8839 Rockford, IL

paul@rjbowers.com

Farm income to drop from 2022 record **BY TAMMIE SLOUP**

FARMWEEK

ARM income is forecast to shrink in 2023 after climbing to record highs in 2022.

USDA's Economic Research Service released its Farm Sector Income Forecast Nov. 30, which estimated net farm income to fall by \$31.8 billion (17.4%) to \$151.1 billion in 2023. Net farm income — a broad measure of profits-reached \$182 billion in 2022, increasing 30% from 2021.

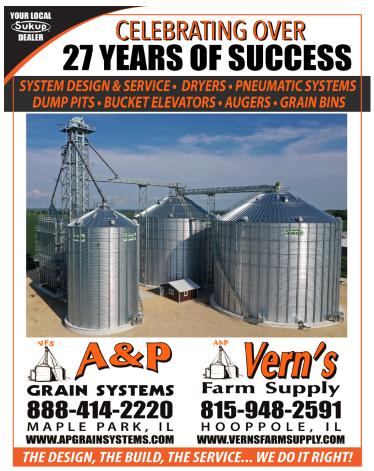
In September, USDA estimated net farm income at \$141.3 billion. (Net farm income reflects income after expenses from production in the current year and is calculated by subtracting farm expenses from gross farm income). The net farm income reflects overall lower crop and livestock cash receipts, increased input costs, higher interest rates and declining government payments.

"When grouped by commodity specialization, all farm businesses' specializations except cattle/calves, wheat and specialty crops are forecast to see lower average net cash income in 2023," the report stated. "Farms specializing in dairy are expected to see the largest decline relative to 2022."

Although this year's net farm income is expected to drop below last year's record high, it's still one of the best years on record for the farm sector, Agriculture Secretary Tom Vilsack said.

"In fact, net cash farm income for 2023 is 15% above average for the last two decades, and farm income over the 2021-2023 period represents the highest level of farm income in the last 50 years," Vilsack said in a statement.

U.S. agriculture exports have also seen the three highest years on record in 2021-2023, which is





reflected in overall cash receipts, while 2024 is projected to be the fourth highest year on record despite potential declines, he added.

"Êven so, the data shows a majority of farm households rely on off-farm jobs to make ends meet, indicating that the income is not evenly distributed across the farm spectrum," Vilsack said. "USDA will continue our efforts to bolster a complementary system that makes it possible for small- and mid-sized farms to benefit from more, new and better markets and climate smart agriculture opportunities so they can thrive."

Total production expenses are forecast to increase by \$14.9 billion (3.5%) in 2023 to \$443.4 billion. Interest expenses and livestock/poultry purchases are expected to see the largest increases in 2023 while spending on fertilizer/lime/soil conditioners, fuels/oils, and feed is expected to decline relative to 2022.

"A bright spot for farmers is that some production costs, including feed, fertilizer and

pesticides, have declined," Vilsack said.

Farm sector equity is expected to increase by 6.9% (\$229.4 billion) in 2023 to \$3.57 trillion in nominal terms. Farm sector assets are forecast to increase 6.6% (\$254 billion) in 2023 to \$4.09 trillion following expected increases in the value of farm real estate assets. Farm sector debt is forecast to increase 5% (\$24.6 billion) in 2023 to \$520.7 billion.

American Farm Bureau Federation Economist Daniel Munch noted in a recent Market Intel that farm income numbers for 2022 were not finalized until August 2023 and have been adjusted upward over \$20 billion in the eight months since the year ended. During this time, USDA is digesting new information and data as it becomes available, shifting calculations from estimates to actual values.

This story was distributed through a cooperative project between Illinois Farm Bureau and the Illinois Press Association. For more food and farming news, visit FarmWeekNow.com.



ERS report details characteristics of U.S. farms

BY TAMMIE SLOUP

F ARMING continues to be a family business, with 97% of U.S. farms family-owned and accounting for 90% of farm production.

While most U.S. farms are small family farms (gross cash farm income less than \$350,000), these farms operate on 46% of U.S. agricultural land and account for 19% of the total value of production.

Statistics like these are outlined in USDA's 2023 America's Farms and Ranches at a Glance report released Dec. 12. The annual report dives into U.S. farm characteristics using data collected from 19,100 farms in 2022.

The survey was conducted by the National Agricultural Statistics Service and Economic Research Service (ERS).

Large-scale family farms (gross cash farm income of \$1 million or more) accounted for 52% of the total value of production and 25% of agricultural land in 2022. Midsize family farms (farm income between \$350,000 and \$999,999) accounted for 21% of agricultural land and 19% of the total value of production.

"We can see large-scale family farms dominate the production of most commodities, including beef, hogs, cash grains and soybeans, cotton, dairy and specialty crops, and the remaining commodities, poultry and eggs and hay, small family farms and midsized family farms dominate the production," co-author and ERS Agricultural Economist Katherine Lacy said during a webinar.

Nonfamily farms accounted for the remaining 3% of farms, and 16% had a farm income of \$1 million or more. Most small family farms have an operating profit margin (OPM), or share of gross income that is profit, of less than 10%, indicating potentially more financial vulnerability, while most midsize, large and very large family farms reported OPMs above 10% in 2022.

"Compared with 2021, the percentage of small family farms in the low-risk zone increased or remained the same in 2022," according to the report. "All other farm types showed a decline in the percentage of farms in the low-risk zone in 2022 relative to 2021.

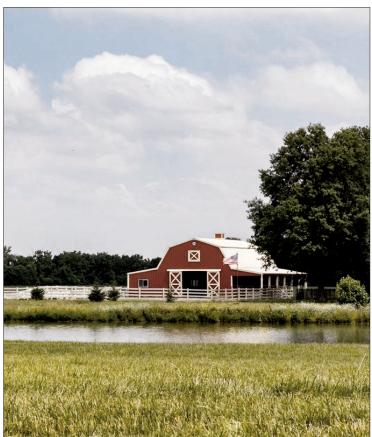
"This could be due in part to the large increase in prices received compared to the smaller increase in input costs in 2022, resulting in record-high net farm income," according to the report. "However, these returns were not equally distributed across all commodities."

Farm households, in general, were not considered low income or low wealth. In 2022, median farm household income (including both farm and offfarm income sources) exceeded that for all U.S. households but was lower than the median income of all U.S. households with self-employment income.

As in previous years, the median total income of all U.S. family farm households (\$95,418) was greater in 2022 than the median income of all U.S. households (\$74,580). The median total household income for all family farms in 2022 increased from \$92,239 in 2021.

"About 84% of all U.S. farm households earn the majority of their total household income from off-farm sources and often use off-farm income to cover some portion of farm expenses," the report states.

See page 20





"As farm size increases, the percentage of households relying on off-farm income decreases."

And while self-employment and wage/salary jobs are the primary sources of off-farm income for farm households, unearned off-farm income sources (public and private pensions, interest and dividend payments, asset sales, Social Security payments, and other income sources) provide a significant share of off-farm income relative to total off-farm income."

Overall, 13% of farms participated in federal crop insurance in 2022, with participation varying by commodity. About 62% of row crop farms purchased federal crop insurance. In contrast, 9% of farms growing specialty crops purchased federal crop insurance.

Small family farms received 78% of all payments from USDA's Conservation Reserve Program, which removes environmentally sensitive cropland from production and increasingly enrolls grasslands in support of grazing operations. In contrast, 62% of all Natural Resources Conservation Service (NRCS) working-land program payments were received by midsize family farms, large-scale family farms, and nonfamily farms. These programs include NRCS's Environmental Quality Incentives Program and Conservation Stewardship Program, both of which incentivize adopting certain agricultural production practices.

Overall, 25% of all farms reported receiving some type of government payment in 2022, a decline from 34% in 2021 and 40% in 2020. The decline is largely due to the tapering of COVID-19-related assistance payments, according to the report.

The report also contains two new sections: usage of credit by lender type and farm size, and the differences in farm opera-



tions by race and ethnicity of the operators.

With credit usage, about 26% of all U.S. farms held any debt in 2022, and the majority of farms with debt used one lender. Over half of these farms reported loans owed to a commercial bank, compared to 8 to 10% with loans serviced by USDA, Farm Service Agency, and 31 to 43% with loans serviced by the Farm Credit System.

Among socially disadvantaged farms, non-Hispanic Black farms differ most compared to non-Hispanic White farms in terms of size, specialization and financial outcomes. Non-Hispanic Black farms are more likely to specialize in cattle production and be classified as intermediate rather than residence or commercial farms. They also are more likely to have an operating profit margin in the high- or medium-risk zones and are less likely to report the use of debt.

This story was distributed through a cooperative project between Illinois Farm Bureau and the Illinois Press Association. For more food and farming news, visit FarmWeekNow.com.



CALL US FOR YOUR PUBLIC SAFETY & BUSINESS COMMUNICATIONS NEEDS! •2-Way Radio Service, Sales & Installations. •We Are An Authorized Dealer Of Telex 911 **Radio Dispatch Equipment, Icom &** Kenwood Radio Equipment. FARM **COMMUNICATIONS PUBLIC SAFETY** COMMUNICATIONS **Full Police & Emergency Equipment** Sales & Installations. **CUSTOM RADIO** SYSTEMS obile

15-938-2586 • FORRESTON. IL



Guebert Jr: Illinois agriculture remains resilient amid year of challenges, uncertainty

Everyone can point to *that year* in their lives – the year when 23 inches of snow blanketed the state, the year an EF3 tornado ripped through a rural community, or the first holiday without mom or dad. There are some years that

stick out more than most.

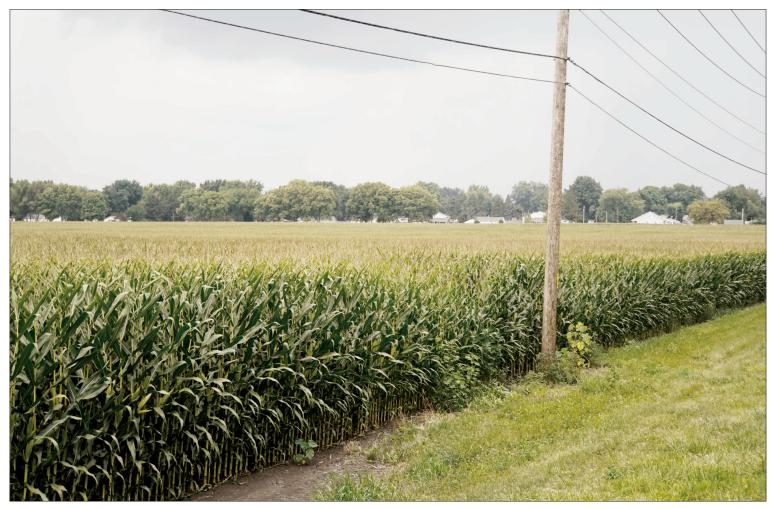
Last December, I called on everyone in Illinois agriculture to come together to make 2023 the "Year of the Farmer," but for many Illinois farm families, this year was shaping up to be full of heartaches and hardships. Tornadoes, hailstorms and derechos blasted much of the state in early spring and summer, exacerbating already challenging planting conditions and damaging homes. Severe thunderstorms producing dozens of devastating tornadoes tore through fields of farmland and rural communities.

Families lost their homes, and many were left with extreme damage to their livelihoods. Others lost family members, neighbors and friends.

See page 22







Then drought hit nearly every corner of the state as farm production, equipment and land costs reached record highs, squeezing our pocketbooks. At the same time, global conflicts put a new focus on food security and the need to pass a modernized farm bill that meets the needs of all Americans.

Yet, in the face of uncertainty, our farm families remained re-

silient. Through thunderstorms, drought, inflation and global unrest, Illinois farmers dug in their heels and got to work producing three billion bushels of grain in the 2023 crop year. And, together, farmers across the country grew the largest corn crop on record, according to the U.S. Department of Agriculture.

Despite the challenges, Illinois farmers rose to the occasion. We started off the year strong with the Illinois Farm Families coalition launching the "We are the 96 percent" campaign during Super Bowl LVII to bring awareness to Illinois' nearly 70,000 family-owned farms. This campaign showed consumers that our farms might look different than they did 100 years ago, but that's because they've evolved so that multiple generations of families can continue farming together.

Illinois farmers also emphasized sustainability and conservation through embracing new technology and research. Nutrient stewardship field days put a focus on emerging strategies to protect water quality, and a new survey from the Illinois Fertilizer and Chemical Association, with support of Illinois Farm Bureau (IFB) and several other agriculture organizations, released new data showing farmers' progress in this space.

See page 23





Last year, IFB debuted its Emmy-Award-winning documentary, "SustainingOurFuture: AFarm Family Story," which told Ganschow Farms' conservation story. IFB continues to highlight Illinois farmers' stories, and I look forward to the coming launch of "Fields Apart: Rooted Together," a three-part long-form video series showcasing shared characteristics, goals and challenges facing rural and urban farmers.

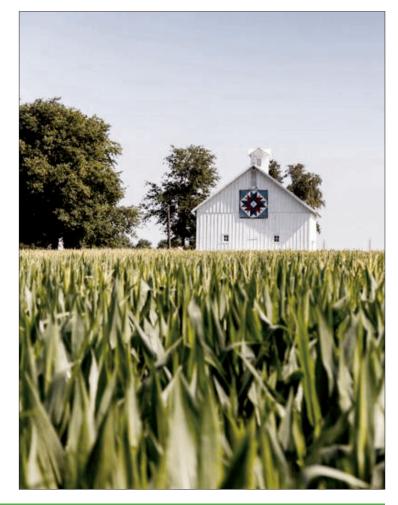
Life is full of challenges, both good and bad, and Illinois farm families know that it's the many little things that can make a major impact. When I look back on all the progress we've made this year, I'm excited for the next chapter in Illinois agriculture.

Serving as president of IFB the past 10 years has been a true privilege. I'vebeen very fortunate for the opportunity to steward this organization toward a bountiful future. I am proud to see my friends and colleagues Brian Duncan of Polo, Ogle County, and Evan Hultine of Princeton, Bureau County, elected to be IFB's next president and vice president, respectively. I look forward to seeing the course they chart for IFB.

As I wrap up my final column on behalf of IFB, I'd like to thank our members, current and former county leaders and managers for their engagement and dedication to Illinois agriculture. I am also thankful for the IFB directors who currently serve and who have previously served for investing their time and energy in leading this organization. And, finally, my family for their infinite support and patience while I was away for this role.

It was really all of them who gave methis opportunity to serve, and I am forever grateful for the sacrifices they made. May Illinois agriculture continue to prosper in 2024 and beyond!

Richard Guebert Jr. is the nowformer president of the Illinois Farm Bureau.





Protect yourself from rising energy rates!

Take control of your electric bill by going solar. Did you know our customers OWN their solar arrays? By owning your solar array, rather than leasing like some companies, the customer gets to <u>keep all of the incentives</u> associated to their solar array, which pending where you live, could include:

- Illinois Shines: Solar Renewable Energy Credits (SRECS)
- Federal Investment Tax Credit (ITC)
- Net-Metering (pending your utility)

If you would like to learn more about these great solar incentives and more potential options available to you, contact our team of local solar professionals!

Ask us about our German <u>local solar financing!</u> American State Bank



*Loans subject to approval. Qualifications & rules apply. Offer subject to change without notice. See a German American State Bank representative for details. Member FDIC, Equal Housing Lender. Loans will begin accruing interest at the contract rate during the initial 90 day payment deferral period, starting at the date of disbursement.



Grain • Agronomy • Trucking **11 Locations to Serve You!**

Maplehurst takes pride in our ability to service our customers. We are ever changing to meet your needs and provide you with the best service around.

> Big enough to serve you, small enough to know you!

maplehurstfarms.com | (815) 562-8723