

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
CONSERVATION RESERVE PROGRAM

	1996-2000 Average	2001
Number of Farms	24	5
Crop Acres	340	197
Acres Owned	227	162
Acres Rented	114	35
Gross Income / Acre	\$35.56	\$29.17
Variable Costs / Acre	\$6.32	\$4.94
Total Expense / Acre	\$9.50	\$7.79

	Total Dollars	\$ / Acre	Total Dollars	\$ / Acre
INCOME:				
Patronage Refunds	\$15.17	\$0.04	\$15.33	\$0.08
Government Payments	11,997.78	35.27	5,727.65	29.07
Miscellaneous Income	83.52	0.25	4.28	0.02
OTHER INCOME	\$12,096.48	\$35.56	\$5,747.26	\$29.17
GROSS INCOME	\$12,096.48	\$35.56	\$5,747.26	\$29.17
EXPENSES:				
Labor Hired	\$47.26	\$0.14	\$0.00	\$0.00
General Machinery Repairs	101.15	0.30	-	-
Interest Paid	536.27	1.58	604.44	3.07
Seed / Other Crop Expense	457.43	1.34	-	-
Machine Hire - Lease	76.60	0.23	206.00	1.05
Farm Org Fees / Travel / Publ	133.33	0.39	53.44	0.27
Gas / Fuel / Oil	89.10	0.26	-	-
Crop Storage & Marketing	0.62	0.00	-	-
Personal Property Tax	36.71	0.11	7.97	0.04
General Farm Insurance	101.75	0.30	66.11	0.34
Utilities	99.37	0.29	25.27	0.13
Cash Farm Rent	24.42	0.07	-	-
Herbicide / Insecticide	17.51	0.05	-	-
Conservation	387.58	1.14	-	-
Auto Expense	42.63	0.13	10.19	0.05
TOTAL VARIABLE COSTS	\$2,151.73	\$6.32	\$973.42	\$4.94
RETURN ABOVE VARIABLE COSTS	\$9,944.75	\$29.23	\$4,773.84	\$24.23
Depreciation	125.20	0.37	-	-
Real Estate Tax	672.86	1.98	539.61	2.74
Unpaid Operator Labor	275.66	0.81	22.50	0.11
Interest Charge *	7.06	0.02	-	-
TOTAL FIXED COSTS	\$1,080.77	\$3.18	\$562.11	\$2.85
TOTAL EXPENSE	\$3,232.50	\$9.50	\$1,535.53	\$7.79
NET RETURN TO MANAGEMENT	\$8,863.98	\$26.06	\$4,211.73	\$21.38
NET RETURN TO LABOR-MGT	\$9,186.90	\$27.00	\$4,234.23	\$21.49

*Interest charge equals: ((8.0% times three-fourths the variable costs) plus (4.0% times depreciation times 8)) minus cash interest paid.

**Land charge represents a charge (equal to landlord's share) on owned land and equals (production from owned acres X price / unit X 33.33%). Crop production paid to the landlord on rented land (already removed above), or cash rent is the charge on rented land.

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator. A charge for management is not included in the expenses.