

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
NONIRRIGATED WHEAT

	1996-2000 Average	2001
Number of Farms	119	86
Crop Acres	570	586
Acres Owned	147	136
Acres Rented	423	449
Yield / Acre	37.0	28.0
Bushels	16,006	12,483
Operator Percentage	75.96%	76.13%
Gross Income / Acre	\$113.58	\$104.32
Variable Costs / Acre	\$69.32	\$66.80
Total Expense / Acre	\$102.66	\$97.22
Gross Income / Bushel	\$4.04	\$4.90
Total Expense / Bushel	\$3.66	\$4.56

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Wheat (Operator's Share)	\$44,099.43	\$2.76	\$77.37	\$32,232.80	\$2.58	\$55.00
Patronage Refunds	572.88	0.04	1.01	652.71	0.05	1.11
Government Payments	16,222.51	1.01	28.46	15,947.71	1.28	27.21
Miscellaneous Income	967.43	0.06	1.70	1,112.97	0.09	1.90
Crop Insurance Proceeds	2,875.56	0.18	5.04	11,185.29	0.90	19.09
OTHER INCOME	\$20,638.38	\$1.29	\$36.21	\$28,898.68	\$2.32	\$49.32
GROSS INCOME	\$64,737.81	\$4.04	\$113.58	\$61,131.48	\$4.90	\$104.32
EXPENSES:						
Labor Hired	\$3,141.92	\$0.20	\$5.51	\$3,288.62	\$0.26	\$5.61
General Machinery Repairs	6,679.92	0.42	11.72	6,075.96	0.49	10.37
Interest Paid	4,091.33	0.26	7.18	3,061.77	0.25	5.22
Seed / Other Crop Expense	1,590.04	0.10	2.79	1,548.59	0.12	2.64
Crop Insurance	1,821.30	0.11	3.20	2,018.08	0.16	3.44
Fertilizer / Lime	4,288.91	0.27	7.52	4,811.64	0.39	8.21
Machine Hire - Lease	5,308.39	0.33	9.31	4,244.59	0.34	7.24
Farm Org Fees / Travel / Publ	729.30	0.05	1.28	730.83	0.06	1.25
Gas / Fuel / Oil	3,654.07	0.23	6.41	3,423.33	0.27	5.84
Crop Storage & Marketing	599.05	0.04	1.05	754.21	0.06	1.29
Personal Property Tax	245.98	0.02	0.43	287.64	0.02	0.49
General Farm Insurance	949.68	0.06	1.67	1,191.12	0.10	2.03
Utilities	1,263.40	0.08	2.22	1,499.55	0.12	2.56
Cash Farm Rent	1,207.51	0.08	2.12	785.79	0.06	1.34
Herbicide / Insecticide	3,331.34	0.21	5.84	4,883.23	0.39	8.33
Conservation	52.18	0.00	0.09	90.39	0.01	0.15
Auto Expense	560.62	0.04	0.98	452.12	0.04	0.77
TOTAL VARIABLE COSTS	\$39,514.95	\$2.47	\$69.32	\$39,147.46	\$3.14	\$66.80
RETURN ABOVE VARIABLE COSTS	\$25,222.86	\$1.58	\$44.25	\$21,984.02	\$1.76	\$37.52
Depreciation	5,942.64	0.37	10.43	6,103.42	0.49	10.42
Real Estate Tax	990.09	0.06	1.74	1,095.71	0.09	1.87
Unpaid Operator Labor	6,264.44	0.39	10.99	5,904.42	0.47	10.08
Interest Charge *	527.80	0.03	0.93	1,240.17	0.10	2.12
TOTAL FIXED COSTS	\$13,724.97	\$0.86	\$24.08	\$14,343.72	\$1.15	\$24.48
Land Charge **	\$5,274.94	\$0.33	\$9.25	\$3,482.09	\$0.28	\$5.94
TOTAL EXPENSE	\$58,514.87	\$3.66	\$102.66	\$56,973.27	\$4.56	\$97.22
NET RETURN TO MANAGEMENT	\$6,222.94	\$0.39	\$10.92	\$4,158.21	\$0.33	\$7.10
NET RETURN TO LABOR-MGT	\$15,629.30	\$0.98	\$27.42	\$13,351.25	\$1.07	\$22.78

*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.