

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
CONSERVATION RESERVE PROGRAM

	1997-2001 Average	2002
Number of Farms	18	8
Crop Acres	313	149
Acres Owned	220	149
Acres Rented	94	-
Gross Income / Acre	\$31.94	\$35.58
Variable Costs / Acre	\$6.35	\$4.02
Total Expense / Acre	\$9.39	\$8.75

	Total Dollars	\$ / Acre	Total Dollars	\$ / Acre
INCOME:				
Patronage Refunds	18.24	\$0.06	35.03	\$0.24
Government Payments	9,963.54	31.79	5,263.36	35.32
Miscellaneous Income	28.64	0.09	3.41	0.02
OTHER INCOME	\$10,010.42	\$31.94	\$5,301.80	\$35.58
GROSS INCOME	\$10,010.42	\$31.94	\$5,301.80	\$35.58
EXPENSES:				
Labor Hired	\$46.61	\$0.15	\$0.00	\$0.00
General Machinery Repairs	72.01	0.23	10.58	0.07
Interest Paid	494.61	1.58	182.98	1.23
Seed / Other Crop Expense	457.43	1.46	-	-
Fertilizer / Lime	-	-	11.44	0.08
Machine Hire - Lease	114.27	0.36	49.38	0.33
Farm Org Fees / Travel / Publ	113.50	0.36	134.96	0.91
Gas / Fuel / Oil	69.72	0.22	-	-
Crop Storage & Marketing	0.62	0.00	-	-
Personal Property Tax	36.02	0.11	5.86	0.04
General Farm Insurance	77.89	0.25	44.69	0.30
Utilities	63.83	0.20	21.85	0.15
Cash Farm Rent	22.14	0.07	-	-
Herbicide / Insecticide	12.62	0.04	-	-
Conservation	379.74	1.21	132.34	0.89
Auto Expense	29.76	0.09	5.16	0.03
TOTAL VARIABLE COSTS	\$1,990.75	\$6.35	\$599.24	\$4.02
RETURN ABOVE VARIABLE COSTS	\$8,019.67	\$25.59	\$4,702.56	\$31.56
Depreciation	89.16	0.28	2.86	0.02
Real Estate Tax	638.24	2.04	644.68	4.33
Unpaid Operator Labor	225.94	0.72	56.25	0.38
Interest Charge *	-	-	-	-
TOTAL FIXED COSTS	\$953.34	\$3.04	\$703.79	\$4.72
TOTAL EXPENSE	\$2,944.08	\$9.39	\$1,303.03	\$8.75
NET RETURN TO MANAGEMENT	\$7,066.34	\$22.55	\$3,998.77	\$26.84
NET RETURN TO LABOR-MGT	\$7,338.88	\$23.42	\$4,055.02	\$27.21

*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.