

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
IRRIGATED (ALL) WHEAT

	1997-2001 Average	2002
Number of Farms	29	31
Crop Acres	226	216
Acres Owned	71	77
Acres Rented	154	139
Yield / Acre	53.2	42.0
Bushels	10,009	7,974
Operator Percentage	83.25%	87.81%
Gross Income / Acre	\$159.36	\$166.82
Variable Costs / Acre	\$110.72	\$110.13
Total Expense / Acre	\$155.54	\$165.38
Gross Income / Bushel	\$3.60	\$4.52
Total Expense / Bushel	\$3.51	\$4.48

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Wheat (Operator's Share)	\$26,525.81	\$2.65	\$117.37	\$29,460.69	\$3.69	\$136.39
Patronage Refunds	145.59	0.01	0.64	68.21	0.01	0.32
Government Payments	8,707.19	0.87	38.53	4,681.80	0.59	21.68
Miscellaneous Income	198.70	0.02	0.88	406.14	0.05	1.88
Crop Insurance Proceeds	438.86	0.04	1.94	1,416.32	0.18	6.56
OTHER INCOME	\$9,490.34	\$0.95	\$41.99	\$6,572.47	\$0.82	\$30.43
GROSS INCOME	\$36,016.15	\$3.60	\$159.36	\$36,033.16	\$4.52	\$166.82
EXPENSES:						
Labor Hired	\$1,975.84	\$0.20	\$8.74	\$1,661.13	\$0.21	\$7.69
General Machinery Repairs	2,816.49	0.28	12.46	2,942.83	0.37	13.62
Irrigation Equipment Repairs	1,016.48	0.10	4.50	1,263.22	0.16	5.85
Interest Paid	2,449.92	0.24	10.84	2,667.46	0.33	12.35
Seed / Other Crop Expense	1,289.46	0.13	5.71	1,439.70	0.18	6.67
Crop Insurance	750.56	0.07	3.32	887.13	0.11	4.11
Fertilizer / Lime	2,634.43	0.26	11.66	1,660.42	0.21	7.69
Machine Hire - Lease	3,041.14	0.30	13.46	2,392.44	0.30	11.08
Farm Org Fees / Travel / Publ	383.11	0.04	1.70	432.44	0.05	2.00
Gas / Fuel / Oil	1,849.77	0.18	8.18	1,925.72	0.24	8.92
Irrigation Fuel - Pumping	3,093.46	0.31	13.69	3,762.87	0.47	17.42
Crop Storage & Marketing	223.48	0.02	0.99	33.58	0.00	0.16
Personal Property Tax	96.95	0.01	0.43	95.03	0.01	0.44
General Farm Insurance	467.20	0.05	2.07	553.71	0.07	2.56
Utilities	241.96	0.02	1.07	448.09	0.06	2.07
Cash Farm Rent	1,266.52	0.13	5.60	1,031.68	0.13	4.78
Herbicide / Insecticide	1,329.85	0.13	5.88	473.77	0.06	2.19
Conservation	1.98	0.00	0.01	1.16	0.00	0.01
Auto Expense	94.06	0.01	0.42	116.07	0.01	0.54
TOTAL VARIABLE COSTS	\$25,022.67	\$2.50	\$110.72	\$23,788.45	\$2.98	\$110.13
RETURN ABOVE VARIABLE COSTS	\$10,993.49	\$1.10	\$48.64	\$12,244.71	\$1.54	\$56.69
Depreciation	3,784.57	0.38	16.75	4,484.04	0.56	20.76
Real Estate Tax	348.39	0.03	1.54	463.11	0.06	2.14
Unpaid Operator Labor	2,287.26	0.23	10.12	2,080.40	0.26	9.63
Interest Charge *	299.58	0.03	1.33	194.74	0.02	0.90
TOTAL FIXED COSTS	\$6,719.80	\$0.67	\$29.73	\$7,222.29	\$0.91	\$33.44
Land Charge **	\$3,408.69	\$0.34	\$15.08	\$4,710.44	\$0.59	\$21.81
TOTAL EXPENSE	\$35,151.15	\$3.51	\$155.54	\$35,721.18	\$4.48	\$165.38
NET RETURN TO MANAGEMENT	\$865.00	\$0.09	\$3.83	\$311.98	\$0.04	\$1.44
NET RETURN TO LABOR-MGT	\$5,128.11	\$0.51	\$22.69	\$4,053.51	\$0.51	\$18.77

*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.