

**NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION**  
**PROFIT CENTER ANALYSIS: 4-YEAR AVERAGE & 2002**  
**SPRINKLER IRRIGATED WHEAT**

	<i>1998-2001 Average</i>	<i>2002</i>
Number of Farms	16	27
Crop Acres	189	187
Acres Owned	65	87
Acres Rented	124	100
Yield / Acre	56.2	45.9
Bushels	8,842	7,765
Operator Percentage	83.45%	90.39%
Gross Income / Acre	\$170.68	\$189.51
Variable Costs / Acre	\$114.45	\$116.67
Total Expense / Acre	\$159.38	\$181.57
Gross Income / Bushel	\$3.64	\$4.56
Total Expense / Bushel	\$3.40	\$4.37

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
<b>INCOME:</b>						
Wheat (Operator's Share)	\$22,606.49	\$2.56	\$119.93	\$29,122.68	\$3.75	\$155.74
Patronage Refunds	145.05	0.02	0.77	76.90	0.01	0.41
Government Payments	8,852.46	1.00	46.96	4,267.14	0.55	22.82
Miscellaneous Income	123.21	0.01	0.65	344.88	0.04	1.84
Crop Insurance Proceeds	446.49	0.05	2.37	1,626.14	0.21	8.70
OTHER INCOME	\$9,567.20	\$1.08	\$50.75	\$6,315.06	\$0.81	\$33.77
<b>GROSS INCOME</b>	<b>\$32,173.69</b>	<b>\$3.64</b>	<b>\$170.68</b>	<b>\$35,437.74</b>	<b>\$4.56</b>	<b>\$189.51</b>
<b>EXPENSES:</b>						
Labor Hired	\$1,736.54	\$0.20	\$9.21	\$1,153.87	\$0.15	\$6.17
General Machinery Repairs	2,308.65	0.26	12.25	2,477.28	0.32	13.25
Irrigation Equipment Repairs	806.71	0.09	4.28	1,183.47	0.15	6.33
Interest Paid	2,177.48	0.25	11.55	2,446.90	0.32	13.09
Seed / Other Crop Expense	1,007.22	0.11	5.34	1,398.85	0.18	7.48
Crop Insurance	519.77	0.06	2.76	963.63	0.12	5.15
Fertilizer / Lime	2,362.99	0.27	12.54	1,676.67	0.22	8.97
Machine Hire - Lease	2,080.16	0.24	11.04	2,317.02	0.30	12.39
Farm Org Fees / Travel / Publ	363.66	0.04	1.93	393.52	0.05	2.10
Gas / Fuel / Oil	1,453.81	0.16	7.71	1,582.64	0.20	8.46
Irrigation Fuel - Pumping	2,476.01	0.28	13.14	3,241.39	0.42	17.33
Crop Storage & Marketing	220.81	0.02	1.17	38.56	0.00	0.21
Personal Property Tax	116.97	0.01	0.62	82.65	0.01	0.44
General Farm Insurance	429.39	0.05	2.28	560.26	0.07	3.00
Utilities	198.72	0.02	1.05	487.44	0.06	2.61
Cash Farm Rent	1,793.64	0.20	9.52	1,184.52	0.15	6.33
Herbicide / Insecticide	1,445.27	0.16	7.67	501.74	0.06	2.68
Conservation	2.61	0.00	0.01	1.33	0.00	0.01
Auto Expense	73.44	0.01	0.39	125.22	0.02	0.67
<b>TOTAL VARIABLE COSTS</b>	<b>\$21,573.82</b>	<b>\$2.44</b>	<b>\$114.45</b>	<b>\$21,816.96</b>	<b>\$2.81</b>	<b>\$116.67</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$10,599.88</b>	<b>\$1.20</b>	<b>\$56.23</b>	<b>\$13,620.78</b>	<b>\$1.75</b>	<b>\$72.84</b>
Depreciation	3,318.40	0.38	17.60	4,013.41	0.52	21.46
Real Estate Tax	249.72	0.03	1.32	483.27	0.06	2.58
Unpaid Operator Labor	1,848.50	0.21	9.81	2,073.42	0.27	11.09
Interest Charge *	189.61	0.02	1.01	146.41	0.02	0.78
<b>TOTAL FIXED COSTS</b>	<b>\$5,606.23</b>	<b>\$0.63</b>	<b>\$29.74</b>	<b>\$6,716.51</b>	<b>\$0.86</b>	<b>\$35.92</b>
Land Charge **	\$2,863.25	\$0.32	\$15.19	\$5,419.68	\$0.70	\$28.98
<b>TOTAL EXPENSE</b>	<b>\$30,043.30</b>	<b>\$3.40</b>	<b>\$159.38</b>	<b>\$33,953.15</b>	<b>\$4.37</b>	<b>\$181.57</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>\$2,130.40</b>	<b>\$0.24</b>	<b>\$11.30</b>	<b>\$1,484.59</b>	<b>\$0.19</b>	<b>\$7.94</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>\$5,715.44</b>	<b>\$0.65</b>	<b>\$30.32</b>	<b>\$4,711.88</b>	<b>\$0.61</b>	<b>\$25.20</b>

\*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.