

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
NONIRRIGATED WHEAT

	1997-2001 Average	2002
Number of Farms	144	119
Crop Acres	604	670
Acres Owned	173	217
Acres Rented	432	454
Yield / Acre	39.9	25.7
Bushels	19,075	13,413
Operator Percentage	79.14%	77.93%
Gross Income / Acre	\$119.20	\$96.66
Variable Costs / Acre	\$74.07	\$62.85
Total Expense / Acre	\$110.01	\$98.89
Gross Income / Bushel	\$3.78	\$4.83
Total Expense / Bushel	\$3.48	\$4.94

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Wheat (Operator's Share)	\$50,034.10	\$2.62	\$82.81	\$47,248.89	\$3.52	\$70.52
Patronage Refunds	593.17	0.03	0.98	349.42	0.03	0.52
Government Payments	17,728.25	0.93	29.34	7,035.11	0.52	10.50
Miscellaneous Income	729.68	0.04	1.21	340.07	0.03	0.51
Crop Insurance Proceeds	2,936.49	0.15	4.86	9,788.90	0.73	14.61
OTHER INCOME	\$21,987.59	\$1.15	\$36.39	\$17,513.50	\$1.31	\$26.14
GROSS INCOME	\$72,021.69	\$3.78	\$119.20	\$64,762.39	\$4.83	\$96.66
EXPENSES:						
Labor Hired	\$3,183.82	\$0.17	\$5.27	\$3,093.20	\$0.23	\$4.62
General Machinery Repairs	6,510.47	0.34	10.78	6,651.56	0.50	9.93
Interest Paid	5,205.01	0.27	8.61	4,952.88	0.37	7.39
Seed / Other Crop Expense	2,698.12	0.14	4.47	2,928.84	0.22	4.37
Crop Insurance	2,614.17	0.14	4.33	2,910.44	0.22	4.34
Fertilizer / Lime	6,677.36	0.35	11.05	5,431.67	0.40	8.11
Machine Hire - Lease	6,222.85	0.33	10.30	5,147.09	0.38	7.68
Farm Org Fees / Travel / Publ	955.92	0.05	1.58	931.49	0.07	1.39
Gas / Fuel / Oil	3,813.27	0.20	6.31	3,735.18	0.28	5.57
Crop Storage & Marketing	497.73	0.03	0.82	206.76	0.02	0.31
Personal Property Tax	198.69	0.01	0.33	230.29	0.02	0.34
General Farm Insurance	1,111.08	0.06	1.84	1,315.00	0.10	1.96
Utilities	826.51	0.04	1.37	728.94	0.05	1.09
Cash Farm Rent	1,578.96	0.08	2.61	1,809.41	0.13	2.70
Herbicide / Insecticide	2,274.53	0.12	3.76	1,639.22	0.12	2.45
Conservation	27.71	0.00	0.05	96.04	0.01	0.14
Auto Expense	359.56	0.02	0.60	298.98	0.02	0.45
TOTAL VARIABLE COSTS	\$44,755.76	\$2.35	\$74.07	\$42,106.99	\$3.14	\$62.85
RETURN ABOVE VARIABLE COSTS	\$27,265.93	\$1.43	\$45.13	\$22,655.40	\$1.69	\$33.81
Depreciation	6,500.80	0.34	10.76	8,241.42	0.61	12.30
Real Estate Tax	1,048.68	0.05	1.74	1,285.01	0.10	1.92
Unpaid Operator Labor	8,187.00	0.43	13.55	8,513.17	0.63	12.71
Interest Charge *	13.25	0.00	0.02	210.79	0.02	0.31
TOTAL FIXED COSTS	\$15,749.73	\$0.83	\$26.07	\$18,250.39	\$1.36	\$27.24
Land Charge **	\$5,960.44	\$0.31	\$9.87	\$5,900.35	\$0.44	\$8.81
TOTAL EXPENSE	\$66,465.93	\$3.48	\$110.01	\$66,257.73	\$4.94	\$98.89
NET RETURN TO MANAGEMENT	\$5,555.75	\$0.29	\$9.20	(\$1,495.34)	(\$0.11)	(\$2.23)
NET RETURN TO LABOR-MGT	\$16,926.57	\$0.89	\$28.01	\$10,111.03	\$0.75	\$15.09

*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.