

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

	1997-2001 Average	2002
Number of Farms	58	69
Crop Acres	363	479
Acres Owned	79	104
Acres Rented	283	375
Yield / Acre	45.5	41.9
Bushels	12,965	16,061
Operator Percentage	78.57%	79.97%
Gross Income / Acre	\$126.54	\$129.75
Variable Costs / Acre	\$79.94	\$80.57
Total Expense / Acre	\$124.77	\$124.25
Gross Income / Bushel	\$3.54	\$3.87
Total Expense / Bushel	\$3.49	\$3.71

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Wheat (Operator's Share)	\$35,905.29	\$2.77	\$99.02	\$56,756.95	\$3.53	\$118.49
Patronage Refunds	298.75	0.02	0.82	290.90	0.02	0.61
Government Payments	9,394.99	0.72	25.91	4,280.70	0.27	8.94
Miscellaneous Income	36.53	0.00	0.10	31.40	0.00	0.07
Crop Insurance Proceeds	247.94	0.02	0.68	788.59	0.05	1.65
OTHER INCOME	\$9,978.21	\$0.77	\$27.52	\$5,391.59	\$0.34	\$11.26
GROSS INCOME	\$45,883.50	\$3.54	\$126.54	\$62,148.54	\$3.87	\$129.75
EXPENSES:						
Labor Hired	\$1,543.89	\$0.12	\$4.26	\$3,232.97	\$0.20	\$6.75
General Machinery Repairs	4,394.10	0.34	12.12	5,374.62	0.33	11.22
Interest Paid	3,075.89	0.24	8.48	3,968.20	0.25	8.28
Seed / Other Crop Expense	2,048.00	0.16	5.65	2,630.47	0.16	5.49
Crop Insurance	810.60	0.06	2.24	986.40	0.06	2.06
Fertilizer / Lime	8,003.22	0.62	22.07	10,740.94	0.67	22.42
Machine Hire - Lease	1,359.91	0.10	3.75	1,798.12	0.11	3.75
Farm Org Fees / Travel / Publ	514.77	0.04	1.42	570.72	0.04	1.19
Gas / Fuel / Oil	2,258.25	0.17	6.23	3,103.83	0.19	6.48
Crop Storage & Marketing	316.47	0.02	0.87	168.13	0.01	0.35
Personal Property Tax	164.86	0.01	0.45	209.74	0.01	0.44
General Farm Insurance	781.40	0.06	2.15	1,121.26	0.07	2.34
Utilities	631.91	0.05	1.74	786.62	0.05	1.64
Cash Farm Rent	1,966.37	0.15	5.42	2,790.63	0.17	5.83
Herbicide / Insecticide	916.18	0.07	2.53	904.40	0.06	1.89
Conservation	13.54	0.00	0.04	38.62	0.00	0.08
Auto Expense	185.39	0.01	0.51	167.16	0.01	0.35
TOTAL VARIABLE COSTS	\$28,984.74	\$2.24	\$79.94	\$38,592.83	\$2.40	\$80.57
RETURN ABOVE VARIABLE COSTS	\$16,898.76	\$1.30	\$46.60	\$23,555.71	\$1.47	\$49.18
Depreciation	5,630.66	0.43	15.53	7,173.17	0.45	14.98
Real Estate Tax	474.62	0.04	1.31	800.35	0.05	1.67
Unpaid Operator Labor	6,151.27	0.47	16.96	6,931.95	0.43	14.47
Interest Charge *	508.29	0.04	1.40	642.78	0.04	1.34
TOTAL FIXED COSTS	\$12,764.84	\$0.98	\$35.20	\$15,548.25	\$0.97	\$32.46
Land Charge **	\$3,492.35	\$0.27	\$9.63	\$5,374.04	\$0.33	\$11.22
TOTAL EXPENSE	\$45,241.93	\$3.49	\$124.77	\$59,515.12	\$3.71	\$124.25
NET RETURN TO MANAGEMENT	\$641.57	\$0.05	\$1.77	\$2,633.42	\$0.16	\$5.50
NET RETURN TO LABOR-MGT	\$8,336.74	\$0.64	\$22.99	\$12,798.34	\$0.80	\$26.72

*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.