

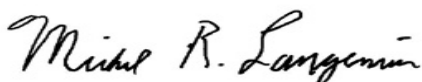
May, 2009

**EXECUTIVE SUMMARY**  
**2008 ProfitLink Analysis**  
**Kansas Farm Management Association Program**  
**[www.agmanager.info/kfma](http://www.agmanager.info/kfma)**

The efforts of many farm families throughout Kansas keeping detailed farm business and financial records make possible the annual report of whole farm and enterprise cost-of-production analysis information. The KFMA Economists, association support staff, and the K-MAR-105 Association staff, work together with the Farm Management Association member families to make this information available.

The following tables provide you with a glimpse of the information on a state-wide basis. The historical data for years prior to 2008 represent the analysis data as of May of each year. Summary information published on the website is updated each spring to include fiscal year farms and others added after the initial summary. More detailed analysis information for 2008 will be published soon.

Sincerely,



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**VALUE OF FARM PRODUCTION**

<b>Year</b>	<b>NW</b>	<b>NC</b>	<b>NE</b>	<b>SW</b>	<b>SC</b>	<b>SE</b>
2008	\$641,890	\$404,663	\$456,795	\$414,660	\$490,138	\$455,101
2007	\$696,902	\$321,257	\$391,896	\$405,898	\$376,111	\$390,616
2006	\$377,128	\$259,335	\$294,436	\$260,130	\$314,336	\$291,010
2005	\$364,436	\$258,323	\$290,570	\$264,536	\$268,648	\$312,390
2004	\$289,904	\$241,269	\$269,048	\$233,102	\$259,927	\$283,622
<b>5 Year Avg</b>	<b>\$474,052</b>	<b>\$296,969</b>	<b>\$340,549</b>	<b>\$315,665</b>	<b>\$341,832</b>	<b>\$346,548</b>

**NET FARM INCOME**

<b>Year</b>	<b>NW</b>	<b>NC</b>	<b>NE</b>	<b>SW</b>	<b>SC</b>	<b>SE</b>
2008	\$150,935	\$101,573	\$115,877	\$81,546	\$133,778	\$132,962
2007	\$233,000	\$81,288	\$114,118	\$108,397	\$88,849	\$114,423
2006	\$58,517	\$40,742	\$52,259	\$21,779	\$57,960	\$40,026
2005	\$66,930	\$42,065	\$68,325	\$23,779	\$36,535	\$76,283
2004	\$45,801	\$51,670	\$77,393	\$29,927	\$52,709	\$84,394
<b>5 Year Avg</b>	<b>\$111,037</b>	<b>\$63,468</b>	<b>\$85,594</b>	<b>\$53,086</b>	<b>\$73,966</b>	<b>\$89,618</b>

**PERCENT OF FARMS IN INCOME GROUPS  
FARM MANAGEMENT ASSOCIATIONS  
2008**

	NW %	SW %	NC %	SC %	NE %	SE %	All Assn. %
Over \$240,000 Net Income	18.67%	4.49%	10.58%	17.29%	17.03%	20.79%	16.39%
\$210,000 - \$240,000	4.22%	2.25%	4.01%	3.38%	3.93%	3.97%	3.79%
\$180,000 - \$210,000	7.83%	5.62%	5.11%	5.26%	5.24%	2.57%	4.75%
\$150,000 - \$180,000	3.61%	4.49%	3.28%	10.90%	4.37%	1.87%	4.55%
\$120,000 - \$150,000	10.24%	4.49%	7.30%	6.39%	5.68%	6.07%	6.68%
\$90,000 - \$120,000	13.25%	11.24%	12.04%	7.52%	7.42%	7.94%	9.37%
\$60,000 - \$90,000	10.24%	15.73%	12.04%	11.65%	9.61%	11.45%	11.43%
\$30,000 - \$60,000	12.05%	16.85%	15.69%	12.78%	13.54%	11.68%	13.29%
\$0 - \$30,000	10.84%	13.48%	17.52%	12.03%	13.97%	13.55%	13.77%
\$0 - \$30,000 Loss	4.82%	15.73%	4.74%	9.02%	10.48%	11.68%	9.16%
\$30,000 - \$60,000 Loss	1.81%	3.37%	4.74%	0.75%	4.80%	3.50%	3.24%
Greater than - \$60,000 Loss	2.41%	2.25%	2.92%	3.01%	3.93%	4.91%	3.58%
<b>TOTAL NUMBER OF FARMS</b>	<b>166</b>	<b>89</b>	<b>274</b>	<b>266</b>	<b>229</b>	<b>428</b>	<b>1,452</b>
<b>AVERAGE NET FARM INCOME</b>	<b>\$150,935</b>	<b>\$81,546</b>	<b>\$101,573</b>	<b>\$133,778</b>	<b>\$115,877</b>	<b>\$132,962</b>	<b>\$123,397</b>

**FIVE-YEAR TREND ANALYSIS  
TYPE OF FARM  
2004-2008**

Type of Farm	No. of Farms	Net Income/Operator				
		2008	2008	2007	2006	2005
All Farms	1,452	\$122,788	\$116,130	\$46,804	\$57,584	\$63,491
Cash Crop Dryland	1,048	142,603	120,594	49,366	49,422	57,087
Cash Crop Irrigated	56	230,850	280,585	92,335	64,955	62,729
Stock-Ranch Cowherd	16	(24,447)	23,633	35,986	45,396	51,366
Cowherd	17	32,674	34,948	13,344	24,914	32,088
Dairy	34	63,610	82,088	25,663	52,658	71,192
Backgrounding	9	(10,355)	(941)	(5,823)	63,279	82,252
Cash Crop-Cowherd	144	43,815	61,588	31,132	50,149	49,613
Cash Crop-Dairy	9	94,587	161,507	55,538	72,799	81,068
Cash Crop-Backgrounding	29	62,282	74,803	1,203	83,820	79,308
Cash Crop-Beef	35	78,445	104,912	12,898	97,138	80,306
Turkeys	9	41,506	44,338	46,732	48,093	47,912
Cash Crop - Livestock	19	63,964	76,332	34,629	85,253	110,064

**VALUE OF PRODUCTION, TOTAL EXPENSE, and NET FARM INCOME  
by INCOME—2008**

Assn	High Income Farms (25%)			Low Income Farms (25%)			Average of all Farms				
	Number Farms (25% of Total)	Value of Farm Production	Total Farm Expenses	Net Farm Income	Value of Farm Production	Total Farm Expenses	Net Farm Income	Number of Farms	Value of Farm Production	Total Farm Expenses	Net Farm Income
NW	42	\$1,190,162	\$794,853	\$395,309	\$241,378	\$257,553	(\$16,175)	166	\$641,890	\$490,956	\$150,935
SW	22	\$851,127	\$611,657	\$239,470	\$215,823	\$238,898	(\$23,076)	89	\$414,660	\$333,114	\$81,546
NC	69	\$785,509	\$514,673	\$270,836	\$224,904	\$238,773	(\$13,869)	274	\$404,663	\$303,090	\$101,573
SC	67	\$946,735	\$604,022	\$342,713	\$191,894	\$203,727	(\$11,833)	266	\$490,138	\$356,360	\$133,778
NE	57	\$989,286	\$655,250	\$334,036	\$185,391	\$213,504	(\$28,113)	229	\$456,795	\$340,918	\$115,877
SE	107	\$1,025,596	\$606,316	\$419,280	\$160,971	\$203,970	(\$42,999)	428	\$455,101	\$322,139	\$132,962
2008	363	\$979,705	\$626,174	\$353,531	\$192,113	\$218,259	(\$26,147)	1,452	\$471,145	\$347,748	\$123,397
State of Kansas											
2007	363	\$846,644	\$524,484	\$322,160	\$179,819	\$196,269	(\$16,450)	1,453	\$407,787	\$292,752	\$115,035
2006	389	\$539,153	\$383,574	\$155,469	\$217,221	\$254,172	(\$36,951)	1,554	\$298,230	\$252,161	\$46,593
2005	383	\$556,264	\$386,252	\$170,012	\$167,705	\$185,426	(\$17,721)	1,532	\$294,230	\$237,248	\$56,982
2004	437	\$521,796	\$345,625	\$176,171	\$129,382	\$141,523	(\$12,142)	1,746	\$265,629	\$203,025	\$62,604
2003	455	\$462,290	\$312,084	\$150,206	\$126,220	\$141,845	(\$15,625)	1,820	\$240,059	\$189,008	\$51,051
2002	480	\$345,541	\$253,105	\$ 92,436	\$166,575	\$207,732	(\$41,156)	1,921	\$198,706	\$179,600	\$19,106
2001	486	\$367,089	\$264,222	\$102,867	\$182,642	\$214,652	(\$32,010)	1,937	\$214,664	\$186,669	\$27,995
2000	521	\$393,589	\$271,536	\$122,053	\$134,965	\$155,068	(\$20,103)	2,083	\$214,104	\$174,907	\$39,197
1999	524	\$398,602	\$272,377	\$126,225	\$117,669	\$133,792	(\$16,123)	2,097	\$207,858	\$165,370	\$42,488
1998	535	\$304,419	\$220,779	\$ 83,640	\$135,548	\$177,607	(\$42,058)	2,139	\$175,615	\$158,836	\$16,778

**FIVE-YEAR TREND ANALYSIS  
AVERAGE OF ALL FARMS  
2004 - 2008**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Number of Farms	1,452	1,453	1,554	1,532	1,746
Livestock Gross Income	55,130	71,786	60,860	77,765	70,261
Value of Farm Production	471,145	407,787	298,754	294,230	265,629
Cash Operating Expense less Interest	293,981	240,495	206,136	194,618	166,241
Interest Expense	21,791	22,933	19,378	16,865	14,269
Depreciation	31,976	29,324	26,647	25,764	22,515
Total Farm Expense	347,748	292,752	252,161	237,247	203,025
Accrual Net Farm Income	123,397	115,035	46,593	56,982	62,604
Return to Operator Labor-Management	49,286	47,187	(13,635)	(1,274)	18,244
Return to Capital	94,714	89,939	24,137	30,995	33,818
<u>Values / \$100 of Farm Production:</u>					
Operating Expense	62.40	58.98	68.99	66.14	62.58
Interest Expense	4.62	5.62	6.49	5.73	5.37
Depreciation Expense	6.79	7.19	8.92	8.76	8.48
Total Expense	73.81	71.79	84.40	80.63	76.43
Net Farm Income	26.19	28.21	15.60	19.37	23.57
% Return on Net Worth	8.19%	8.23%	0.65%	2.00%	3.66%
Total Loans (Dec. 31)	357,965	336,113	318,994	306,458	275,174
Total Assets (Dec. 31)	1,295,348	1,195,316	1,060,720	1,029,784	829,309
Current Assets/Current Liabilities (Dec. 31)	3.09	2.83	2.32	2.41	2.49
Total Loans/Total Assets (Dec. 31)	0.276	0.281	0.301	0.298	0.332
Total Acres	2,044	1,907	1,918	1,861	1,823
Crop Acres	1,399	1,305	1,269	1,244	1,206
Number of Workers	1.45	1.41	1.45	1.42	1.40
Number of Operators	1.00	0.99	0.99	0.98	0.98
Gross Crop Value / Crop Acre	340.05	316.47	217.90	212.10	190.42
Crop Production Costs / Crop Acre	197.21	170.14	148.71	147.79	130.70
Machinery Investment / Crop Acre	151.75	145.95	135.07	134.10	124.91
Machinery Costs / Crop Acre	69.67	63.12	57.67	58.47	51.85
Total Family Living Expense	53,620	50,261	45,752	44,864	41,365