

**NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2009
IRRIGATED WHEAT**

	2004-2008 Average	2009
Number of Farms	33	31
Crop Acres	243	193
Acres Owned	89	86
Acres Rented	154	106
Yield / Acre	49	54
Bushels (Operator's Share)	10,695	9,493
Operator Percentage	89.19%	91.14%
Gross Income / Acre	\$272.04	\$295.38
Variable Costs / Acre	\$181.63	\$243.62
Total Expense / Acre	\$253.81	\$326.69
Gross Income / Bushel	\$6.19	\$6.01
Total Expense / Bushel	\$5.78	\$6.64

	Total Dollars	\$/Bushel	\$/Acre	Total Dollars	\$/Bushel	\$/Acre
INCOME:						
Wheat (Operator's Share)	\$54,357.36	\$5.08	\$223.33	\$48,048.72	\$5.06	\$248.96
Patronage Refunds	\$489.66	\$0.05	\$2.01	\$1,754.45	\$0.18	\$9.09
Government Payments	8,066.92	0.75	33.14	4,918.64	0.52	25.49
Miscellaneous Income	235.10	0.02	0.97	(72.25)	(0.01)	(0.37)
Crop Insurance Proceeds	3,198.65	0.30	13.14	3,094.81	0.33	16.04
Crop Futures	(132.22)	(\$0.01)	(\$0.54)	(736.77)	(0.08)	(3.82)
OTHER INCOME	\$11,858.11	\$1.11	\$48.72	\$8,958.88	\$0.94	\$46.42
GROSS INCOME	\$66,215.48	\$6.19	\$272.04	\$57,007.60	\$6.01	\$295.38
EXPENSES:						
Labor Hired	\$2,500.54	\$0.23	\$10.27	\$3,108.07	\$0.33	\$16.10
General Machinery Repairs	3,728.39	0.35	15.32	3,591.12	0.38	18.61
Irrigation Equipment Repairs	2,020.23	0.19	8.30	2,254.47	0.24	11.68
Interest Paid	3,291.86	0.31	13.52	2,372.04	0.25	12.29
Seed / Other Crop Expense	2,686.61	0.25	11.04	3,200.29	0.34	16.58
Crop Insurance	2,048.32	0.19	8.42	4,027.69	0.42	20.87
Fertilizer / Lime	6,293.05	0.59	25.85	9,172.97	0.97	47.53
Machine Hire - Lease	1,833.60	0.17	7.53	2,836.93	0.30	14.70
Farm Org Fees / Travel / Publ	440.95	0.04	1.81	389.94	0.04	2.02
Gas / Fuel / Oil	4,043.49	0.38	16.61	2,583.49	0.27	13.39
Irrigation Fuel - Pumping	8,343.22	0.78	34.28	4,647.13	0.49	24.08
Crop Storage & Marketing	189.36	0.02	0.78	696.16	0.07	3.61
Personal Property Tax	93.10	0.01	0.38	123.42	0.01	0.64
General Farm Insurance	928.79	0.09	3.82	745.31	0.08	3.86
Utilities	281.94	0.03	1.16	249.64	0.03	1.29
Cash Farm Rent	3,430.51	0.32	14.09	4,619.66	0.49	23.94
Herbicide / Insecticide	1,864.77	0.17	7.66	2,261.30	0.24	11.72
Conservation	45.33	0.00	0.19	7.81	0.00	0.04
Auto Expense	145.72	0.01	0.60	131.90	0.01	0.68
TOTAL VARIABLE COSTS	\$44,209.79	\$4.13	\$181.63	\$47,019.34	\$4.95	\$243.62
RETURN ABOVE VARIABLE COSTS	\$22,005.68	\$2.06	\$90.41	\$9,988.26	\$1.05	\$51.75
Depreciation	\$5,994.41	\$0.56	\$24.63	\$5,005.93	\$0.53	\$25.94
Real Estate Tax	810.62	0.08	3.33	638.26	0.07	3.31
Unpaid Operator Labor	3,073.25	0.29	12.63	3,943.98	0.42	20.44
Interest Charge *	1,162.09	0.11	4.77	1,908.70	0.20	9.89
TOTAL FIXED COSTS	\$11,040.37	\$1.03	\$45.36	\$11,496.87	\$1.21	\$59.57
Land Charge **	\$6,526.15	\$0.61	\$26.81	\$4,534.74	\$0.48	\$23.50
TOTAL EXPENSE	\$61,776.32	\$5.78	\$253.81	\$63,050.95	\$6.64	\$326.69
NET RETURN TO MANAGEMENT	\$4,439.16	\$0.42	\$18.24	(\$6,043.35)	(\$0.64)	(\$31.31)
NET RETURN TO LABOR-MGT	\$10,012.96	\$0.94	\$41.14	\$1,008.70	\$0.11	\$5.23

*Interest charge equals: ((8.0% times three-fourths the variable costs minus interest paid) 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 20%). 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.