

NORTHEAST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 3-YEAR AVERAGE & 2009
NO-TILL NONIRRIGATED WHEAT

	2006-2008	2009
Number of Farms	17	25
Crop Acres	118	127
Acres Owned	29	39
Acres Rented	89	89
Yield / Acre	38	52
Bushels (Operator's Share)	3,689	5,819
Operator Percentage	82.27%	88.54%
Gross Income / Acre	\$208.43	\$270.40
Variable Costs / Acre	\$160.24	\$217.73
Total Expense / Acre	\$232.19	\$293.40
Gross Income / Bushel	\$6.69	\$5.90
Total Expense / Bushel	\$7.45	\$6.40

	Total Dollars	\$/Bushel	\$/Acre	Total Dollars	\$/Bushel	\$/Acre
INCOME:						
Wheat (Operator's Share)	\$21,004.74	\$5.69	\$177.50	\$30,416.30	\$5.23	\$239.50
Patronage Refunds	\$227.23	\$0.06	\$1.92	\$323.41	\$0.06	\$2.55
Government Payments	1,483.94	0.40	12.54	1,433.81	0.25	11.29
Miscellaneous Income	613.62	0.17	5.19	1,119.01	0.19	8.81
Crop Insurance Proceeds	1,313.51	0.36	11.10	1,062.24	0.18	8.36
Crop Futures	21.68	0.01	0.18	(13.43)	(0.00)	(0.11)
OTHER INCOME	\$3,659.98	\$0.99	\$30.93	\$3,925.04	\$0.67	\$30.91
GROSS INCOME	\$24,664.72	\$6.69	\$208.43	\$34,341.34	\$5.90	\$270.40
EXPENSES:						
Labor Hired	\$164.05	0.04	1.39	\$249.41	\$0.04	\$1.96
General Machinery Repairs	2,139.75	0.58	18.08	2,733.68	0.47	21.53
Interest Paid	1,346.96	0.37	11.38	1,926.15	0.33	15.17
Seed / Other Crop Expense	1,649.17	0.45	13.94	3,305.74	0.57	26.03
Crop Insurance	706.14	0.19	5.97	1,541.33	0.26	12.14
Fertilizer / Lime	5,623.53	1.52	47.52	6,485.48	1.11	51.07
Machine Hire - Lease	888.48	0.24	7.51	1,749.64	0.30	13.78
Farm Org Fees / Travel / Publ	285.84	0.08	2.42	222.15	0.04	1.75
Gas / Fuel / Oil	1,835.02	0.50	15.51	2,616.65	0.45	20.60
Crop Storage & Marketing	91.62	0.02	0.77	105.86	0.02	0.83
Personal Property Tax	120.22	0.03	1.02	134.26	0.02	1.06
General Farm Insurance	487.25	0.13	4.12	490.86	0.08	3.87
Utilities	216.38	0.06	1.83	291.37	0.05	2.29
Cash Farm Rent	2,586.56	0.70	21.86	4,452.96	0.77	35.06
Herbicide / Insecticide	561.64	0.15	4.75	1,173.22	0.20	9.24
Conservation	258.78	0.07	2.19	156.11	0.03	1.23
Auto Expense	0.08	0.00	0.00	17.32	0.00	0.14
TOTAL VARIABLE COSTS	\$18,961.47	\$5.14	\$160.24	\$27,652.19	\$4.75	\$217.73
RETURN ABOVE VARIABLE COSTS	\$5,703.25	\$1.55	\$48.20	\$6,689.15	\$1.15	\$52.67
Depreciation	\$2,104.49	\$0.57	\$17.78	\$2,256.47	\$0.39	\$17.77
Real Estate Tax	384.80	0.10	3.25	360.88	0.06	2.84
Unpaid Operator Labor	3,878.03	1.05	32.77	4,054.61	0.70	31.93
Interest Charge *	383.35	0.10	3.24	339.48	0.06	2.67
TOTAL FIXED COSTS	\$6,750.68	\$1.83	\$57.05	\$7,011.44	\$1.20	\$55.21
Land Charge **	\$1,764.11	\$0.48	\$14.91	\$2,598.32	\$0.45	\$20.46
TOTAL EXPENSE	\$27,476.26	\$7.45	\$232.19	\$37,261.95	\$6.40	\$293.40
NET RETURN TO MANAGEMENT	(\$2,811.54)	(\$0.76)	(\$23.76)	(\$2,920.61)	(\$0.50)	(\$23.00)
NET RETURN TO LABOR-MGT	\$1,230.55	\$0.33	\$10.40	\$1,383.41	\$0.24	\$10.89

*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 25%). 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.