

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

	2004-2008 Average	2009
Number of Farms	91	85
Crop Acres	807	851
Acres Owned	237	280
Acres Rented	570	571
Yield / Acre	29	51
Bushels (Operator's Share)	19,390	36,389
Operator Percentage	82.74%	84.21%
Gross Income / Acre	\$161.63	\$220.87
Variable Costs / Acre	\$95.22	\$153.23
Total Expense / Acre	\$142.96	\$219.26
Gross Income / Bushel	\$6.73	\$5.17
Total Expense / Bushel	\$5.95	\$5.13

	Total Dollars	\$/Bushel	\$/Acre	Total Dollars	\$/Bushel	\$/Acre
INCOME:						
Wheat (Operator's Share)	\$97,229.06	\$5.01	\$120.51	\$168,868.42	\$4.64	\$198.44
Patronage Refunds	\$1,216.03	\$0.06	\$1.51	\$5,003.56	\$0.14	\$5.88
Government Payments	13,156.10	0.68	16.31	10,182.60	0.28	11.97
Miscellaneous Income	460.69	0.02	0.57	438.27	0.01	0.52
Crop Insurance Proceeds	18,339.32	0.95	22.73	4,437.95	0.12	5.21
Crop Futures	(333.64)	(0.02)	(0.41)	(971.94)	(0.03)	(1.14)
OTHER INCOME	\$33,172.13	\$1.71	\$41.12	\$19,090.44	\$0.52	\$22.43
GROSS INCOME	\$130,401.19	\$6.73	\$161.63	\$187,958.86	\$5.17	\$220.87
EXPENSES:						
Labor Hired	\$5,849.18	\$0.30	\$7.25	\$8,731.22	\$0.24	\$10.26
General Machinery Repairs	10,382.70	0.54	12.87	13,596.50	0.37	15.98
Interest Paid	6,151.63	0.32	7.62	8,055.39	0.22	9.47
Seed / Other Crop Expense	4,488.70	0.23	5.56	7,487.65	0.21	8.80
Crop Insurance	6,698.41	0.35	8.30	15,845.64	0.44	18.62
Fertilizer / Lime	11,108.04	0.57	13.77	30,129.72	0.83	35.41
Machine Hire - Lease	7,762.33	0.40	9.62	15,451.76	0.42	18.16
Farm Org Fees / Travel / Publ	1,130.79	0.06	1.40	1,525.71	0.04	1.79
Gas / Fuel / Oil	10,366.49	0.53	12.85	8,921.47	0.25	10.48
Crop Storage & Marketing	645.40	0.03	0.80	1,191.35	0.03	1.40
Personal Property Tax	254.27	0.01	0.32	627.30	0.02	0.74
General Farm Insurance	1,934.86	0.10	2.40	2,493.21	0.07	2.93
Utilities	187.45	0.01	0.23	307.27	0.01	0.36
Cash Farm Rent	3,409.33	0.18	4.23	6,161.03	0.17	7.24
Herbicide / Insecticide	6,026.55	0.31	7.47	9,329.28	0.26	10.96
Conservation	86.78	0.00	0.11	100.80	0.00	0.12
Auto Expense	343.82	0.02	0.43	441.55	0.01	0.52
TOTAL VARIABLE COSTS	\$76,826.73	\$3.96	\$95.22	\$130,396.85	\$3.58	\$153.23
RETURN ABOVE VARIABLE COSTS	\$53,574.46	\$2.76	\$66.40	\$57,562.01	\$1.58	\$67.64
Depreciation	\$11,595.55	\$0.60	\$14.37	\$15,270.65	\$0.42	\$17.94
Real Estate Tax	1,551.31	0.08	1.92	1,393.69	0.04	1.64
Unpaid Operator Labor	12,383.79	0.64	15.35	19,321.58	0.53	22.70
Interest Charge *	1,852.52	0.10	2.30	4,171.71	0.11	4.90
TOTAL FIXED COSTS	\$27,383.17	\$1.41	\$33.94	\$40,157.63	\$1.10	\$47.19
Land Charge **	\$11,130.33	\$0.57	\$13.80	\$16,035.27	\$0.44	\$18.84
TOTAL EXPENSE	\$115,340.23	\$5.95	\$142.96	\$186,589.75	\$5.13	\$219.26
NET RETURN TO MANAGEMENT	\$15,060.96	\$0.78	\$18.67	\$1,369.11	\$0.04	\$1.61
NET RETURN TO LABOR-MGT	\$33,293.94	\$1.72	\$41.27	\$29,421.91	\$0.81	\$34.57

*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.