

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 3-YEAR AVERAGE & 2001
SPRINKLER IRRIGATED WHEAT

	1998-2000 Average	2001
Number of Farms	14	22
Crop Acres	169	247
Acres Owned	60	77
Acres Rented	109	170
Yield / Acre	58.6	49.1
Bushels	8,381	10,224
Operator Percentage	84.68%	84.23%
Gross Income / Acre	\$174.90	\$162.02
Variable Costs / Acre	\$118.58	\$105.98
Total Expense / Acre	\$165.96	\$145.88
Gross Income / Bushel	\$3.53	\$3.91
Total Expense / Bushel	\$3.35	\$3.52

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Wheat (Operator's Share)	\$20,836.20	\$2.49	\$123.29	\$27,917.37	\$2.73	\$113.03
Patronage Refunds	145.44	0.02	0.86	143.87	0.01	0.58
Government Payments	8,090.98	0.97	47.88	11,136.88	1.09	45.09
Miscellaneous Income	112.35	0.01	0.66	155.77	0.02	0.63
Crop Insurance Proceeds	373.49	0.04	2.21	665.47	0.07	2.69
OTHER INCOME	\$8,722.27	\$1.04	\$51.61	12,101.99	\$1.18	\$49.00
GROSS INCOME	\$29,558.47	\$3.53	\$174.90	\$40,019.36	\$3.91	\$162.02
EXPENSES:						
Labor Hired	\$1,889.16	\$0.23	\$11.18	\$1,278.68	\$0.13	\$5.18
General Machinery Repairs	2,392.46	0.29	14.16	2,057.21	0.20	8.33
Irrigation Equipment Repairs	762.73	0.09	4.51	938.66	0.09	3.80
Interest Paid	2,025.87	0.24	11.99	2,632.29	0.26	10.66
Seed / Other Crop Expense	924.26	0.11	5.47	1,256.09	0.12	5.09
Crop Insurance	572.96	0.07	3.39	360.21	0.04	1.46
Fertilizer / Lime	2,204.12	0.26	13.04	2,839.61	0.28	11.50
Machine Hire - Lease	1,873.77	0.22	11.09	2,699.33	0.26	10.93
Farm Org Fees / Travel / Publ	358.03	0.04	2.12	380.55	0.04	1.54
Gas / Fuel / Oil	1,336.10	0.16	7.91	1,806.93	0.18	7.32
Irrigation Fuel - Pumping	2,202.49	0.26	13.03	3,296.55	0.32	13.35
Crop Storage & Marketing	219.19	0.03	1.30	225.65	0.02	0.91
Personal Property Tax	116.35	0.01	0.69	118.80	0.01	0.48
General Farm Insurance	408.01	0.05	2.41	493.53	0.05	2.00
Utilities	196.88	0.02	1.16	204.24	0.02	0.83
Cash Farm Rent	1,613.51	0.19	9.55	2,334.03	0.23	9.45
Herbicide / Insecticide	874.83	0.10	5.18	3,156.56	0.31	12.78
Conservation	2.93	0.00	0.02	1.63	0.00	0.01
Auto Expense	66.07	0.01	0.39	95.55	0.01	0.39
TOTAL VARIABLE COSTS	\$20,039.72	\$2.39	\$118.58	\$26,176.10	\$2.56	\$105.98
RETURN ABOVE VARIABLE COSTS	\$9,518.75	\$1.14	\$56.32	\$13,843.26	\$1.35	\$56.05
Depreciation	3,154.86	0.38	18.67	3,809.01	0.37	15.42
Real Estate Tax	258.31	0.03	1.53	223.94	0.02	0.91
Unpaid Operator Labor	1,757.94	0.21	10.40	2,120.18	0.21	8.58
Interest Charge *	200.43	0.02	1.19	157.16	0.02	0.64
TOTAL FIXED COSTS	\$5,371.54	\$0.64	\$31.78	\$6,310.29	\$0.62	\$25.55
Land Charge **	\$2,635.58	\$0.31	\$15.60	\$3,546.24	\$0.35	\$14.36
TOTAL EXPENSE	\$28,046.85	\$3.35	\$165.96	\$36,032.63	\$3.52	\$145.88
NET RETURN TO MANAGEMENT	\$1,511.62	\$0.18	\$8.94	\$3,986.73	\$0.39	\$16.14
NET RETURN TO LABOR-MGT	\$5,158.72	\$0.62	\$30.52	\$7,385.59	\$0.72	\$29.90

*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.