

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
SPRINKLER IRRIGATED WHEAT

	1996-2000 Average	2001
Number of Farms	26	22
Crop Acres	225	218
Acres Owned	36	15
Acres Rented	189	203
Yield / Acre	49.3	54.9
Bushels	8,242	8,703
Operator Percentage	74.26%	72.69%
Gross Income / Acre	\$160.95	\$154.79
Variable Costs / Acre	\$138.28	\$152.79
Total Expense / Acre	\$185.62	\$202.38
Gross Income / Bushel	\$4.39	\$3.88
Total Expense / Bushel	\$5.07	\$5.07

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Wheat (Operator's Share)	\$24,275.36	\$2.95	\$107.89	\$21,995.10	\$2.53	\$100.89
Patronage Refunds	381.08	0.05	1.69	432.72	0.05	1.98
Government Payments	9,524.34	1.16	42.33	9,212.20	1.06	42.26
Miscellaneous Income	905.67	0.11	4.03	836.37	0.10	3.84
Crop Insurance Proceeds	1,127.05	0.14	5.01	1,266.76	0.15	5.81
OTHER INCOME	\$11,938.14	\$1.45	\$53.06	11,748.05	\$1.35	\$53.89
GROSS INCOME	\$36,213.50	\$4.39	\$160.95	\$33,743.15	\$3.88	\$154.79
EXPENSES:						
Labor Hired	\$2,162.16	\$0.26	\$9.61	\$2,235.33	\$0.26	\$10.25
General Machinery Repairs	3,586.24	0.44	15.94	3,239.54	0.37	14.86
Irrigation Equipment Repairs	1,601.37	0.19	7.12	1,207.10	0.14	5.54
Interest Paid	2,381.83	0.29	10.59	2,269.65	0.26	10.41
Seed / Other Crop Expense	1,334.62	0.16	5.93	1,756.73	0.20	8.06
Crop Insurance	1,367.16	0.17	6.08	1,378.45	0.16	6.32
Fertilizer / Lime	3,475.89	0.42	15.45	4,676.57	0.54	21.45
Machine Hire - Lease	2,812.44	0.34	12.50	2,411.71	0.28	11.06
Farm Org Fees / Travel / Publ	435.04	0.05	1.93	363.27	0.04	1.67
Gas / Fuel / Oil	1,854.44	0.22	8.24	1,868.14	0.21	8.57
Irrigation Fuel - Pumping	4,316.60	0.52	19.18	4,980.47	0.57	22.85
Crop Storage & Marketing	163.91	0.02	0.73	92.85	0.01	0.43
Personal Property Tax	149.60	0.02	0.66	226.46	0.03	1.04
General Farm Insurance	730.93	0.09	3.25	775.95	0.09	3.56
Utilities	760.56	0.09	3.38	717.10	0.08	3.29
Cash Farm Rent	1,855.51	0.23	8.25	1,423.32	0.16	6.53
Herbicide / Insecticide	1,901.29	0.23	8.45	3,453.17	0.40	15.84
Conservation	1.38	0.00	0.01	-	-	-
Auto Expense	221.67	0.03	0.99	233.08	0.03	1.07
TOTAL VARIABLE COSTS	\$31,112.64	\$3.77	\$138.28	\$33,308.89	\$3.83	\$152.79
RETURN ABOVE VARIABLE COSTS	\$5,100.86	\$0.62	\$22.67	\$434.26	\$0.05	\$1.99
Depreciation	3,809.21	0.46	16.93	4,838.89	0.56	22.20
Real Estate Tax	281.67	0.03	1.25	142.70	0.02	0.65
Unpaid Operator Labor	3,878.99	0.47	17.24	3,923.18	0.45	18.00
Interest Charge *	827.06	0.10	3.68	1,277.33	0.15	5.86
TOTAL FIXED COSTS	\$8,796.93	\$1.07	\$39.10	\$10,182.10	\$1.17	\$46.71
Land Charge **	\$1,854.04	\$0.22	\$8.24	\$627.30	\$0.07	\$2.88
TOTAL EXPENSE	\$41,763.60	\$5.07	\$185.62	\$44,118.29	\$5.07	\$202.38
NET RETURN TO MANAGEMENT	(\$5,550.11)	(\$0.67)	(\$24.67)	(\$10,375.14)	(\$1.19)	(\$47.59)
NET RETURN TO LABOR-MGT	\$491.04	\$0.06	\$2.18	(\$4,216.63)	(\$0.48)	(\$19.34)

*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.