

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
CONSERVATION RESERVE PROGRAM

	1997-2001 Average	2002
Number of Farms	40	47
Crop Acres	437	362
Acres Owned	229	213
Acres Rented	208	149
Gross Income / Acre	\$30.99	\$29.30
Variable Costs / Acre	\$2.94	\$2.45
Total Expense / Acre	\$5.71	\$7.45

	Total Dollars	\$ / Acre	Total Dollars	\$ / Acre
INCOME:				
Patronage Refunds	10.77	\$0.02	1.26	\$0.00
Government Payments	13,433.93	30.76	10,604.67	29.29
Miscellaneous Income	91.35	0.21	-	-
OTHER INCOME	\$13,536.05	\$30.99	\$10,605.93	\$29.30
GROSS INCOME	\$13,536.05	\$30.99	\$10,605.93	\$29.30
EXPENSES:				
Labor Hired	\$51.05	\$0.12	\$27.45	\$0.08
General Machinery Repairs	77.93	0.18	160.58	0.44
Interest Paid	261.52	0.60	391.85	1.08
Seed / Other Crop Expense	264.22	0.60	4.47	0.01
Crop Insurance	7.08	0.02	4.26	0.01
Fertilizer / Lime	10.64	0.02	-	-
Machine Hire - Lease	93.44	0.21	13.32	0.04
Farm Org Fees / Travel / Publ	96.00	0.22	27.13	0.07
Gas / Fuel / Oil	47.21	0.11	88.13	0.24
Personal Property Tax	71.93	0.16	26.80	0.07
General Farm Insurance	91.43	0.21	22.79	0.06
Utilities	46.13	0.11	71.49	0.20
Cash Farm Rent	40.61	0.09	-	-
Herbicide / Insecticide	61.19	0.14	-	-
Conservation	3.83	0.01	-	-
Auto Expense	58.62	0.13	49.57	0.14
TOTAL VARIABLE COSTS	\$1,282.83	\$2.94	\$887.84	\$2.45
RETURN ABOVE VARIABLE COSTS	\$12,253.23	\$28.05	\$9,718.09	\$26.85
Depreciation	159.03	0.36	156.50	0.43
Real Estate Tax	652.50	1.49	842.10	2.33
Unpaid Operator Labor	396.59	0.91	810.00	2.24
Interest Charge *	1.68	0.00	-	-
TOTAL FIXED COSTS	\$1,209.79	\$2.77	\$1,808.60	\$5.00
TOTAL EXPENSE	\$2,492.62	\$5.71	\$2,696.44	\$7.45
NET RETURN TO MANAGEMENT	\$11,043.44	\$25.28	\$7,909.49	\$21.85
NET RETURN TO LABOR-MGT	\$11,491.08	\$26.31	\$8,746.94	\$24.16

*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.