

**SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION**  
**PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002**  
**IRRIGATED (ALL) WHEAT**

	1997-2001 Average	2002
Number of Farms	56	46
Crop Acres	212	217
Acres Owned	29	36
Acres Rented	182	181
Yield / Acre	52.0	35.3
Bushels	8,099	5,718
Operator Percentage	73.58%	74.71%
Gross Income / Acre	\$152.58	\$127.25
Variable Costs / Acre	\$131.83	\$133.80
Total Expense / Acre	\$175.01	\$171.12
Gross Income / Bushel	\$3.99	\$4.83
Total Expense / Bushel	\$4.57	\$6.49

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
<b>INCOME:</b>						
Wheat (Operator's Share)	\$20,779.61	\$2.57	\$98.20	\$19,307.92	\$3.38	\$88.98
Patronage Refunds	462.58	0.06	2.19	174.87	0.03	0.81
Government Payments	9,355.85	1.16	44.21	3,384.57	0.59	15.60
Miscellaneous Income	904.54	0.11	4.27	1,326.93	0.23	6.11
Crop Insurance Proceeds	782.73	0.10	3.70	3,418.28	0.60	15.75
OTHER INCOME	\$11,505.70	\$1.42	\$54.37	\$8,304.65	\$1.45	\$38.27
<b>GROSS INCOME</b>	<b>\$32,285.31</b>	<b>\$3.99</b>	<b>\$152.58</b>	<b>\$27,612.57</b>	<b>\$4.83</b>	<b>\$127.25</b>
<b>EXPENSES:</b>						
Labor Hired	\$2,277.97	\$0.28	\$10.77	\$2,136.17	\$0.37	\$9.84
General Machinery Repairs	3,328.50	0.41	15.73	3,488.39	0.61	16.08
Irrigation Equipment Repairs	1,252.19	0.15	5.92	1,157.26	0.20	5.33
Interest Paid	2,064.74	0.25	9.76	2,176.43	0.38	10.03
Seed / Other Crop Expense	1,049.62	0.13	4.96	1,342.31	0.23	6.19
Crop Insurance	1,103.95	0.14	5.22	1,287.52	0.23	5.93
Fertilizer / Lime	3,010.75	0.37	14.23	2,293.55	0.40	10.57
Machine Hire - Lease	3,034.81	0.37	14.34	1,932.00	0.34	8.90
Farm Org Fees / Travel / Publ	382.61	0.05	1.81	348.59	0.06	1.61
Gas / Fuel / Oil	1,717.27	0.21	8.12	1,792.22	0.31	8.26
Irrigation Fuel - Pumping	3,695.55	0.46	17.46	5,257.00	0.92	24.23
Crop Storage & Marketing	208.10	0.03	0.98	95.49	0.02	0.44
Personal Property Tax	160.97	0.02	0.76	102.87	0.02	0.47
General Farm Insurance	617.27	0.08	2.92	763.16	0.13	3.52
Utilities	700.80	0.09	3.31	1,197.01	0.21	5.52
Cash Farm Rent	992.00	0.12	4.69	642.01	0.11	2.96
Herbicide / Insecticide	2,062.73	0.25	9.75	2,771.69	0.48	12.77
Conservation	2.22	0.00	0.01	-	-	-
Auto Expense	232.79	0.03	1.10	250.33	0.04	1.15
<b>TOTAL VARIABLE COSTS</b>	<b>\$27,894.86</b>	<b>\$3.44</b>	<b>\$131.83</b>	<b>\$29,034.00</b>	<b>\$5.08</b>	<b>\$133.80</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$4,390.45</b>	<b>\$0.54</b>	<b>\$20.75</b>	<b>(\$1,421.43)</b>	<b>(\$0.25)</b>	<b>(\$6.55)</b>
Depreciation	3,381.44	0.42	15.98	2,623.99	0.46	12.09
Real Estate Tax	253.21	0.03	1.20	337.06	0.06	1.55
Unpaid Operator Labor	3,463.68	0.43	16.37	3,700.23	0.65	17.05
Interest Charge *	691.01	0.09	3.27	405.29	0.07	1.87
<b>TOTAL FIXED COSTS</b>	<b>\$7,789.33</b>	<b>\$0.96</b>	<b>\$36.81</b>	<b>\$7,066.57</b>	<b>\$1.24</b>	<b>\$32.56</b>
Land Charge **	\$1,347.26	\$0.17	\$6.37	\$1,032.24	\$0.18	\$4.76
<b>TOTAL EXPENSE</b>	<b>\$37,031.44</b>	<b>\$4.57</b>	<b>\$175.01</b>	<b>\$37,132.81</b>	<b>\$6.49</b>	<b>\$171.12</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>(\$4,746.13)</b>	<b>(\$0.59)</b>	<b>(\$22.43)</b>	<b>(\$9,520.24)</b>	<b>(\$1.66)</b>	<b>(\$43.87)</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>\$995.51</b>	<b>\$0.12</b>	<b>\$4.70</b>	<b>(\$3,683.84)</b>	<b>(\$0.64)</b>	<b>(\$16.98)</b>

\*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.