

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
NONIRRIGATED WHEAT

	1997-2001 Average	2002
Number of Farms	105	69
Crop Acres	578	562
Acres Owned	143	140
Acres Rented	434	422
Yield / Acre	39.4	20.1
Bushels	17,133	8,855
Operator Percentage	75.25%	78.47%
Gross Income / Acre	\$116.23	\$93.27
Variable Costs / Acre	\$70.86	\$64.68
Total Expense / Acre	\$104.88	\$98.64
Gross Income / Bushel	\$3.92	\$5.92
Total Expense / Bushel	\$3.54	\$6.26

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Wheat (Operator's Share)	\$44,850.96	\$2.62	\$77.62	\$31,009.25	\$3.50	\$55.18
Patronage Refunds	617.04	0.04	1.07	347.25	0.04	0.62
Government Payments	17,489.51	1.02	30.27	8,014.79	0.91	14.26
Miscellaneous Income	1,060.36	0.06	1.84	910.33	0.10	1.62
Crop Insurance Proceeds	3,140.55	0.18	5.44	12,137.22	1.37	21.60
OTHER INCOME	\$22,307.47	\$1.30	\$38.61	\$21,409.59	\$2.42	\$38.10
GROSS INCOME	\$67,158.43	\$3.92	\$116.23	\$52,418.84	\$5.92	\$93.27
EXPENSES:						
Labor Hired	\$3,150.76	\$0.18	\$5.45	\$2,447.74	\$0.28	\$4.36
General Machinery Repairs	6,890.16	0.40	11.92	6,386.48	0.72	11.36
Interest Paid	3,919.68	0.23	6.78	3,199.15	0.36	5.69
Seed / Other Crop Expense	1,535.32	0.09	2.66	1,652.19	0.19	2.94
Crop Insurance	1,987.07	0.12	3.44	2,048.40	0.23	3.64
Fertilizer / Lime	4,622.15	0.27	8.00	3,764.84	0.43	6.70
Machine Hire - Lease	5,577.19	0.33	9.65	3,248.39	0.37	5.78
Farm Org Fees / Travel / Publ	755.01	0.04	1.31	884.08	0.10	1.57
Gas / Fuel / Oil	3,632.58	0.21	6.29	3,264.28	0.37	5.81
Crop Storage & Marketing	717.02	0.04	1.24	360.46	0.04	0.64
Personal Property Tax	252.91	0.01	0.44	283.32	0.03	0.50
General Farm Insurance	1,036.84	0.06	1.79	1,434.40	0.16	2.55
Utilities	1,361.38	0.08	2.36	1,875.70	0.21	3.34
Cash Farm Rent	1,226.88	0.07	2.12	1,036.50	0.12	1.84
Herbicide / Insecticide	3,639.52	0.21	6.30	3,857.67	0.44	6.86
Conservation	70.26	0.00	0.12	129.22	0.01	0.23
Auto Expense	568.45	0.03	0.98	477.55	0.05	0.85
TOTAL VARIABLE COSTS	\$40,943.17	\$2.39	\$70.86	\$36,350.37	\$4.11	\$64.68
RETURN ABOVE VARIABLE COSTS	\$26,215.26	\$1.53	\$45.37	\$16,068.47	\$1.81	\$28.59
Depreciation	6,173.44	0.36	10.68	5,167.73	0.58	9.20
Real Estate Tax	1,044.46	0.06	1.81	1,212.08	0.14	2.16
Unpaid Operator Labor	6,729.63	0.39	11.65	8,260.02	0.93	14.70
Interest Charge *	548.36	0.03	0.95	635.55	0.07	1.13
TOTAL FIXED COSTS	\$14,495.89	\$0.85	\$25.09	\$15,275.38	\$1.73	\$27.18
Land Charge **	\$5,158.15	\$0.30	\$8.93	\$3,808.50	\$0.43	\$6.78
TOTAL EXPENSE	\$60,597.21	\$3.54	\$104.88	\$55,434.25	\$6.26	\$98.64
NET RETURN TO MANAGEMENT	\$6,561.22	\$0.38	\$11.36	(\$3,015.41)	(\$0.34)	(\$5.37)
NET RETURN TO LABOR-MGT	\$16,441.61	\$0.96	\$28.46	\$7,692.35	\$0.87	\$13.69

*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.