

**KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS : 5-YEAR AVERAGE & 2005
IRRIGATED (ALL) CORN: STATE AVERAGES**

	2000-2004 Average			2005		
Number of Farms	141			81		
Crop Acres	368			456		
Acres Owned	88			127		
Acres Rented	280			328		
Yield / Acre	176			193		
Bushels	51,699			73,134		
Operator Percentage	79.83%			83.17%		
Gross Income / Acre	\$390.42			\$434.18		
Variable Costs / Acre	\$307.31			\$344.38		
Total Expense / Acre	\$396.63			\$433.96		
Gross Income / Bushel	\$2.78			\$2.71		
Total Expense / Bushel	\$2.82			\$2.71		
	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Corn (Operator's Share)	\$116,347.11	\$2.25	\$316.50	\$152,025.37	\$2.08	\$333.39
Patronage Refunds	\$470.77	0.01	1.28	\$529.44	0.01	1.16
Government Payments	\$20,262.55	0.39	55.12	\$43,304.69	0.59	94.97
Miscellaneous Income	\$2,954.33	0.06	8.04	\$1,501.83	0.02	3.29
Crop Insurance Proceeds	\$3,483.29	0.07	9.48	\$624.26	0.01	1.37
OTHER INCOME	\$27,170.94	\$0.53	\$73.91	\$45,960.22	\$0.63	\$100.79
GROSS INCOME	\$143,518.05	\$2.78	\$390.42	\$197,985.59	\$2.71	\$434.18
EXPENSES:						
Labor Hired	\$4,151.80	\$0.08	\$11.29	\$5,178.22	\$0.07	\$11.36
General Machinery Repairs	\$7,627.61	0.15	20.75	\$8,873.01	0.12	19.46
Irrigation Equipment Repairs	\$2,977.00	0.06	8.10	\$3,795.37	0.05	8.32
Interest Paid	\$7,354.31	0.14	20.01	\$10,965.58	0.15	24.05
Seed / Other Crop Expense	\$15,301.25	0.30	41.62	\$22,129.35	0.30	48.53
Crop Insurance	\$3,863.75	0.07	10.51	\$5,537.07	0.08	12.14
Fertilizer / Lime	\$16,204.26	0.31	44.08	\$24,988.70	0.34	54.80
Machine Hire - Lease	\$7,152.49	0.14	19.46	\$7,057.28	0.10	15.48
Farm Org Fees / Travel / Publ	\$1,149.38	0.02	3.13	\$1,413.79	0.02	3.10
Gas / Fuel / Oil	\$5,047.69	0.10	13.73	\$8,833.24	0.12	19.37
Irrigation Fuel - Pumping	\$18,839.70	0.36	51.25	\$29,119.13	0.40	63.86
Crop Storage & Marketing	\$626.90	0.01	1.71	\$1,330.33	0.02	2.92
Personal Property Tax	\$308.76	0.01	0.84	\$247.81	0.00	0.54
General Farm Insurance	\$2,095.53	0.04	5.70	\$2,787.47	0.04	6.11
Utilities	\$1,750.81	0.03	4.76	\$942.95	0.01	2.07
Cash Farm Rent	\$3,910.61	0.08	10.64	\$7,785.30	0.11	17.07
Herbicide / Insecticide	\$13,987.17	0.27	38.05	\$15,466.52	0.21	33.92
Conservation	\$20.04	0.00	0.05	\$60.94	0.00	0.13
Auto Expense	\$598.51	0.01	1.63	\$523.25	0.01	1.15
TOTAL VARIABLE COSTS	\$112,967.56	\$2.19	\$307.31	\$157,035.31	\$2.15	\$344.38
RETURN ABOVE VARIABLE COSTS	\$30,550.49	\$0.59	\$83.11	\$40,950.28	\$0.56	\$89.80
Depreciation	\$10,397.66	0.20	28.29	\$14,059.13	0.19	30.83
Real Estate Tax	\$1,026.99	0.02	2.79	\$1,414.65	0.02	3.10
Unpaid Operator Labor	\$7,447.59	0.14	20.26	\$6,470.37	0.09	14.19
Interest Charge *	\$2,751.00	0.05	7.48	\$2,297.53	0.03	5.04
TOTAL FIXED COSTS	\$21,623.24	\$0.42	\$58.82	\$24,241.68	\$0.33	\$53.16
Land Charge **	\$11,209.82	\$0.22	\$30.49	\$16,609.40	\$0.23	\$36.42
TOTAL EXPENSE	\$145,800.62	\$2.82	\$396.63	\$197,886.39	\$2.71	\$433.96
NET RETURN TO MANAGEMENT	(\$2,282.57)	(\$0.04)	(\$6.21)	\$99.20	\$0.00	\$0.22
NET RETURN TO LABOR-MGT	\$9,316.82	\$0.18	\$25.34	\$11,747.79	\$0.16	\$25.76

*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.

Kansas Farm Management Association: State Averages
2005 Irrigated Corn Enterprise Sorted by Net Return to Management per Acre

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Acres / \$	%
Number of Farms	27	27	27		
Enterprise Acres	524	516	328	196	60%
Owned Acres	142	158	82	60	73%
Rented Acres	382	358	246	136	55%
Yield per Acre	199.6	194.6	179.2	20.4	11%
Operator Percentage	81.6%	81.6%	88.7%	-7.0%	-8%
Price per bushel	\$2.09	\$2.08	\$2.06	\$0.03	2%
INCOME:					
Crop Income	\$341.20	\$329.27	\$327.39	\$13.81	4%
Government Payments	\$89.08	\$99.18	\$97.74	(\$8.67)	-9%
Other Income	\$6.23	\$6.27	\$4.48	\$1.75	39%
Gross Income	\$436.51	\$434.72	\$429.61	\$6.89	2%
COSTS:					
Seed	\$37.68	\$52.61	\$59.44	(\$21.76)	-37%
Fertilizer	\$45.76	\$58.20	\$63.89	(\$18.13)	-28%
Herbicide-Insecticide	\$29.95	\$34.38	\$39.53	(\$9.58)	-24%
Crop Insurance	\$12.51	\$9.36	\$15.93	(\$3.42)	-21%
Irrigation Fuel and Repairs	\$62.22	\$76.08	\$81.96	(\$19.74)	-24%
Machinery	\$69.73	\$94.27	\$95.37	(\$25.64)	-27%
Labor	\$21.35	\$26.06	\$31.43	(\$10.08)	-32%
Other	\$13.56	\$16.88	\$18.58	(\$5.02)	-27%
Land	\$51.95	\$54.49	\$67.40	(\$15.45)	-23%
Interest	\$24.62	\$31.61	\$32.25	(\$7.63)	-24%
Total Cost	\$369.33	\$453.94	\$505.78	(\$136.45)	-27%
Net Return to Management	\$67.18	(\$19.22)	(\$76.17)	\$143.34	

