



KANSAS FARM MANAGEMENT ASSOCIATION

Your Farm - Your Information - Your Decision

EXECUTIVE SUMMARY 2010 *PROFITLINK* ANALYSIS

May, 2011

The efforts of many farm families throughout Kansas keeping detailed farm business and financial records make possible the annual report of whole farm and enterprise cost-of-production analysis information. The KFMA Economists, association support staff, and the K-MAR-105 Association staff, work together with the Farm Management Association member families to make this information available.

The following tables provide you with a glimpse of the information on a state-wide basis. Historical data for years prior to 2010 has been updated to include fiscal year farms and other farms added after the initial summary for each year. More detailed analysis information for 2010 will be available soon. KFMA data for 2010 and prior years can be found on the KFMA program website: www.kfma.ksu.edu.

Sincerely,

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VALUE OF FARM PRODUCTION*

YEAR	NW	SW	NC	SC	NE	SE	STATE
2010	\$949,833	\$533,816	\$403,461	\$501,875	\$500,278	\$528,404	\$541,202
2009	\$682,859	\$434,379	\$377,670	\$452,061	\$502,084	\$453,183	\$469,404
2008	\$619,242	\$418,748	\$412,729	\$496,805	\$471,706	\$469,082	\$477,582
2007	\$677,220	\$416,085	\$341,512	\$386,529	\$403,806	\$382,191	\$410,453
2006	\$387,486	\$258,041	\$276,194	\$317,213	\$303,127	\$285,001	\$301,484
5 Year Avg	\$663,328	\$412,214	\$362,313	\$430,897	\$436,200	\$423,572	\$440,025

ACCRUAL NET FARM INCOME*

YEAR	NW	SW	NC	SC	NE	SE	STATE
2010	\$344,569	\$126,077	\$104,092	\$121,860	\$121,479	\$170,718	\$157,459
2009	\$126,868	\$81,305	\$89,906	\$88,107	\$126,621	\$117,003	\$107,024
2008	\$144,839	\$82,605	\$104,516	\$132,575	\$121,891	\$133,820	\$124,617
2007	\$237,620	\$114,450	\$85,280	\$91,586	\$114,903	\$108,458	\$115,312
2006	\$59,098	\$22,764	\$43,712	\$58,196	\$54,341	\$39,183	\$46,930
5 Year Avg	\$182,599	\$85,440	\$85,501	\$98,465	\$107,847	\$113,836	\$110,268

* Historical data for years prior to 2010 has been updated to include fiscal year farms and other farms added after the initial summary for each year.

**PERCENT OF FARMS IN NET INCOME GROUPS
KANSAS FARM MANAGEMENT ASSOCIATIONS
2010**

	NW %	SW %	NC %	SC %	NE %	SE %	STATE %
Over \$400,000 Net Income	28.86%	4.81%	2.36%	4.65%	5.86%	11.06%	8.98%
\$350,000 - \$400,000	4.70%	1.92%	0.00%	2.33%	1.35%	2.17%	1.93%
\$300,000 - \$350,000	4.70%	2.88%	2.36%	4.26%	4.05%	3.25%	3.52%
\$250,000 - \$300,000	6.04%	6.73%	3.54%	5.43%	4.95%	2.39%	4.21%
\$200,000 - \$250,000	7.38%	7.69%	4.33%	7.75%	7.21%	6.07%	6.49%
\$150,000 - \$200,000	7.38%	10.58%	10.24%	8.14%	8.56%	7.59%	8.49%
\$100,000 - \$150,000	16.11%	10.58%	15.75%	11.24%	13.51%	13.45%	13.54%
\$50,000 - \$100,000	12.75%	20.19%	22.05%	17.44%	15.77%	16.49%	17.40%
\$0 - \$50,000	8.72%	24.04%	27.95%	25.58%	20.72%	24.73%	23.14%
\$0 - \$50,000 Loss	3.36%	5.77%	9.06%	10.08%	12.61%	10.85%	9.53%
Greater than \$50,000 Loss	0.00%	4.81%	2.36%	3.10%	5.41%	1.95%	2.76%
TOTAL NUMBER OF FARMS	149	104	254	258	222	461	1,448
AVERAGE NET FARM INCOME	\$344,569	\$126,077	\$104,092	\$121,860	\$121,479	\$170,718	\$157,459

**NET INCOME PER OPERATOR BY TYPE OF FARM
FIVE-YEAR TREND ANALYSIS
2006-2010***

Type of Farm	No. of Farms (2010)	Net Income/Operator					
		2010	2009	2008	2007	2006	5-year avg
All Farms	1,448	\$158,257	\$105,998	\$124,015	\$116,149	\$47,030	\$110,290
Crop Dryland	1,017	161,439	125,874	147,965	120,926	50,168	121,274
Crop Irrigated	60	350,609	195,415	197,047	287,350	88,728	223,830
Cowherd	34	36,477	(8,995)	2,771	21,925	26,017	15,639
Backgrounding	12	214,161	82,520	3,626	54,090	(18,055)	67,268
Background/Finishing	5	219,197	(14,320)	N/A	50,132	(46,694)	52,079
Dairy	32	62,176	29,408	66,956	92,066	25,131	55,147
Crop-Cowherd	144	82,839	29,368	38,387	57,793	31,236	47,925
Crop – Backgrounding	33	105,399	52,585	69,578	72,010	(3,924)	59,130
Crop – Background/Finishing	8	261,290	104,244	44,853	209,351	53,868	134,721
Crop – Beef	41	191,219	67,999	77,818	106,481	11,580	91,019
Crop – Dairy	13	122,953	65,878	99,735	154,421	55,341	99,666
Crop – Livestock	26	84,517	29,835	56,996	73,132	31,919	55,280

*Historical data for years prior to 2010 has been updated to include fiscal year farms and other farms added after the initial summary for each year.

**VALUE OF PRODUCTION, TOTAL EXPENSE, and NET FARM INCOME
by NET FARM INCOME GROUP***

		High Income Farms (25%)			Low Income Farms (25%)			Average of all Farms				
		Number Farms (25% of Total)	Value of Farm Production	Total Farm Expenses	Net Farm Income	Value of Farm Production	Total Farm Expenses	Net Farm Income	Number of Farms	Value of Farm Production	Total Farm Expenses	Net Farm Income
ASSOCIATION – 2010	NW	37	\$2,105,864	\$1,232,032	\$873,832	\$288,183	\$238,373	\$49,810	149	\$949,833	\$605,264	\$344,569
	SW	26	\$1,085,100	\$756,652	\$328,448	\$313,143	\$333,163	(\$20,020)	104	\$533,816	\$407,739	\$126,077
	NC	64	\$760,028	\$491,446	\$268,581	\$209,756	\$216,285	(\$6,528)	254	\$403,461	\$299,369	\$104,092
	SC	65	\$940,746	\$620,722	\$320,024	\$244,530	\$260,827	(\$16,298)	258	\$501,875	\$380,015	\$121,860
	NE	56	\$1,023,065	\$682,749	\$340,316	\$234,413	\$265,688	(\$31,274)	222	\$500,278	\$378,799	\$121,479
	SE	115	\$1,284,340	\$772,718	\$511,621	\$141,894	\$152,621	(\$10,727)	461	\$528,404	\$357,687	\$170,718
STATE OF KANSAS	2010	362	\$1,202,844	\$755,051	\$447,793	\$200,701	\$212,185	(\$11,484)	1,448	\$541,202	\$383,743	\$157,459
	2009	385	\$987,047	\$672,733	\$314,315	\$230,584	\$257,457	(\$26,872)	1,539	\$469,404	\$362,379	\$107,024
	2008	386	\$1,004,403	\$642,516	\$361,888	\$189,914	\$218,415	(\$28,501)	1,543	\$477,582	\$352,965	\$124,617
	2007	392	\$858,891	\$536,887	\$322,004	\$177,535	\$194,170	(\$16,634)	1,567	\$410,453	\$295,141	\$115,312
	2006	411	\$550,550	\$394,036	\$156,513	\$215,300	\$251,983	(\$36,683)	1,642	\$301,484	\$254,554	\$46,930
	2005	427	\$562,239	\$391,438	\$170,801	\$165,965	\$185,830	(\$19,865)	1,709	\$293,594	\$237,453	\$56,131
	2004	471	\$558,447	\$368,840	\$189,607	\$128,739	\$140,536	(\$11,797)	1,884	\$277,915	\$211,256	\$66,659
	2003	455	\$462,290	\$312,084	\$150,206	\$126,220	\$141,845	(\$15,625)	1,820	\$240,059	\$189,008	\$51,051
	2002	480	\$345,541	\$253,105	\$92,436	\$166,575	\$207,732	(\$41,156)	1,921	\$198,706	\$179,600	\$19,106
	2001	486	\$367,089	\$264,222	\$102,867	\$182,642	\$214,652	(\$32,010)	1,937	\$214,664	\$186,669	\$27,995
2000	521	\$393,589	\$271,536	\$122,053	\$134,965	\$155,068	(\$20,103)	2,083	\$214,104	\$174,907	\$39,197	

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**KANSAS FARM MANAGEMENT ASSOCIATION – AVERAGE OF ALL FARMS
FIVE-YEAR TREND ANALYSIS
2006 - 2010**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Number of Farms	1,448	1,539	1,543	1,567	1,642
Value of Livestock Produced	91,632	61,130	57,848	74,872	65,735
Value of Farm Production	541,202	469,404	477,582	410,453	301,484
Cash Operating Expense (excluding interest)	321,796	303,654	298,372	242,287	207,580
Interest Expense	20,571	21,842	22,459	23,748	19,954
Depreciation	41,376	36,883	32,134	29,106	27,021
Total Farm Expense	383,743	362,379	352,965	295,141	254,554
Accrual Net Farm Income	157,459	107,024	124,617	115,312	46,930
Return to Operator Labor and Management	47,806	24,097	50,469	48,432	(14,681)
Return to Capital	123,071	75,669	96,485	90,960	24,779
Values / \$100 of Farm Production:					
Operating Expense	59.46	64.69	62.48	59.03	68.85
Interest Expense	3.80	4.65	4.70	5.79	6.62
Depreciation Expense	7.65	7.86	6.73	7.09	8.96
Total Expense	70.91	77.20	73.91	71.91	84.43
Net Farm Income	29.09	22.80	26.09	28.09	15.57
Operating Profit Margin	22.74%	16.12%	20.20%	22.16%	8.22%
Return on Net Worth	7.68%	5.38%	8.34%	8.38%	0.65%
Total Liabilities – Dec. 31	424,923	398,828	368,031	347,905	328,825
Total Assets – Dec. 31	1,821,458	1,435,234	1,302,757	1,195,094	1,086,824
Total Equity (Net Worth) – Dec. 31	1,396,535	1,036,406	934,726	847,189	757,999
Current Assets/Current Liabilities – Dec. 31	3.37	3.21	3.00	2.73	2.28
Total Liabilities/Total Assets – Dec. 31	0.233	0.278	0.283	0.291	0.303
Total Acres	2,161	2,149	2,083	1,935	1,953
Crop Acres	1,477	1,439	1,387	1,310	1,269
Harvested Acres	1,395	1,379	1,341	1,285	1,219
Number of Workers	1.47	1.50	1.49	1.44	1.47
Number of Operators	0.99	1.00	1.00	0.99	0.99
Gross Crop Value / Crop Acre	371.21	337.16	341.92	311.67	214.74
Crop Production Costs / Crop Acre	207.69	199.10	198.64	168.75	146.84
Machinery Investment / Crop Acre	189.43	171.82	152.14	145.11	135.11
Machinery Costs / Crop Acre	76.82	70.76	70.35	62.81	57.69
Total Family Living Expense	61,337	54,981	52,818	50,556	46,380

*Historical data for years prior to 2010 has been updated to include fiscal year farms and other farms added after the initial summary.



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