

Income and Financial Trends for Kansas Farms

Department of Agricultural Economics — www.agmanager.info



Kansas State University Agricultural Experiment Station and Cooperative Extension Service

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Income and Financial Trends

The following income and financial ratio trends were derived from data provided by farms enrolled in the Kansas Farm Management Association program. The number of commercial farms in this educational program varied from 2,300 to 2,800 for the 10-year period 1999 to 2008. These income and financial trends provide in-depth information for analyzing the farm financial situation and policies affecting agriculture.

Value of farm production and net farm income averaged \$281,358 and \$58,445, respectively, for the period 1999 to 2008. Net farm income must pay for family living, income and social security taxes, and principal payments on machinery and land.

Definitions

Value of Farm Production (VFP): Total livestock, grain, hay, and miscellaneous income minus cost of items purchased for resale, minus cost of purchased feed, plus or minus changes in operating inventories.

Total Farm Expenses: Total cash and noncash expenses plus or minus the associated accrual and expense inventory adjustments. Total expenses do not include cost of items purchased for resale and cost of purchased feed.

Net Farm Income: Return to operator's labor, management, and net worth computed on an accrual basis.

Data Source

The Annual ProfitLink Summary, Kansas Farm Management Associations, Department of Agricultural Economics, K-State Research and Extension, Kansas State University, Manhattan, Kansas.

For more information pertaining to whole-farm and enterprise summaries, see the following internet site: www.agmanager.info/kfma.

Table 1. *Net Farm Income for Kansas Farm Management Association Farms, 1999–2008*

Year	State	Northwest	North Central	Northeast	Southwest	South Central	Southeast
1999	\$ 42,488	\$ 67,537	\$ 44,561	\$ 25,123	\$ 55,674	\$ 43,664	\$ 37,493
2000	39,197	38,277	30,745	28,518	48,604	36,056	49,509
2001	27,995	27,643	28,999	33,717	13,446	11,996	38,788
2002	19,106	(817)	14,511	10,082	3,623	26,720	37,168
2003	51,051	59,988	52,511	38,630	37,329	43,628	63,155
2004	62,604	45,801	51,670	77,393	29,927	52,709	84,394
2005	56,982	66,930	42,065	68,325	23,779	36,535	76,283
2006	46,593	58,517	40,742	52,259	21,779	57,960	40,026
2007	115,035	233,000	81,288	114,118	108,397	88,849	114,423
2008	123,397	150,935	101,573	115,877	81,546	133,778	132,962
Average	\$ 58,445	\$ 74,781	\$ 48,867	\$ 56,404	\$ 42,410	\$ 53,190	\$ 67,420

Source: Kansas Farm Management Associations.

Table 2. *Net Farm Income per Operator by Farm Type, 2004–2008.*

Type of Farm	Number of Farms (2008)	Average	Net Farm Income per Operator				
			2008	2007	2006	2005	2004
All Farms	1,452	\$ 81,359	\$122,788	\$116,130	\$ 46,804	\$ 57,584	\$ 63,491
Cash Crop Dryland	1,048	83,814	142,603	120,594	49,366	49,422	57,087
Cash Crop Irrigated	56	146,291	230,850	280,585	92,335	64,955	62,729
Stock-Ranch Cowherd	16	26,387	-24,447	23,633	35,986	45,396	51,366
Cowherd	17	27,594	32,674	34,948	13,344	24,914	32,088
Dairy	34	59,042	63,610	82,088	25,663	52,658	71,192
Backgrounding	9	25,682	-10,355	-941	-5,823	63,279	82,252
Cash Crop-Cowherd	144	47,259	43,815	61,588	31,132	50,149	49,613
Cash Crop-Dairy	9	93,100	94,587	161,507	55,538	72,799	81,068
Cash Crop-Backgrounding	29	60,283	62,282	74,803	1,203	83,820	79,308

Source: Kansas Farm Management Associations.

Table 3. *Value of Farm Production, Total Expense, and Total Expense Ratio, 1999–2008.*

Year	Value of Farm Production	Total Expense	Total Expense Ratio
1999	\$207,858	\$165,370	\$79.56%
2000	214,104	174,908	81.69%
2001	214,664	186,669	86.96%
2002	198,706	179,600	90.38%
2003	240,059	189,009	78.73%
2004	265,629	203,025	76.43%
2005	294,230	237,248	80.63%
2006	298,754	252,161	84.40%
2007	407,787	292,752	71.79%
2008	471,787	347,748	73.71%
Average	\$281,358	\$222,849	\$79.20%

Source: Kansas Farm Management Associations.

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