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Income and Financial Trends for Kansas Farms

Department of Agricultural Economics — *www.agmanager.info*

K-STATE Research and Extension

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 2,750 for the 10-year period 2001 to 2010. 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 $342,506 and $77,228, respectively, for the period 2001 to 2010. 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.*

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Table 1. *Net Farm Income for Kansas Farm Management Association Farms, 2001-2010*

Year	State	Northwest	North Central	Northeast	Southwest	South Central	Southeast
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	66,659	59,435	52,403	79,013	32,685	56,785	87,490
2005	56,131	67,013	43,708	68,520	22,010	38,081	70,390
2006	46,930	59,098	43,712	54,341	22,764	58,196	39,183
2007	115,312	237,620	85,280	114,903	114,450	91,586	108,458
2008	124,617	144,839	104,516	121,891	82,605	132,575	133,820
2009	107,024	126,868	89,906	126,621	81,305	88,107	117,003
2010	157,459	344,569	104,092	121,479	126,077	121,860	170,718
Average	$ 77,228	$ 112,626	$ 61,964	$ 76,920	$ 53,629	$ 66,953	$ 86,617

Source: Kansas Farm Management Associations.

Table 2. *Net Farm Income per Operator by Farm Type, 2006-2010.*

Type of Farm	Number of Farms (2010)	Net Farm Income per Operator					
		Average	2010	2009	2008	2007	2006
All Farms	1,448	$110,290	$158,257	$105,998	$124,015	$116,149	$47,030
Cash Crop Dryland	1,017	121,274	161,439	125,874	147,965	120,926	50,168
Cash Crop Irrigated	60	223,830	350,609	195,415	197,047	287,350	88,728
Cowherd	34	15,639	36,477	-8,995	2,771	21,925	26,017
Backgrounding	12	67,268	214,161	82,520	3,626	54,090	-18,055
Dairy	32	55,147	62,176	29,408	66,956	92,066	25,131
Cash Crop-Cowherd	144	47,925	82,839	29,368	38,387	57,793	31,236
Cash Crop-Backgrounding	33	59,130	105,399	52,585	69,578	72,010	-3,924
Cash Crop-Dairy	13	99,666	122,953	65,878	99,735	154,421	55,341

Source: Kansas Farm Management Associations.

Table 3. *Value of Farm Production, Total Expense, and Total Expense Ratio, 2001-2010.*

Year	Value of Farm Production	Total Expense	Total Expense Ratio
2001	$ 214,664	$ 186,669	86.96%
2002	198,706	179,600	90.38%
2003	240,059	189,008	78.73%
2004	277,915	211,256	76.01%
2005	293,594	237,453	80.88%
2006	301,484	254,554	84.43%
2007	410,453	295,141	71.91%
2008	477,582	352,965	73.91%
2009	469,404	362,379	77.20%
2010	541,202	383,743	70.91%
Average	$ 342,506	$ 265,277	77.45%

Source: Kansas Farm Management Associations.

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