

Income and Financial Trends for Kansas Farms

Department of Agricultural Economics



Kansas State University Agricultural Experiment Station and Cooperative Extension Service

Michael R. Langemeier

Professor, Agricultural Economics

Martin L. Albright

Kansas Farm Management Association

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 2,650 to 2,800 for the 10-year period 1992 to 2001. 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 \$188,147 and \$38,238, respectively, for the period 1992 to 2001. Net farm income must pay for family living, income and social security taxes, and principal payments on land, machinery, and operating assets.

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. Does 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, see the following internet site:
www.agecon.ksu.edu/kfma

Table 1. *Net Farm Income for Kansas Farm Management Association Farms, 1992 - 2001.*

Year	State	Northwest	North Central	Northeast	Southwest	South Central	Southeast
1992	45,475	35,033	38,371	56,620	38,520	32,128	56,257
1993	38,170	51,989	21,297	30,496	53,595	38,063	39,612
1994	28,652	28,676	19,246	30,196	30,075	24,684	34,084
1995	22,353	30,840	16,986	26,101	23,800	18,456	21,107
1996	61,915	61,755	55,905	71,580	56,261	56,131	64,662
1997	59,352	30,228	51,263	51,698	48,589	60,919	81,951
1998	16,778	50,485	14,767	12,170	31,286	16,156	3,460
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
Average	38,238	42,246	32,214	36,622	39,985	33,825	42,692

Table 2. *Net Farm Income by Farm Type, 1997 - 2001.*

Type of Farm	Number of Farms (2001)	Average	Net Farm Income per Operator				
			2001	2000	1999	1998	1997
All Farms	1,937	36,906	28,169	39,273	42,246	16,608	58,235
Cash Crop Dryland	1,261	35,844	29,534	35,154	34,574	17,981	61,975
Cash Crop Irrigated	129	51,603	13,251	60,286	77,954	56,395	50,127
Stock-Ranch Cowherd	41	19,272	11,102	21,340	31,550	5,726	26,644
Cowherd	21	10,685	2,583	23,804	14,915	-2,932	15,056
Dairy	50	41,900	42,638	38,891	46,847	41,945	39,179
Backgrounding	22	17,358	5,454	22,515	31,089	-30,490	58,220
Cash Crop-Cowherd	174	23,324	18,623	28,795	28,742	9,313	31,147
Cash Crop-Dairy	22	45,057	40,980	41,602	42,396	34,418	65,888
Cash Crop-Backgrounding	36	30,508	-7,241	34,755	72,026	-14,983	67,982

Source: Kansas Farm Management Associations.

Table 3. *Value of Farm Production, Total Expense, and Total Expense Ratio, 1992 - 2001.*

Year	Value of Farm Production	Total Expense	Total Expense Ratio
1992	163,164	117,689	72.13%
1993	159,371	121,202	76.05%
1994	159,788	131,136	82.07%
1995	157,621	135,268	85.82%
1996	208,860	146,945	70.36%
1997	220,426	161,074	73.07%
1998	175,615	158,836	90.45%
1999	207,858	165,370	79.56%
2000	214,104	174,908	81.69%
2001	214,664	186,669	86.96%
Average	188,147	149,910	79.82%

Source: Kansas Farm Management Associations.

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