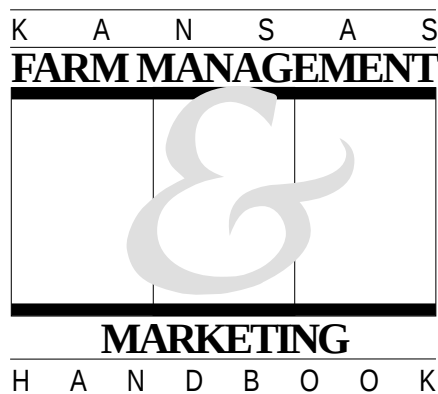




KSU Farm Management Guide

MF-801

Income and Financial Trends for Kansas Farms

Department of Agricultural Economics



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 2,650 to 2,800 for the 10-year period 1990 to 1999. 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 \$174,815 and \$37,441, respectively, for the period 1990 to 1999. 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 pur-

chased 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.

Table 1. Net Farm Income for Kansas Farm Management Association Farms, 1990-1999.

Year	State	Northwest	North Central	Northeast	Southwest	South Central	Southeast
1990	\$36,337	\$35,000	\$42,491	\$40,428	\$39,635	\$25,695	\$36,100
1991	22,887	26,442	16,381	18,689	29,237	24,721	24,224
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
Average	\$37,441	\$41,799	\$32,127	\$36,310	\$40,667	\$34,062	\$39,895

Table 2. Net Farm Income by Farm Type, 1996-1999.

Type of Farm	Number of Farms (1999)	Net Income per Operator			
		1999	1998	1997	1996
All Farms	2,097	42,246	16,608	58,235	60,360
Cash Crop Dryland	1,300	34,574	17,981	61,975	63,904
Cash Crop Irrigated	139	77,954	56,395	50,127	92,067
Stock-Ranch Cowherd	36	31,550	5,726	26,644	1,967
Cowherd	29	14,915	-2,932	15,056	20,827
Dairy	64	46,847	41,945	39,179	39,953
Backgrounding	27	31,089	-30,490	58,220	55,754
Cash Crop-Cowherd	219	28,742	9,313	31,147	16,812
Cash Crop-Dairy	25	42,396	34,418	65,888	58,436
Cash Crop-Backgrounding	39	72,026	-14,983	67,982	67,658
General	70	61,772	-8,644	60,211	49,758

Table 3. Value of Farm Production, Total Expense, and Total Expense Ratio, 1990-1999.

Year	Value of Farm Production	Total Expense	Total Expense Ratio
1990*	157,321	120,984	76.90%
1991	138,121	115,234	83.43%
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%
Average	174,815	137,374	78.98%

*Land was revalued in 1990 and 1995.

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