

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 2,550 to 2,800 for the 10-year period 1995 to 2004. 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 \$210,354 and \$40,284, respectively, for the period 1995 to 2004. 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.agmanager.info.

Table 1. *Net Farm Income for Kansas Farm Management Association Farms, 1995-2004.*

Year	State	Northwest	North Central	Northeast	Southwest	South Central	Southeast
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
2002	19,106	-817	15,411	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
Average	\$ 40,284	\$ 41,174	\$ 36,282	\$ 37,501	\$ 34,854	\$ 36,644	\$ 48,169

Source: Kansas Farm Management Associations.

Table 2. *Net Farm Income per Operator by Farm Type, 2000-2004.*

Type of Farm	Number of Farms (2004)	Net Farm Income per Operator					
		Average	2004	2003	2002	2001	2000
All Farms	1,746	\$ 40,537	\$ 63,491	\$ 52,410	\$ 19,343	\$ 28,169	\$ 39,273
Cash Crop Dryland	1,179	38,686	57,087	51,424	20,229	29,534	35,154
Cash Crop Irrigated	109	40,552	62,729	57,580	8,913	13,251	60,286
Stock-Ranch Cowherd	39	25,449	51,366	34,148	9,291	11,102	21,340
Cowherd	24	17,506	32,088	22,458	6,595	2,583	23,804
Dairy	43	39,926	71,192	24,484	22,426	42,638	38,891
Backgrounding	14	40,495	82,252	63,035	29,220	5,454	22,515
Cash Crop-Cowherd	161	29,691	49,613	33,879	17,544	18,623	28,795
Cash Crop-Dairy	12	49,499	81,068	49,643	34,201	40,980	41,602
Cash Crop-Backgrounding	31	39,549	79,308	87,728	3,197	-7,241	34,755

Source: Kansas Farm Management Associations.

Table 3. *Value of Farm Production, Total Expense, and Total Expense Ratio, 1995-2004.*

Year	Value of Farm Production	Total Expense	Total Expense Ratio
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%
2002	198,706	179,600	90.38%
2003	240,059	189,009	78.73%
2004	265,629	203,025	76.43%
Average	\$ 210,354	\$ 170,070	80.85%

Source: Kansas Farm Management Associations.

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