

**NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION**  
**PROFIT CENTER ANALYSIS: TWO-YEAR AVERAGE & 2002**  
**NO-TILL NONIRRIGATED GRAIN SORGHUM**

	2000-2001	2002
Number of Farms	22	22
Crop Acres	328	276
Acres Owned	92	70
Acres Rented	236	205
Yield / Acre	71.3	55.1
Bushels	19,051	12,540
Operator Percentage	81.48%	82.52%
Gross Income / Acre	\$147.69	\$137.98
Variable Costs / Acre	\$123.77	\$112.94
Total Expense / Acre	\$168.29	\$163.57
Gross Income / Bushel	\$2.54	\$3.04
Total Expense / Bushel	\$2.90	\$3.60

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
<b>INCOME:</b>						
Grain Sorghum (Operator's Share)	\$35,108.64	\$1.84	\$107.04	\$30,156.31	\$2.40	\$109.26
Patronage Refunds	491.37	0.03	1.50	166.93	0.01	0.60
Government Payments	10,904.03	0.57	33.24	3,125.31	0.25	11.32
Miscellaneous Income	337.83	0.02	1.03	376.27	0.03	1.36
Crop Insurance Proceeds	1,600.17	0.08	4.88	4,258.18	0.34	15.43
OTHER INCOME	\$13,333.39	\$0.70	\$40.65	\$7,926.69	\$0.63	\$28.72
<b>GROSS INCOME</b>	<b>\$48,442.03</b>	<b>\$2.54</b>	<b>\$147.69</b>	<b>\$38,083.00</b>	<b>\$3.04</b>	<b>\$137.98</b>
<b>EXPENSES:</b>						
Labor Hired	\$1,675.94	\$0.09	\$5.11	\$1,339.35	\$0.11	\$4.85
General Machinery Repairs	3,462.61	0.18	10.56	3,190.85	0.25	11.56
Interest Paid	4,599.00	0.24	14.02	2,316.13	0.18	8.39
Seed / Other Crop Expense	3,391.57	0.18	10.34	2,415.59	0.19	8.75
Crop Insurance	1,122.42	0.06	3.42	1,145.09	0.09	4.15
Fertilizer / Lime	8,594.30	0.45	26.20	6,486.37	0.52	23.50
Machine Hire - Lease	907.85	0.05	2.77	961.54	0.08	3.48
Farm Org Fees / Travel / Publ	542.48	0.03	1.65	492.24	0.04	1.78
Gas / Fuel / Oil	1,758.35	0.09	5.36	1,295.25	0.10	4.69
Crop Storage & Marketing	269.94	0.01	0.82	188.82	0.02	0.68
Personal Property Tax	162.92	0.01	0.50	154.01	0.01	0.56
General Farm Insurance	626.27	0.03	1.91	512.88	0.04	1.86
Utilities	445.00	0.02	1.36	373.52	0.03	1.35
Cash Farm Rent	3,501.54	0.18	10.68	1,832.40	0.15	6.64
Herbicide / Insecticide	9,280.11	0.49	28.29	8,116.30	0.65	29.41
Conservation	16.53	0.00	0.05	3.78	0.00	0.01
Auto Expense	239.24	0.01	0.73	347.07	0.03	1.26
<b>TOTAL VARIABLE COSTS</b>	<b>\$40,596.03</b>	<b>\$2.13</b>	<b>\$123.77</b>	<b>\$31,171.19</b>	<b>\$2.49</b>	<b>\$112.94</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$7,846.00</b>	<b>\$0.41</b>	<b>\$23.92</b>	<b>\$6,911.81</b>	<b>\$0.55</b>	<b>\$25.04</b>
Depreciation	4,110.06	0.22	12.53	3,734.54	0.30	13.53
Real Estate Tax	467.63	0.02	1.43	589.54	0.05	2.14
Unpaid Operator Labor	5,901.07	0.31	17.99	4,892.73	0.39	17.73
Interest Charge *	-	-	-	749.19	0.06	2.71
<b>TOTAL FIXED COSTS</b>	<b>\$10,478.75</b>	<b>\$0.55</b>	<b>\$31.95</b>	<b>\$9,966.00</b>	<b>\$0.79</b>	<b>\$36.11</b>
Land Charge **	\$4,124.34	\$0.22	\$12.57	\$4,008.29	\$0.32	\$14.52
<b>TOTAL EXPENSE</b>	<b>\$55,199.12</b>	<b>\$2.90</b>	<b>\$168.29</b>	<b>\$45,145.48</b>	<b>\$3.60</b>	<b>\$163.57</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>(\$6,757.09)</b>	<b>(\$0.35)</b>	<b>(\$20.60)</b>	<b>(\$7,062.48)</b>	<b>(\$0.56)</b>	<b>(\$25.59)</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>\$819.92</b>	<b>\$0.04</b>	<b>\$2.50</b>	<b>(\$830.40)</b>	<b>(\$0.07)</b>	<b>(\$3.01)</b>

\*Interest charge equals: ((8.0% times three-fourths the variable costs) plus (4.0% times depreciation times 8)) minus cash interest paid.

\*\*Land charge represents a charge (equal to landlord's share) on owned land and equals (production from owned acres X price / unit X 33.33%). Crop production paid to the landlord on rented land (already removed above), or cash rent is the charge on rented land.

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator. A charge for management is not included in the expenses.