

SOUTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
NONIRRIGATED GRAIN SORGHUM

	1997-2001 Average	2002
Number of Farms	82	73
Crop Acres	365	428
Acres Owned	59	69
Acres Rented	306	359
Yield / Acre	72.3	61.3
Bushels	19,429	19,499
Operator Percentage	73.66%	74.30%
Gross Income / Acre	\$134.67	\$128.84
Variable Costs / Acre	\$93.28	\$86.36
Total Expense / Acre	\$133.46	\$125.59
Gross Income / Bushel	\$2.53	\$2.83
Total Expense / Bushel	\$2.51	\$2.76

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$35,295.50	\$1.82	\$96.70	\$46,595.12	\$2.39	\$108.87
Patronage Refunds	742.64	0.04	2.03	648.45	0.03	1.52
Government Payments	10,832.74	0.56	29.68	4,115.16	0.21	9.61
Miscellaneous Income	1,416.25	0.07	3.88	1,587.70	0.08	3.71
Crop Insurance Proceeds	867.96	0.04	2.38	2,196.35	0.11	5.13
OTHER INCOME	\$13,859.58	\$0.71	\$37.97	\$8,547.66	\$0.44	\$19.97
GROSS INCOME	\$49,155.08	\$2.53	\$134.67	\$55,142.78	\$2.83	\$128.84
EXPENSES:						
Labor Hired	\$2,090.18	\$0.11	\$5.73	\$2,192.64	\$0.11	\$5.12
General Machinery Repairs	4,610.70	0.24	12.63	4,115.05	0.21	9.61
Interest Paid	3,590.34	0.18	9.84	3,718.23	0.19	8.69
Seed / Other Crop Expense	2,838.92	0.15	7.78	3,872.69	0.20	9.05
Crop Insurance	836.78	0.04	2.29	1,145.12	0.06	2.68
Fertilizer / Lime	6,759.18	0.35	18.52	6,634.14	0.34	15.50
Machine Hire - Lease	1,760.41	0.09	4.82	1,801.82	0.09	4.21
Farm Org Fees / Travel / Publ	570.31	0.03	1.56	737.91	0.04	1.72
Gas / Fuel / Oil	2,341.85	0.12	6.42	2,681.16	0.14	6.26
Crop Storage & Marketing	200.96	0.01	0.55	193.37	0.01	0.45
Personal Property Tax	107.19	0.01	0.29	117.77	0.01	0.28
General Farm Insurance	621.39	0.03	1.70	872.82	0.04	2.04
Utilities	779.80	0.04	2.14	846.98	0.04	1.98
Cash Farm Rent	1,497.78	0.08	4.10	1,876.80	0.10	4.39
Herbicide / Insecticide	5,193.81	0.27	14.23	5,900.54	0.30	13.79
Conservation	13.17	0.00	0.04	20.49	0.00	0.05
Auto Expense	234.44	0.01	0.64	232.45	0.01	0.54
TOTAL VARIABLE COSTS	\$34,047.22	\$1.75	\$93.28	\$36,959.98	\$1.90	\$86.36
RETURN ABOVE VARIABLE COSTS	\$15,107.87	\$0.78	\$41.39	\$18,182.80	\$0.93	\$42.48
Depreciation	4,987.65	0.26	13.66	5,729.79	0.29	13.39
Real Estate Tax	598.85	0.03	1.64	860.76	0.04	2.01
Unpaid Operator Labor	6,523.34	0.34	17.87	7,010.23	0.36	16.38
Interest Charge *	220.73	0.01	0.60	332.90	0.02	0.78
TOTAL FIXED COSTS	\$12,330.56	\$0.63	\$33.78	13,933.68	\$0.71	\$32.56
Land Charge **	\$2,335.73	\$0.12	\$6.40	\$2,857.34	\$0.15	\$6.68
TOTAL EXPENSE	\$48,713.50	\$2.51	\$133.46	\$53,751.00	\$2.76	\$125.59
NET RETURN TO MANAGEMENT	\$441.58	\$0.02	\$1.21	\$1,391.78	\$0.07	\$3.25
NET RETURN TO LABOR-MGT	\$9,055.10	\$0.47	\$24.81	\$10,594.65	\$0.54	\$24.75

*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.