

NORTHEAST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
NONIRRIGATED GRAIN SORGHUM

	1996-2000 Average	2001
Number of Farms	52	28
Crop Acres	170	128
Acres Owned	47	27
Acres Rented	123	101
Yield / Acre	92.7	87.0
Bushels	12,643	8,707
Operator Percentage	80.22%	78.23%
Gross Income / Acre	\$179.49	\$171.94
Variable Costs / Acre	\$116.90	\$119.07
Total Expense / Acre	\$185.72	\$184.90
Gross Income / Bushel	\$2.41	\$2.53
Total Expense / Bushel	\$2.50	\$2.72

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$24,795.35	\$1.96	\$145.85	\$15,895.84	\$1.83	\$124.19
Patronage Refunds	209.14	0.02	1.23	73.08	0.01	0.57
Government Payments	4,913.00	0.39	28.90	4,860.78	0.56	37.97
Miscellaneous Income	541.26	0.04	3.18	831.26	0.10	6.49
Crop Insurance Proceeds	54.34	0.00	0.32	347.46	0.04	2.71
OTHER INCOME	\$5,717.75	\$0.45	\$33.63	\$6,112.58	\$0.70	\$47.75
GROSS INCOME	\$30,513.10	\$2.41	\$179.49	\$22,008.42	\$2.53	\$171.94
EXPENSES:						
Labor Hired	\$955.40	\$0.08	\$5.62	\$307.29	\$0.04	\$2.40
General Machinery Repairs	2,619.95	0.21	15.41	1,878.70	0.22	14.68
Interest Paid	1,260.68	0.10	7.42	817.89	0.09	6.39
Seed / Other Crop Expense	1,847.46	0.15	10.87	1,514.52	0.17	11.83
Crop Insurance	291.97	0.02	1.72	339.67	0.04	2.65
Fertilizer / Lime	4,335.81	0.34	25.50	3,395.45	0.39	26.53
Machine Hire - Lease	705.20	0.06	4.15	473.60	0.05	3.70
Farm Org Fees / Travel / Publ	329.62	0.03	1.94	217.22	0.02	1.70
Gas / Fuel / Oil	1,324.13	0.10	7.79	1,069.21	0.12	8.35
Crop Storage & Marketing	61.38	0.00	0.36	79.74	0.01	0.62
Personal Property Tax	90.31	0.01	0.53	123.41	0.01	0.96
General Farm Insurance	416.82	0.03	2.45	362.31	0.04	2.83
Utilities	306.24	0.02	1.80	185.75	0.02	1.45
Cash Farm Rent	2,173.33	0.17	12.78	1,847.48	0.21	14.43
Herbicide / Insecticide	3,110.88	0.25	18.30	2,536.71	0.29	19.82
Conservation	22.87	0.00	0.13	80.11	0.01	0.63
Auto Expense	21.77	0.00	0.13	11.79	0.00	0.09
TOTAL VARIABLE COSTS	\$19,873.83	\$1.57	\$116.90	\$15,240.85	\$1.75	\$119.07
RETURN ABOVE VARIABLE COSTS	\$10,639.27	\$0.84	\$62.58	\$6,767.57	\$0.78	\$52.87
Depreciation	2,972.03	0.24	17.48	2,357.04	0.27	18.41
Real Estate Tax	347.99	0.03	2.05	362.65	0.04	2.83
Unpaid Operator Labor	4,541.89	0.36	26.72	3,475.45	0.40	27.15
Interest Charge *	947.09	0.07	5.57	850.81	0.10	6.65
TOTAL FIXED COSTS	\$8,809.01	\$0.70	\$51.82	\$7,045.95	\$0.81	\$55.05
Land Charge **	\$2,889.13	\$0.23	\$16.99	\$1,380.44	\$0.16	\$10.78
TOTAL EXPENSE	\$31,571.96	\$2.50	\$185.72	\$23,667.24	\$2.72	\$184.90
NET RETURN TO MANAGEMENT	(\$1,058.87)	(\$0.08)	(\$6.23)	(\$1,658.82)	(\$0.19)	(\$12.96)
NET RETURN TO LABOR-MGT	\$4,438.43	\$0.35	\$26.11	\$2,123.92	\$0.24	\$16.59

*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.