

SOUTHEAST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 4-YEAR AVERAGE & 2001
NONIRRIGATED ALFALFA

	1997-2000 Average	2001
Number of Farms	7	12
Crop Acres	198	132
Acres Owned	39	37
Acres Rented	159	94
Yield / Acre	3.64	2.57
Tons	574	290
Operator Percentage	79.75%	85.49%
Gross Income / Acre	\$248.88	\$233.13
Variable Costs / Acre	\$125.51	\$147.01
Total Expense / Acre	\$186.13	\$214.97
Gross Income / Ton	\$85.67	\$106.11
Total Expense / Ton	\$64.07	\$97.85

	Total Dollars	\$ / Ton	\$ / Acre	Total Dollars	\$ / Ton	\$ / Acre
INCOME:						
Alfalfa (Operator's Share)	\$44,025.28	\$76.73	\$222.91	\$26,845.23	\$92.57	\$203.37
Patronage Refunds	130.36	0.23	0.66	140.68	0.49	1.07
Government Payments	4,136.95	7.21	20.95	3,239.30	11.17	24.54
Miscellaneous Income	860.58	1.50	4.36	548.13	1.89	4.15
OTHER INCOME	\$5,127.89	\$8.94	\$25.96	\$3,928.11	\$13.55	\$29.76
GROSS INCOME	\$49,153.17	\$85.67	\$248.88	\$30,773.34	\$106.11	\$233.13
EXPENSES:						
Labor Hired	\$3,465.13	\$6.04	\$17.54	\$1,783.63	\$6.15	\$13.51
General Machinery Repairs	3,982.73	6.94	20.17	2,686.24	9.26	20.35
Interest Paid	3,182.19	5.55	16.11	2,050.83	7.07	15.54
Seed / Other Crop Expense	2,505.01	4.37	12.68	1,291.58	4.45	9.78
Fertilizer / Lime	1,660.87	2.89	8.41	1,268.87	4.38	9.61
Machine Hire - Lease	2,256.68	3.93	11.43	4,173.86	14.39	31.62
Farm Org Fees / Travel / Publ	493.58	0.86	2.50	360.85	1.24	2.73
Gas / Fuel / Oil	1,579.32	2.75	8.00	1,167.53	4.03	8.84
Crop Storage & Marketing	214.39	0.37	1.09	378.48	1.31	2.87
Personal Property Tax	89.31	0.16	0.45	99.27	0.34	0.75
General Farm Insurance	688.12	1.20	3.48	550.03	1.90	4.17
Utilities	491.53	0.86	2.49	470.32	1.62	3.56
Cash Farm Rent	1,046.66	1.82	5.30	1,198.79	4.13	9.08
Herbicide / Insecticide	2,944.56	5.13	14.91	1,803.10	6.22	13.66
Conservation	37.59	0.07	0.19	16.29	0.06	0.12
Auto Expense	149.72	0.26	0.76	105.61	0.36	0.80
TOTAL VARIABLE COSTS	\$24,787.38	\$43.20	\$125.51	\$19,405.28	\$66.91	\$147.01
RETURN ABOVE VARIABLE COSTS	\$24,365.79	\$42.47	\$123.37	\$11,368.06	\$39.20	\$86.12
Depreciation	3,380.79	5.89	17.12	2,309.40	7.96	17.50
Real Estate Tax	336.32	0.59	1.70	443.90	1.53	3.36
Unpaid Operator Labor	4,558.10	7.94	23.08	2,516.25	8.68	19.06
Interest Charge *	-	-	-	-	-	-
TOTAL FIXED COSTS	\$8,275.21	\$14.42	\$41.90	\$5,269.55	\$18.17	\$39.92
Land Charge **	\$3,697.55	\$6.44	\$18.72	\$3,701.37	\$12.76	\$28.04
TOTAL EXPENSE	\$36,760.13	\$64.07	\$186.13	\$28,376.20	\$97.85	\$214.97
NET RETURN TO MANAGEMENT	\$12,393.04	\$21.60	\$62.75	\$2,397.14	\$8.27	\$18.16
NET RETURN TO LABOR-MGT	\$20,416.26	\$35.58	\$103.37	\$6,697.02	\$23.09	\$50.74

*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.