

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
CONSERVATION RESERVE PROGRAM - GRASS

	1996-2000 Average	2001
Number of Farms	39	47
Crop Acres	464	419
Acres Owned	229	241
Acres Rented	235	179
Gross Income / Acre	\$31.97	\$29.34
Variable Costs / Acre	\$2.97	\$3.76
Total Expense / Acre	\$5.31	\$8.64

	Total Dollars	\$ / Acre	Total Dollars	\$ / Acre
INCOME:				
Patronage Refunds	\$10.58	\$0.02	\$0.96	\$0.00
Government Payments	14,730.21	31.73	12,287.86	29.33
Miscellaneous Income	99.95	0.22	5.50	0.01
OTHER INCOME	\$14,840.73	\$31.97	\$12,294.32	\$29.34
GROSS INCOME	\$14,840.73	\$31.97	\$12,294.32	\$29.34
EXPENSES:				
Labor Hired	\$64.53	\$0.14	\$0.00	\$0.00
General Machinery Repairs	103.22	0.22	33.85	0.08
Interest Paid	337.81	0.73	681.26	1.63
Seed / Other Crop Expense	255.98	0.55	293.28	0.70
Crop Insurance	7.08	0.02	-	-
Fertilizer / Lime	-	-	53.19	0.13
Machine Hire - Lease	86.38	0.19	35.30	0.08
Farm Org Fees / Travel / Publ	94.07	0.20	67.20	0.16
Gas / Fuel / Oil	54.38	0.12	29.94	0.07
Personal Property Tax	52.64	0.11	159.84	0.38
General Farm Insurance	91.38	0.20	119.09	0.28
Utilities	53.08	0.11	48.16	0.11
Cash Farm Rent	50.12	0.11	9.70	0.02
Herbicide / Insecticide	64.68	0.14	11.34	0.03
Conservation	3.83	0.01	-	-
Auto Expense	60.16	0.13	32.80	0.08
TOTAL VARIABLE COSTS	\$1,379.34	\$2.97	\$1,574.95	\$3.76
RETURN ABOVE VARIABLE COSTS	\$13,461.40	\$29.00	\$10,719.37	\$25.58
Depreciation	138.99	0.30	236.17	0.56
Real Estate Tax	593.43	1.28	1,076.61	2.57
Unpaid Operator Labor	343.92	0.74	734.36	1.75
Interest Charge *	10.11	0.02	-	-
TOTAL FIXED COSTS	\$1,086.45	\$2.34	2,047.14	\$4.89
TOTAL EXPENSE	\$2,465.79	\$5.31	\$3,622.09	\$8.64
NET RETURN TO MANAGEMENT	\$12,374.94	\$26.66	\$8,672.23	\$20.70
NET RETURN TO LABOR-MGT	\$12,783.39	\$27.54	\$9,406.59	\$22.45

*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.