

**SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION**  
**PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001**  
**FLOOD IRRIGATED GRAIN SORGHUM**

	1996-2000 Average	2001
Number of Farms	14	6
Crop Acres	129	136
Acres Owned	26	58
Acres Rented	102	78
Yield / Acre	100.3	115.8
Bushels	10,885	14,142
Operator Percentage	84.42%	89.84%
Gross Income / Acre	\$226.89	\$243.52
Variable Costs / Acre	\$186.65	\$200.07
Total Expense / Acre	\$273.10	\$323.01
Gross Income / Bushel	\$2.68	\$2.34
Total Expense / Bushel	\$3.23	\$3.11

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
<b>INCOME:</b>						
Grain Sorghum (Operator's Share)	\$20,418.48	\$1.88	\$158.78	\$24,966.36	\$1.77	\$183.58
Patronage Refunds	703.77	0.06	5.47	828.58	0.06	6.09
Government Payments	7,378.80	0.68	57.38	6,144.34	0.43	45.18
Miscellaneous Income	437.67	0.04	3.40	617.11	0.04	4.54
Crop Insurance Proceeds	239.15	0.02	1.86	562.80	0.04	4.14
OTHER INCOME	\$8,759.40	\$0.80	\$68.11	8,152.83	\$0.58	\$59.95
<b>GROSS INCOME</b>	<b>\$29,177.88</b>	<b>\$2.68</b>	<b>\$226.89</b>	<b>\$33,119.19</b>	<b>\$2.34</b>	<b>\$243.52</b>
<b>EXPENSES:</b>						
Labor Hired	\$1,516.54	\$0.14	\$11.79	\$1,687.88	\$0.12	\$12.41
General Machinery Repairs	3,107.93	0.29	24.17	4,841.45	0.34	35.60
Irrigation Equipment Repairs	1,035.48	0.10	8.05	1,384.84	0.10	10.18
Interest Paid	1,091.20	0.10	8.49	579.28	0.04	4.26
Seed / Other Crop Expense	1,700.04	0.16	13.22	1,123.96	0.08	8.26
Crop Insurance	555.98	0.05	4.32	604.06	0.04	4.44
Fertilizer / Lime	2,800.69	0.26	21.78	3,539.39	0.25	26.02
Machine Hire - Lease	1,740.32	0.16	13.53	1,964.22	0.14	14.44
Farm Org Fees / Travel / Publ	372.31	0.03	2.90	460.61	0.03	3.39
Gas / Fuel / Oil	1,498.02	0.14	11.65	1,729.21	0.12	12.71
Irrigation Fuel - Pumping	2,617.88	0.24	20.36	3,872.40	0.27	28.47
Crop Storage & Marketing	394.67	0.04	3.07	629.97	0.04	4.63
Personal Property Tax	113.25	0.01	0.88	102.38	0.01	0.75
General Farm Insurance	391.64	0.04	3.05	253.33	0.02	1.86
Utilities	546.46	0.05	4.25	473.49	0.03	3.48
Cash Farm Rent	773.55	0.07	6.02	696.91	0.05	5.12
Herbicide / Insecticide	3,620.28	0.33	28.15	3,164.84	0.22	23.27
Conservation	-	-	-	-	-	-
Auto Expense	127.43	0.01	0.99	101.18	0.01	0.74
<b>TOTAL VARIABLE COSTS</b>	<b>\$24,003.69</b>	<b>\$2.21</b>	<b>\$186.65</b>	<b>\$27,209.40</b>	<b>\$1.92</b>	<b>\$200.07</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$5,174.19</b>	<b>\$0.48</b>	<b>\$40.23</b>	<b>\$5,909.79</b>	<b>\$0.42</b>	<b>\$43.45</b>
Depreciation	4,048.02	0.37	31.48	5,399.61	0.38	39.70
Real Estate Tax	311.93	0.03	2.43	473.90	0.03	3.48
Unpaid Operator Labor	3,253.69	0.30	25.30	4,185.00	0.30	30.77
Interest Charge *	1,674.26	0.15	13.02	2,781.16	0.20	20.45
<b>TOTAL FIXED COSTS</b>	<b>\$9,287.91</b>	<b>\$0.85</b>	<b>\$72.22</b>	<b>\$12,839.67</b>	<b>\$0.91</b>	<b>\$94.41</b>
Land Charge **	\$1,829.30	\$0.17	\$14.22	\$3,880.59	\$0.27	\$28.53
<b>TOTAL EXPENSE</b>	<b>\$35,120.90</b>	<b>\$3.23</b>	<b>\$273.10</b>	<b>\$43,929.66</b>	<b>\$3.11</b>	<b>\$323.01</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>(\$5,943.02)</b>	<b>(\$0.55)</b>	<b>(\$46.21)</b>	<b>(\$10,810.47)</b>	<b>(\$0.76)</b>	<b>(\$79.49)</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>(\$1,172.79)</b>	<b>(\$0.11)</b>	<b>(\$9.12)</b>	<b>(\$4,937.59)</b>	<b>(\$0.35)</b>	<b>(\$36.31)</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.