

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
IRRIGATED (ALL) GRAIN SORGHUM

	1996-2000 Average	2001
Number of Farms	28	16
Crop Acres	111	121
Acres Owned	25	34
Acres Rented	85	88
Yield / Acre	98.4	100.9
Bushels	9,022	10,022
Operator Percentage	82.90%	82.08%
Gross Income / Acre	\$219.13	\$202.79
Variable Costs / Acre	\$187.69	\$185.06
Total Expense / Acre	\$269.04	\$266.14
Gross Income / Bushel	\$2.69	\$2.45
Total Expense / Bushel	\$3.30	\$3.21

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$17,061.72	\$1.89	\$154.27	\$18,199.24	\$1.82	\$150.41
Patronage Refunds	457.55	0.05	4.14	426.31	0.04	3.52
Government Payments	5,872.03	0.65	53.09	5,065.15	0.51	41.86
Miscellaneous Income	593.50	0.07	5.37	442.92	0.04	3.66
Crop Insurance Proceeds	251.26	0.03	2.27	403.75	0.04	3.34
OTHER INCOME	\$7,174.34	\$0.80	\$64.87	6,338.13	\$0.63	\$52.38
GROSS INCOME	\$24,236.07	\$2.69	\$219.13	\$24,537.37	\$2.45	\$202.79
EXPENSES:						
Labor Hired	\$1,372.87	\$0.15	\$12.41	\$1,246.95	\$0.12	\$10.31
General Machinery Repairs	2,552.63	0.28	23.08	2,891.80	0.29	23.90
Irrigation Equipment Repairs	1,052.24	0.12	9.51	1,306.78	0.13	10.80
Interest Paid	1,183.13	0.13	10.70	1,199.73	0.12	9.92
Seed / Other Crop Expense	1,452.76	0.16	13.14	975.92	0.10	8.07
Crop Insurance	505.33	0.06	4.57	364.06	0.04	3.01
Fertilizer / Lime	2,442.47	0.27	22.08	3,552.55	0.35	29.36
Machine Hire - Lease	1,498.23	0.17	13.55	1,331.93	0.13	11.01
Farm Org Fees / Travel / Publ	310.50	0.03	2.81	321.93	0.03	2.66
Gas / Fuel / Oil	1,285.74	0.14	11.63	1,275.91	0.13	10.54
Irrigation Fuel - Pumping	2,400.72	0.27	21.71	3,514.43	0.35	29.04
Crop Storage & Marketing	231.15	0.03	2.09	236.24	0.02	1.95
Personal Property Tax	96.52	0.01	0.87	109.23	0.01	0.90
General Farm Insurance	347.66	0.04	3.14	283.65	0.03	2.34
Utilities	508.61	0.06	4.60	377.23	0.04	3.12
Cash Farm Rent	649.31	0.07	5.87	419.08	0.04	3.46
Herbicide / Insecticide	2,732.68	0.30	24.71	2,891.60	0.29	23.90
Conservation	-	-	-	-	-	-
Auto Expense	135.49	0.02	1.23	92.82	0.01	0.77
TOTAL VARIABLE COSTS	\$20,758.02	\$2.30	\$187.69	\$22,391.84	\$2.23	\$185.06
RETURN ABOVE VARIABLE COSTS	\$3,478.04	\$0.39	\$31.45	\$2,145.53	\$0.21	\$17.73
Depreciation	3,203.59	0.36	28.97	3,597.77	0.36	29.73
Real Estate Tax	247.22	0.03	2.24	245.36	0.02	2.03
Unpaid Operator Labor	2,763.34	0.31	24.98	2,531.25	0.25	20.92
Interest Charge *	1,155.24	0.13	10.45	1,295.07	0.13	10.70
TOTAL FIXED COSTS	\$7,369.39	\$0.82	\$66.63	\$7,669.45	\$0.77	\$63.38
Land Charge **	\$1,628.46	\$0.18	\$14.72	\$2,141.20	\$0.21	\$17.70
TOTAL EXPENSE	\$29,755.88	\$3.30	\$269.04	\$32,202.49	\$3.21	\$266.14
NET RETURN TO MANAGEMENT	(\$5,519.81)	(\$0.61)	(\$49.91)	(\$7,665.12)	(\$0.76)	(\$63.35)
NET RETURN TO LABOR-MGT	(\$1,383.61)	(\$0.15)	(\$12.51)	(\$3,886.92)	(\$0.39)	(\$32.12)

*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.