

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

	1996-2000 Average	2001
Number of Farms	77	68
Crop Acres	298	322
Acres Owned	69	73
Acres Rented	229	248
Yield / Acre	62.4	54.6
Bushels	14,626	13,255
Operator Percentage	78.49%	75.46%
Gross Income / Acre	\$127.95	\$112.22
Variable Costs / Acre	\$86.18	\$87.11
Total Expense / Acre	\$121.98	\$125.03
Gross Income / Bushel	\$2.61	\$2.73
Total Expense / Bushel	\$2.49	\$3.04

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$27,407.30	\$1.87	\$91.85	\$23,837.62	\$1.80	\$74.03
Patronage Refunds	394.51	0.03	1.32	421.98	0.03	1.31
Government Payments	9,174.03	0.63	30.74	9,883.49	0.75	30.69
Miscellaneous Income	586.97	0.04	1.97	812.76	0.06	2.52
Crop Insurance Proceeds	616.59	0.04	2.07	1,179.12	0.09	3.66
OTHER INCOME	\$10,772.10	\$0.74	\$36.10	\$12,297.35	\$0.93	\$38.19
GROSS INCOME	\$38,179.40	\$2.61	\$127.95	\$36,134.97	\$2.73	\$112.22
EXPENSES:						
Labor Hired	\$1,770.05	\$0.12	\$5.93	\$2,185.10	\$0.16	\$6.79
General Machinery Repairs	3,699.47	0.25	12.40	3,951.86	0.30	12.27
Interest Paid	2,217.71	0.15	7.43	1,808.60	0.14	5.62
Seed / Other Crop Expense	1,579.12	0.11	5.29	1,309.24	0.10	4.07
Crop Insurance	891.73	0.06	2.99	1,012.20	0.08	3.14
Fertilizer / Lime	3,190.48	0.22	10.69	4,124.62	0.31	12.81
Machine Hire - Lease	3,171.85	0.22	10.63	2,676.29	0.20	8.31
Farm Org Fees / Travel / Publ	405.89	0.03	1.36	477.53	0.04	1.48
Gas / Fuel / Oil	1,930.02	0.13	6.47	2,478.38	0.19	7.70
Crop Storage & Marketing	221.01	0.02	0.74	595.46	0.04	1.85
Personal Property Tax	150.20	0.01	0.50	184.27	0.01	0.57
General Farm Insurance	539.35	0.04	1.81	659.14	0.05	2.05
Utilities	666.69	0.05	2.23	967.25	0.07	3.00
Cash Farm Rent	775.24	0.05	2.60	528.71	0.04	1.64
Herbicide / Insecticide	4,193.99	0.29	14.05	4,772.89	0.36	14.82
Conservation	11.90	0.00	0.04	34.29	0.00	0.11
Auto Expense	302.11	0.02	1.01	283.63	0.02	0.88
TOTAL VARIABLE COSTS	\$25,716.80	\$1.76	\$86.18	\$28,049.46	\$2.12	\$87.11
RETURN ABOVE VARIABLE COSTS	\$12,462.60	\$0.85	\$41.76	\$8,085.51	\$0.61	\$25.11
Depreciation	3,463.38	0.24	11.61	4,175.03	0.31	12.97
Real Estate Tax	396.89	0.03	1.33	557.49	0.04	1.73
Unpaid Operator Labor	3,210.33	0.22	10.76	3,712.50	0.28	11.53
Interest Charge *	589.99	0.04	1.98	1,210.38	0.09	3.76
TOTAL FIXED COSTS	\$7,660.58	\$0.52	\$25.67	9,655.40	\$0.73	\$29.99
Land Charge **	\$3,022.16	\$0.21	\$10.13	\$2,555.54	\$0.19	\$7.94
TOTAL EXPENSE	\$36,399.54	\$2.49	\$121.98	\$40,260.40	\$3.04	\$125.03
NET RETURN TO MANAGEMENT	\$1,779.86	\$0.12	\$5.96	(\$4,125.43)	(\$0.31)	(\$12.81)
NET RETURN TO LABOR-MGT	\$6,760.23	\$0.46	\$22.65	\$1,772.17	\$0.13	\$5.50

*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.