

NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
NONIRRIGATED GRAIN SORGHUM

	1997-2001 Average	2002
Number of Farms	147	107
Crop Acres	231	265
Acres Owned	70	86
Acres Rented	161	179
Yield / Acre	79.6	45.0
Bushels	14,836	9,642
Operator Percentage	80.70%	80.87%
Gross Income / Acre	\$146.77	\$110.92
Variable Costs / Acre	\$107.77	\$91.88
Total Expense / Acre	\$159.90	\$140.27
Gross Income / Bushel	\$2.29	\$3.05
Total Expense / Bushel	\$2.49	\$3.86

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$26,492.34	\$1.79	\$114.69	\$22,796.41	\$2.36	\$86.02
Patronage Refunds	299.92	0.02	1.30	129.49	0.01	0.49
Government Payments	6,388.92	0.43	27.66	2,406.99	0.25	9.08
Miscellaneous Income	138.69	0.01	0.60	117.64	0.01	0.44
Crop Insurance Proceeds	583.24	0.04	2.52	3,942.31	0.41	14.88
OTHER INCOME	\$7,410.77	\$0.50	\$32.08	\$6,596.43	\$0.68	\$24.89
GROSS INCOME	\$33,903.11	\$2.29	\$146.77	\$29,392.84	\$3.05	\$110.92
EXPENSES:						
Labor Hired	\$1,224.26	\$0.08	\$5.30	\$1,129.13	\$0.12	\$4.26
General Machinery Repairs	3,023.46	0.20	13.09	2,723.20	0.28	10.28
Interest Paid	2,385.62	0.16	10.33	2,319.14	0.24	8.75
Seed / Other Crop Expense	1,933.14	0.13	8.37	2,251.97	0.23	8.50
Crop Insurance	730.05	0.05	3.16	709.36	0.07	2.68
Fertilizer / Lime	5,036.50	0.34	21.80	4,791.27	0.50	18.08
Machine Hire - Lease	815.57	0.05	3.53	950.32	0.10	3.59
Farm Org Fees / Travel / Publ	344.61	0.02	1.49	326.08	0.03	1.23
Gas / Fuel / Oil	1,615.79	0.11	6.99	1,670.13	0.17	6.30
Crop Storage & Marketing	139.57	0.01	0.60	85.34	0.01	0.32
Personal Property Tax	139.38	0.01	0.60	170.88	0.02	0.64
General Farm Insurance	553.42	0.04	2.40	564.72	0.06	2.13
Utilities	396.33	0.03	1.72	461.56	0.05	1.74
Cash Farm Rent	1,113.09	0.08	4.82	1,247.14	0.13	4.71
Herbicide / Insecticide	5,192.17	0.35	22.48	4,681.81	0.49	17.67
Conservation	20.61	0.00	0.09	40.90	0.00	0.15
Auto Expense	230.75	0.02	1.00	224.98	0.02	0.85
TOTAL VARIABLE COSTS	\$24,894.32	\$1.68	\$107.77	\$24,347.93	\$2.53	\$91.88
RETURN ABOVE VARIABLE COSTS	\$9,008.79	\$0.61	\$39.00	\$5,044.91	\$0.52	\$19.04
Depreciation	3,181.96	0.21	13.77	3,708.67	0.38	13.99
Real Estate Tax	511.63	0.03	2.21	560.66	0.06	2.12
Unpaid Operator Labor	4,908.33	0.33	21.25	5,215.58	0.54	19.68
Interest Charge *	150.10	0.01	0.65	328.51	0.03	1.24
TOTAL FIXED COSTS	\$8,752.02	\$0.59	\$37.89	\$9,813.42	\$1.02	\$37.03
Land Charge **	\$3,289.53	\$0.22	\$14.24	\$3,008.98	\$0.31	\$11.35
TOTAL EXPENSE	\$36,935.88	\$2.49	\$159.90	\$37,170.33	\$3.86	\$140.27
NET RETURN TO MANAGEMENT	(\$3,032.77)	(\$0.20)	(\$13.13)	(\$7,777.49)	(\$0.81)	(\$29.35)
NET RETURN TO LABOR-MGT	\$3,099.82	\$0.21	\$13.42	(\$1,432.78)	(\$0.15)	(\$5.41)

*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.