

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

	1997-2001 Average	2002
Number of Farms	35	21
Crop Acres	193	275
Acres Owned	59	114
Acres Rented	134	161
Yield / Acre	65.0	6.18
Bushels	9,836	1,310
Operator Percentage	78.53%	77.08%
Gross Income / Acre	\$123.86	\$72.61
Variable Costs / Acre	\$84.69	\$55.07
Total Expense / Acre	\$124.11	\$81.95
Gross Income / Bushel	\$2.43	\$15.24
Total Expense / Bushel	\$2.43	\$17.20

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$16,724.37	\$1.70	\$86.83	\$3,152.84	\$2.41	\$11.46
Patronage Refunds	171.28	0.02	0.89	61.45	0.05	0.22
Government Payments	5,776.65	0.59	29.99	1,776.97	1.36	6.46
Miscellaneous Income	168.57	0.02	0.88	95.71	0.07	0.35
Crop Insurance Proceeds	1,013.74	0.10	5.26	14,879.65	11.36	54.11
OTHER INCOME	\$7,130.24	\$0.72	\$37.02	\$16,813.78	\$12.83	\$61.14
GROSS INCOME	\$23,854.61	\$2.43	\$123.86	\$19,966.62	\$15.24	\$72.61
EXPENSES:						
Labor Hired	\$700.65	\$0.07	\$3.64	\$857.76	\$0.65	\$3.12
General Machinery Repairs	1,870.57	0.19	9.71	1,984.41	1.51	7.22
Interest Paid	1,911.26	0.19	9.92	2,297.38	1.75	8.35
Seed / Other Crop Expense	1,088.97	0.11	5.65	924.95	0.71	3.36
Crop Insurance	600.97	0.06	3.12	988.16	0.75	3.59
Fertilizer / Lime	2,585.27	0.26	13.42	2,200.52	1.68	8.00
Machine Hire - Lease	1,927.56	0.20	10.01	564.08	0.43	2.05
Farm Org Fees / Travel / Publ	318.67	0.03	1.65	268.77	0.21	0.98
Gas / Fuel / Oil	1,369.32	0.14	7.11	1,761.38	1.34	6.41
Crop Storage & Marketing	109.90	0.01	0.57	-	-	-
Personal Property Tax	64.73	0.01	0.34	138.75	0.11	0.50
General Farm Insurance	328.23	0.03	1.70	452.64	0.35	1.65
Utilities	250.82	0.03	1.30	281.48	0.21	1.02
Cash Farm Rent	366.61	0.04	1.90	371.76	0.28	1.35
Herbicide / Insecticide	2,677.15	0.27	13.90	1,901.62	1.45	6.91
Conservation	5.34	0.00	0.03	42.25	0.03	0.15
Auto Expense	135.52	0.01	0.70	107.27	0.08	0.39
TOTAL VARIABLE COSTS	\$16,311.53	\$1.66	\$84.69	\$15,143.18	\$11.56	\$55.07
RETURN ABOVE VARIABLE COSTS	\$7,543.08	\$0.77	\$39.16	\$4,823.44	\$3.68	\$17.54
Depreciation	1,900.03	0.19	9.87	2,618.90	2.00	9.52
Real Estate Tax	354.36	0.04	1.84	434.24	0.33	1.58
Unpaid Operator Labor	3,187.80	0.32	16.55	4,023.21	3.07	14.63
Interest Charge *	24.74	0.00	0.13	-	-	-
TOTAL FIXED COSTS	\$5,466.94	\$0.56	\$28.38	\$7,076.35	\$5.40	\$25.73
Land Charge **	\$2,124.33	\$0.22	\$11.03	\$317.26	\$0.24	\$1.15
TOTAL EXPENSE	\$23,902.79	\$2.43	\$124.11	\$22,536.79	\$17.20	\$81.95
NET RETURN TO MANAGEMENT	(\$48.18)	(\$0.00)	(\$0.25)	(\$2,570.17)	(\$1.96)	(\$9.35)
NET RETURN TO LABOR-MGT	\$3,840.27	\$0.39	\$19.94	\$2,310.80	\$1.76	\$8.40

*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.