

SOUTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 2001 & 2002
NONIRRIGATED ALFALFA

	2001	2002
Number of Farms	6	13
Crop Acres	316	321
Acres Owned	81	55
Acres Rented	234	266
Yield / Acre	3.18	2.67
Tons	831	666
Operator Percentage	82.70%	77.71%
Gross Income / Acre	\$254.97	\$187.63
Variable Costs / Acre	\$93.95	\$101.83
Total Expense / Acre	\$165.50	\$147.59
Gross Income / Ton	\$96.95	\$90.43
Total Expense / Ton	\$62.93	\$71.14

	Total Dollars	\$ / Ton	\$ / Acre	Total Dollars	\$ / Ton	\$ / Acre
INCOME:						
Alfalfa (Operator's Share)	\$77,283.09	\$93.00	\$244.57	\$57,483.55	\$86.31	\$179.08
Patronage Refunds	590.00	0.71	1.87	89.45	0.13	0.28
Government Payments	2,124.22	2.56	6.72	1,484.21	2.23	4.62
Miscellaneous Income	549.82	0.66	1.74	1,095.73	1.65	3.41
Crop Insurance Proceeds	22.40	0.03	0.07	76.59	0.12	0.24
OTHER INCOME	\$3,286.44	\$3.95	\$10.40	\$2,745.98	\$4.12	\$8.55
GROSS INCOME	\$80,569.53	\$96.95	\$254.97	\$60,229.53	\$90.43	\$187.63
EXPENSES:						
Labor Hired	\$1,439.54	\$1.73	\$4.56	\$651.48	\$0.98	\$2.03
General Machinery Repairs	4,294.57	5.17	13.59	4,915.69	7.38	15.31
Interest Paid	2,013.99	2.42	6.37	3,941.51	5.92	12.28
Seed / Other Crop Expense	1,700.83	2.05	5.38	2,124.17	3.19	6.62
Crop Insurance	237.98	0.29	0.75	204.98	0.31	0.64
Fertilizer / Lime	1,370.36	1.65	4.34	1,757.97	2.64	5.48
Machine Hire - Lease	761.71	0.92	2.41	2,809.22	4.22	8.75
Farm Org Fees / Travel / Publ	629.15	0.76	1.99	880.22	1.32	2.74
Gas / Fuel / Oil	2,799.17	3.37	8.86	2,645.54	3.97	8.24
Crop Storage & Marketing	-	-	-	0.61	0.00	0.00
Personal Property Tax	80.93	0.10	0.26	106.39	0.16	0.33
General Farm Insurance	893.45	1.08	2.83	833.42	1.25	2.60
Utilities	1,381.31	1.66	4.37	1,342.61	2.02	4.18
Cash Farm Rent	5,531.88	6.66	17.51	5,798.74	8.71	18.06
Herbicide / Insecticide	5,764.57	6.94	18.24	4,213.26	6.33	13.13
Conservation	-	-	-	-	-	-
Auto Expense	789.88	0.95	2.50	462.41	0.69	1.44
TOTAL VARIABLE COSTS	\$29,689.32	\$35.73	\$93.95	\$32,688.22	\$49.08	\$101.83
RETURN ABOVE VARIABLE COSTS	\$50,880.21	\$61.23	\$161.01	\$27,541.31	\$41.35	\$85.80
Depreciation	4,295.02	5.17	13.59	4,425.12	6.64	13.79
Real Estate Tax	1,067.56	1.28	3.38	779.05	1.17	2.43
Unpaid Operator Labor	9,405.00	11.32	29.76	6,043.85	9.07	18.83
Interest Charge *	1,141.78	1.37	3.61	-	-	-
TOTAL FIXED COSTS	\$15,909.36	\$19.14	\$50.35	\$11,248.02	\$16.89	\$35.04
Land Charge **	\$6,700.04	\$8.06	\$21.20	\$3,441.50	\$5.17	\$10.72
TOTAL EXPENSE	\$52,298.72	\$62.93	\$165.50	\$47,377.74	\$71.14	\$147.59
NET RETURN TO MANAGEMENT	\$28,270.81	\$34.02	\$89.46	\$12,851.79	\$19.30	\$40.04
NET RETURN TO LABOR-MGT	\$39,115.35	\$47.07	\$123.78	\$19,547.12	\$29.35	\$60.89

*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.