

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

	1997-2001 Average	2002
Number of Farms	58	46
Crop Acres	255	263
Acres Owned	50	63
Acres Rented	205	201
Yield / Acre	83.4	82.3
Bushels	16,300	16,990
Operator Percentage	76.64%	78.48%
Gross Income / Acre	\$150.45	\$162.89
Variable Costs / Acre	\$101.90	\$101.22
Total Expense / Acre	\$156.29	\$154.89
Gross Income / Bushel	\$2.35	\$2.52
Total Expense / Bushel	\$2.44	\$2.40

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
<b>INCOME:</b>						
Grain Sorghum (Operator's Share)	\$31,095.48	\$1.91	\$121.94	\$39,977.58	\$2.35	\$152.01
Patronage Refunds	289.31	0.02	1.13	195.34	0.01	0.74
Government Payments	6,731.33	0.41	26.40	2,511.21	0.15	9.55
Miscellaneous Income	27.49	0.00	0.11	15.69	0.00	0.06
Crop Insurance Proceeds	221.61	0.01	0.87	140.46	0.01	0.53
OTHER INCOME	\$7,269.74	\$0.45	\$28.51	\$2,862.70	\$0.17	\$10.88
<b>GROSS INCOME</b>	<b>\$38,365.23</b>	<b>\$2.35</b>	<b>\$150.45</b>	<b>\$42,840.28</b>	<b>\$2.52</b>	<b>\$162.89</b>
<b>EXPENSES:</b>						
Labor Hired	\$745.70	\$0.05	\$2.92	\$825.98	\$0.05	\$3.14
General Machinery Repairs	3,329.56	0.20	13.06	3,369.28	0.20	12.81
Interest Paid	2,302.20	0.14	9.03	2,345.29	0.14	8.92
Seed / Other Crop Expense	2,001.08	0.12	7.85	2,543.03	0.15	9.67
Crop Insurance	513.36	0.03	2.01	727.08	0.04	2.76
Fertilizer / Lime	6,502.07	0.40	25.50	6,791.24	0.40	25.82
Machine Hire - Lease	1,256.34	0.08	4.93	872.06	0.05	3.32
Farm Org Fees / Travel / Publ	379.14	0.02	1.49	306.92	0.02	1.17
Gas / Fuel / Oil	1,735.22	0.11	6.80	1,856.82	0.11	7.06
Crop Storage & Marketing	233.61	0.01	0.92	77.03	0.00	0.29
Personal Property Tax	125.44	0.01	0.49	126.16	0.01	0.48
General Farm Insurance	576.52	0.04	2.26	643.86	0.04	2.45
Utilities	502.31	0.03	1.97	457.67	0.03	1.74
Cash Farm Rent	1,266.20	0.08	4.97	1,085.80	0.06	4.13
Herbicide / Insecticide	4,308.49	0.26	16.90	4,449.87	0.26	16.92
Conservation	22.10	0.00	0.09	16.68	0.00	0.06
Auto Expense	185.45	0.01	0.73	126.25	0.01	0.48
<b>TOTAL VARIABLE COSTS</b>	<b>\$25,984.78</b>	<b>\$1.59</b>	<b>\$101.90</b>	<b>\$26,621.02</b>	<b>\$1.57</b>	<b>\$101.22</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$12,380.44</b>	<b>\$0.76</b>	<b>\$48.55</b>	<b>\$16,219.26</b>	<b>\$0.95</b>	<b>\$61.67</b>
Depreciation	4,451.93	0.27	17.46	4,335.85	0.26	16.49
Real Estate Tax	400.46	0.02	1.57	484.30	0.03	1.84
Unpaid Operator Labor	5,422.86	0.33	21.27	4,491.57	0.26	17.08
Interest Charge *	681.51	0.04	2.67	639.44	0.04	2.43
<b>TOTAL FIXED COSTS</b>	<b>\$10,956.75</b>	<b>\$0.67</b>	<b>\$42.97</b>	<b>\$9,951.16</b>	<b>\$0.59</b>	<b>\$37.84</b>
Land Charge **	\$2,911.15	\$0.18	\$11.42	\$4,163.91	\$0.25	\$15.83
<b>TOTAL EXPENSE</b>	<b>\$39,852.68</b>	<b>\$2.44</b>	<b>\$156.29</b>	<b>\$40,736.09</b>	<b>\$2.40</b>	<b>\$154.89</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>(\$1,487.45)</b>	<b>(\$0.09)</b>	<b>(\$5.83)</b>	<b>\$2,104.19</b>	<b>\$0.12</b>	<b>\$8.00</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>\$4,681.10</b>	<b>\$0.29</b>	<b>\$18.36</b>	<b>\$7,421.74</b>	<b>\$0.44</b>	<b>\$28.22</b>

\*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.