

NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2003
NONIRRIGATED GRAIN SORGHUM

	1998-2002 Average	2003
Number of Farms	135	77
Crop Acres	237	274
Acres Owned	74	64
Acres Rented	163	209
Yield / Acre	72	51
Bushels	13,513	11,233
Operator Percentage	79.64%	80.75%
Gross Income / Acre	\$135.69	\$112.25
Variable Costs / Acre	\$104.28	\$109.47
Total Expense / Acre	\$155.20	\$158.04
Gross Income / Bushel	\$2.38	\$2.74
Total Expense / Bushel	\$2.72	\$3.85

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$23,949.30	\$1.77	\$100.97	\$25,792.33	\$2.30	\$94.13
Patronage Refunds	278.33	0.02	1.17	17.51	0.00	0.06
Government Payments	6,475.95	0.48	27.30	3,224.62	0.29	11.77
Miscellaneous Income	134.14	0.01	0.57	-	-	-
Crop Insurance Proceeds	1,348.34	0.10	5.68	1,722.44	0.15	6.29
OTHER INCOME	\$8,236.76	\$0.61	\$34.72	\$4,964.57	\$0.44	\$18.12
GROSS INCOME	\$32,186.06	\$2.38	\$135.69	\$30,756.90	\$2.74	\$112.25
EXPENSES:						
Labor Hired	\$1,207.09	\$0.09	\$5.09	\$1,261.40	\$0.11	\$4.60
General Machinery Repairs	2,902.23	0.21	12.24	2,665.87	0.24	9.73
Interest Paid	2,388.75	0.18	10.07	1,740.80	0.15	6.35
Seed / Other Crop Expense	2,021.97	0.15	8.52	2,698.16	0.24	9.85
Crop Insurance	731.40	0.05	3.08	1,102.68	0.10	4.02
Fertilizer / Lime	5,010.86	0.37	21.13	7,236.97	0.64	26.41
Machine Hire - Lease	805.66	0.06	3.40	1,095.17	0.10	4.00
Farm Org Fees / Travel / Publ	342.34	0.03	1.44	388.78	0.03	1.42
Gas / Fuel / Oil	1,606.31	0.12	6.77	1,947.50	0.17	7.11
Crop Storage & Marketing	130.03	0.01	0.55	13.60	0.00	0.05
Personal Property Tax	156.85	0.01	0.66	129.56	0.01	0.47
General Farm Insurance	563.67	0.04	2.38	652.79	0.06	2.38
Utilities	414.11	0.03	1.75	453.96	0.04	1.66
Cash Farm Rent	1,112.50	0.08	4.69	1,816.00	0.16	6.63
Herbicide / Insecticide	5,084.37	0.38	21.43	6,689.56	0.60	24.41
Conservation	28.79	0.00	0.12	-	-	-
Auto Expense	227.65	0.02	0.96	103.30	0.01	0.38
TOTAL VARIABLE COSTS	\$24,734.57	\$1.83	\$104.28	\$29,996.10	\$2.67	\$109.47
RETURN ABOVE VARIABLE COSTS	\$7,451.49	\$0.55	\$31.41	\$760.80	\$0.07	\$2.78
Depreciation	3,358.81	0.25	14.16	3,644.75	0.32	13.30
Real Estate Tax	528.24	0.04	2.23	493.86	0.04	1.80
Unpaid Operator Labor	4,935.34	0.37	20.81	5,342.05	0.48	19.50
Interest Charge *	193.99	0.01	0.82	1,225.29	0.11	4.47
TOTAL FIXED COSTS	\$9,016.37	\$0.67	\$38.01	\$10,705.95	\$0.95	\$39.07
Land Charge **	\$3,063.24	\$0.23	\$12.91	\$2,600.28	\$0.23	\$9.49
TOTAL EXPENSE	\$36,814.19	\$2.72	\$155.20	\$43,302.33	\$3.85	\$158.04
NET RETURN TO MANAGEMENT	(\$4,628.13)	(\$0.34)	(\$19.51)	(\$12,545.43)	(\$1.12)	(\$45.79)
NET RETURN TO LABOR-MGT	\$1,514.30	\$0.11	\$6.38	(\$5,941.98)	(\$0.53)	(\$21.69)

*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.