

NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
NONIRRIGATED SORGHUM SILAGE

	1996-2000 Average	2001
Number of Farms	22	8
Crop Acres	38	46
Acres Owned	17	21
Acres Rented	21	25
Yield / Acre	16.02	16.09
Tons	565	740
Operator Percentage	93.27%	99.98%
Gross Income / Acre	\$238.61	\$289.18
Variable Costs / Acre	\$131.17	\$159.12
Total Expense / Acre	\$202.13	\$230.96
Gross Income / Ton	\$15.97	\$17.98
Total Expense / Ton	\$13.53	\$14.36

	Total Dollars	\$ / Ton	\$ / Acre	Total Dollars	\$ / Ton	\$ / Acre
INCOME:						
Silage (Operator's Share)	\$8,113.35	\$14.36	\$214.64	\$12,399.22	\$16.76	\$269.55
Patronage Refunds	35.16	0.06	0.93	29.33	0.04	0.64
Government Payments	813.96	1.44	21.53	838.63	1.13	18.23
Miscellaneous Income	20.32	0.04	0.54	5.28	0.01	0.11
Crop Insurance Proceeds	36.66	0.06	0.97	29.75	0.04	0.65
OTHER INCOME	\$906.10	\$1.60	\$23.97	\$902.99	\$1.22	\$19.63
GROSS INCOME	\$9,019.45	\$15.97	\$238.61	\$13,302.21	\$17.98	\$289.18
EXPENSES:						
Labor Hired	\$194.05	\$0.34	\$5.13	\$173.76	\$0.23	\$3.78
General Machinery Repairs	632.73	1.12	16.74	657.25	0.89	14.29
Interest Paid	612.79	1.08	16.21	428.91	0.58	9.32
Seed / Other Crop Expense	284.88	0.50	7.54	557.63	0.75	12.12
Crop Insurance	46.05	0.08	1.22	7.13	0.01	0.16
Fertilizer / Lime	668.86	1.18	17.69	1,229.50	1.66	26.73
Machine Hire - Lease	1,183.79	2.10	31.32	2,597.42	3.51	56.47
Farm Org Fees / Travel / Publ	60.97	0.11	1.61	72.89	0.10	1.58
Gas / Fuel / Oil	307.89	0.55	8.15	347.20	0.47	7.55
Crop Storage & Marketing	7.02	0.01	0.19	-	-	-
Personal Property Tax	14.04	0.02	0.37	37.48	0.05	0.81
General Farm Insurance	108.23	0.19	2.86	126.53	0.17	2.75
Utilities	68.59	0.12	1.81	164.91	0.22	3.59
Cash Farm Rent	222.37	0.39	5.88	147.81	0.20	3.21
Herbicide / Insecticide	495.11	0.88	13.10	722.38	0.98	15.70
Conservation	6.62	0.01	0.18	-	-	-
Auto Expense	44.17	0.08	1.17	48.94	0.07	1.06
TOTAL VARIABLE COSTS	\$4,958.18	\$8.78	\$131.17	\$7,319.74	\$9.89	\$159.12
RETURN ABOVE VARIABLE COSTS	\$4,061.27	\$7.19	\$107.44	\$5,982.47	\$8.08	\$130.05
Depreciation	432.37	0.77	11.44	480.56	0.65	10.45
Real Estate Tax	117.36	0.21	3.10	55.43	0.07	1.21
Unpaid Operator Labor	840.77	1.49	22.24	1,113.75	1.51	24.21
Interest Charge *	19.82	0.04	0.52	164.05	0.22	3.57
TOTAL FIXED COSTS	\$1,410.32	\$2.50	\$37.31	1,813.79	\$2.45	\$39.43
Land Charge **	\$1,272.17	\$2.25	\$33.66	\$1,490.45	\$2.01	\$32.40
TOTAL EXPENSE	\$7,640.67	\$13.53	\$202.13	\$10,623.98	\$14.36	\$230.96
NET RETURN TO MANAGEMENT	\$1,378.78	\$2.44	\$36.48	\$2,678.23	\$3.62	\$58.22
NET RETURN TO LABOR-MGT	\$2,413.60	\$4.27	\$63.85	\$3,965.74	\$5.36	\$86.21

*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.