

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
NO-TILL NONIRRIGATED GRAIN SORGHUM

	1996-2000 Average	2001
Number of Farms	30	29
Crop Acres	279	308
Acres Owned	72	88
Acres Rented	207	220
Yield / Acre	82.1	72.0
Bushels	17,735	17,880
Operator Percentage	77.30%	80.62%
Gross Income / Acre	\$142.63	\$134.95
Variable Costs / Acre	\$100.78	\$97.55
Total Expense / Acre	\$137.35	\$130.54
Gross Income / Bushel	\$2.25	\$2.32
Total Expense / Bushel	\$2.16	\$2.25

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$30,328.70	\$1.71	\$108.55	\$32,535.95	\$1.82	\$105.64
Patronage Refunds	297.71	0.02	1.07	223.90	0.01	0.73
Government Payments	8,194.10	0.46	29.33	6,604.88	0.37	21.44
Miscellaneous Income	627.22	0.04	2.24	587.00	0.03	1.91
Crop Insurance Proceeds	403.21	0.02	1.44	1,611.57	0.09	5.23
OTHER INCOME	\$9,522.25	\$0.54	\$34.08	\$9,027.35	\$0.50	\$29.31
GROSS INCOME	\$39,850.95	\$2.25	\$142.63	\$41,563.30	\$2.32	\$134.95
EXPENSES:						
Labor Hired	\$869.40	\$0.05	\$3.11	\$709.94	\$0.04	\$2.31
General Machinery Repairs	2,823.70	0.16	10.11	2,886.22	0.16	9.37
Interest Paid	2,324.38	0.13	8.32	2,595.47	0.15	8.43
Seed / Other Crop Expense	1,445.25	0.08	5.17	1,635.18	0.09	5.31
Crop Insurance	989.23	0.06	3.54	769.43	0.04	2.50
Fertilizer / Lime	4,181.19	0.24	14.96	6,148.59	0.34	19.96
Machine Hire - Lease	2,589.40	0.15	9.27	1,713.07	0.10	5.56
Farm Org Fees / Travel / Publ	526.39	0.03	1.88	559.48	0.03	1.82
Gas / Fuel / Oil	1,315.13	0.07	4.71	1,726.12	0.10	5.60
Crop Storage & Marketing	172.77	0.01	0.62	47.46	0.00	0.15
Personal Property Tax	111.66	0.01	0.40	84.99	0.00	0.28
General Farm Insurance	495.31	0.03	1.77	573.05	0.03	1.86
Utilities	454.80	0.03	1.63	458.84	0.03	1.49
Cash Farm Rent	769.66	0.04	2.75	1,435.67	0.08	4.66
Herbicide / Insecticide	8,822.51	0.50	31.58	8,482.79	0.47	27.54
Conservation	35.90	0.00	0.13	11.38	0.00	0.04
Auto Expense	230.77	0.01	0.83	208.78	0.01	0.68
TOTAL VARIABLE COSTS	\$28,157.45	\$1.59	\$100.78	\$30,046.46	\$1.68	\$97.55
RETURN ABOVE VARIABLE COSTS	\$11,693.50	\$0.66	\$41.85	\$11,516.84	\$0.64	\$37.39
Depreciation	2,995.05	0.17	10.72	3,100.27	0.17	10.07
Real Estate Tax	535.80	0.03	1.92	511.19	0.03	1.66
Unpaid Operator Labor	2,646.87	0.15	9.47	2,648.77	0.15	8.60
Interest Charge *	587.23	0.03	2.10	199.40	0.01	0.65
TOTAL FIXED COSTS	\$6,764.95	\$0.38	\$24.21	6,459.63	\$0.36	\$20.97
Land Charge **	\$3,454.14	\$0.19	\$12.36	\$3,700.07	\$0.21	\$12.01
TOTAL EXPENSE	\$38,376.53	\$2.16	\$137.35	\$40,206.16	\$2.25	\$130.54
NET RETURN TO MANAGEMENT	\$1,474.41	\$0.08	\$5.28	\$1,357.14	\$0.08	\$4.41
NET RETURN TO LABOR-MGT	\$4,990.68	\$0.28	\$17.86	\$4,715.85	\$0.26	\$15.31

*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.