

**SOUTHEAST KANSAS FARM MANAGEMENT ASSOCIATION**  
**PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001**  
**NONIRRIGATED GRAIN SORGHUM**

	1996-2000 Average	2001
Number of Farms	60	64
Crop Acres	259	230
Acres Owned	56	42
Acres Rented	203	189
Yield / Acre	86.0	72.6
Bushels	17,175	12,673
Operator Percentage	76.97%	75.92%
Gross Income / Acre	\$162.02	\$131.09
Variable Costs / Acre	\$101.11	\$106.33
Total Expense / Acre	\$156.96	\$157.31
Gross Income / Bushel	\$2.45	\$2.38
Total Expense / Bushel	\$2.37	\$2.86

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
<b>INCOME:</b>						
Grain Sorghum (Operator's Share)	\$35,348.06	\$2.06	\$136.27	\$23,216.26	\$1.83	\$100.94
Patronage Refunds	294.39	0.02	1.13	194.56	0.02	0.85
Government Payments	6,223.90	0.36	23.99	6,136.72	0.48	26.68
Miscellaneous Income	25.80	0.00	0.10	8.44	0.00	0.04
Crop Insurance Proceeds	136.87	0.01	0.53	594.38	0.05	2.58
OTHER INCOME	\$6,680.95	\$0.39	\$25.76	\$6,934.10	\$0.55	\$30.15
<b>GROSS INCOME</b>	<b>\$42,029.02</b>	<b>\$2.45</b>	<b>\$162.02</b>	<b>\$30,150.36</b>	<b>\$2.38</b>	<b>\$131.09</b>
<b>EXPENSES:</b>						
Labor Hired	\$735.07	\$0.04	\$2.83	\$576.82	\$0.05	\$2.51
General Machinery Repairs	3,458.15	0.20	13.33	2,920.04	0.23	12.70
Interest Paid	2,383.94	0.14	9.19	2,345.10	0.19	10.20
Seed / Other Crop Expense	1,918.74	0.11	7.40	1,922.04	0.15	8.36
Crop Insurance	504.77	0.03	1.95	705.01	0.06	3.07
Fertilizer / Lime	6,551.44	0.38	25.26	6,501.29	0.51	28.27
Machine Hire - Lease	1,328.44	0.08	5.12	1,066.38	0.08	4.64
Farm Org Fees / Travel / Publ	392.80	0.02	1.51	331.13	0.03	1.44
Gas / Fuel / Oil	1,706.89	0.10	6.58	1,861.42	0.15	8.09
Crop Storage & Marketing	224.76	0.01	0.87	132.59	0.01	0.58
Personal Property Tax	112.64	0.01	0.43	156.62	0.01	0.68
General Farm Insurance	558.93	0.03	2.15	541.46	0.04	2.35
Utilities	476.32	0.03	1.84	522.20	0.04	2.27
Cash Farm Rent	1,280.61	0.07	4.94	901.76	0.07	3.92
Herbicide / Insecticide	4,395.18	0.26	16.94	3,763.47	0.30	16.36
Conservation	16.59	0.00	0.06	27.58	0.00	0.12
Auto Expense	182.29	0.01	0.70	181.21	0.01	0.79
<b>TOTAL VARIABLE COSTS</b>	<b>\$26,227.55</b>	<b>\$1.53</b>	<b>\$101.11</b>	<b>\$24,456.12</b>	<b>\$1.93</b>	<b>\$106.33</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$15,801.46</b>	<b>\$0.92</b>	<b>\$60.92</b>	<b>\$5,694.24</b>	<b>\$0.45</b>	<b>\$24.76</b>
Depreciation	4,414.21	0.26	17.02	4,080.49	0.32	17.74
Real Estate Tax	413.93	0.02	1.60	383.41	0.03	1.67
Unpaid Operator Labor	5,425.03	0.32	20.91	4,761.70	0.38	20.70
Interest Charge *	753.75	0.04	2.91	428.02	0.03	1.86
<b>TOTAL FIXED COSTS</b>	<b>\$11,006.92</b>	<b>\$0.64</b>	<b>\$42.43</b>	<b>\$9,653.62</b>	<b>\$0.76</b>	<b>\$41.97</b>
Land Charge **	\$3,482.03	\$0.20	\$13.42	\$2,071.89	\$0.16	\$9.01
<b>TOTAL EXPENSE</b>	<b>\$40,716.51</b>	<b>\$2.37</b>	<b>\$156.96</b>	<b>\$36,181.63</b>	<b>\$2.86</b>	<b>\$157.31</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>\$1,312.51</b>	<b>\$0.08</b>	<b>\$5.06</b>	<b>(\$6,031.27)</b>	<b>(\$0.48)</b>	<b>(\$26.22)</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>\$7,472.61</b>	<b>\$0.44</b>	<b>\$28.81</b>	<b>(\$692.75)</b>	<b>(\$0.05)</b>	<b>(\$3.01)</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.