

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2001
SPRINKLER IRRIGATED GRAIN SORGHUM

	1996-2000 Average	2001
Number of Farms	8	6
Crop Acres	103	138
Acres Owned	25	6
Acres Rented	77	132
Yield / Acre	92.6	84.1
Bushels	7,747	7,727
Operator Percentage	81.57%	66.56%
Gross Income / Acre	\$208.78	\$150.45
Variable Costs / Acre	\$193.92	\$160.15
Total Expense / Acre	\$268.05	\$197.29
Gross Income / Bushel	\$2.76	\$2.69
Total Expense / Bushel	\$3.55	\$3.52

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$15,215.79	\$1.96	\$148.30	\$14,168.01	\$1.83	\$102.67
Patronage Refunds	218.26	0.03	2.13	120.37	0.02	0.87
Government Payments	4,949.82	0.64	48.24	5,766.65	0.75	41.79
Miscellaneous Income	697.05	0.09	6.79	488.51	0.06	3.54
Crop Insurance Proceeds	339.55	0.04	3.31	218.68	0.03	1.58
OTHER INCOME	\$6,204.67	\$0.80	\$60.47	6,594.21	\$0.85	\$47.78
GROSS INCOME	\$21,420.46	\$2.76	\$208.78	\$20,762.22	\$2.69	\$150.45
EXPENSES:						
Labor Hired	\$1,164.22	\$0.15	\$11.35	\$590.65	\$0.08	\$4.28
General Machinery Repairs	2,097.89	0.27	20.45	1,913.02	0.25	13.86
Irrigation Equipment Repairs	1,341.12	0.17	13.07	1,078.49	0.14	7.82
Interest Paid	1,553.17	0.20	15.14	1,995.56	0.26	14.46
Seed / Other Crop Expense	1,428.40	0.18	13.92	937.94	0.12	6.80
Crop Insurance	558.07	0.07	5.44	125.60	0.02	0.91
Fertilizer / Lime	2,356.75	0.30	22.97	3,859.69	0.50	27.97
Machine Hire - Lease	1,526.80	0.20	14.88	1,292.02	0.17	9.36
Farm Org Fees / Travel / Publ	285.15	0.04	2.78	246.46	0.03	1.79
Gas / Fuel / Oil	1,123.93	0.15	10.95	653.17	0.08	4.73
Irrigation Fuel - Pumping	2,339.77	0.30	22.80	4,669.86	0.60	33.84
Crop Storage & Marketing	43.73	0.01	0.43	-	-	-
Personal Property Tax	100.69	0.01	0.98	162.31	0.02	1.18
General Farm Insurance	368.72	0.05	3.59	308.64	0.04	2.24
Utilities	502.52	0.06	4.90	398.82	0.05	2.89
Cash Farm Rent	1,027.02	0.13	10.01	420.63	0.05	3.05
Herbicide / Insecticide	1,895.46	0.24	18.47	3,359.63	0.43	24.35
Conservation	-	-	-	-	-	-
Auto Expense	182.53	0.02	1.78	88.36	0.01	0.64
TOTAL VARIABLE COSTS	\$19,895.96	\$2.57	\$193.92	\$22,100.85	\$2.86	\$160.15
RETURN ABOVE VARIABLE COSTS	\$1,524.50	\$0.20	\$14.86	(\$1,338.63)	(\$0.17)	(\$9.70)
Depreciation	2,325.19	0.30	22.66	2,538.51	0.33	18.40
Real Estate Tax	158.07	0.02	1.54	47.90	0.01	0.35
Unpaid Operator Labor	3,267.17	0.42	31.84	1,890.00	0.24	13.70
Interest Charge *	465.54	0.06	4.54	142.81	0.02	1.03
TOTAL FIXED COSTS	\$6,215.98	\$0.80	\$60.58	\$4,619.22	\$0.60	\$33.47
Land Charge **	\$1,389.57	\$0.18	\$13.54	\$506.03	\$0.07	\$3.67
TOTAL EXPENSE	\$27,501.51	\$3.55	\$268.05	\$27,226.10	\$3.52	\$197.29
NET RETURN TO MANAGEMENT	(\$6,081.05)	(\$0.78)	(\$59.27)	(\$6,463.88)	(\$0.84)	(\$46.84)
NET RETURN TO LABOR-MGT	(\$1,649.65)	(\$0.21)	(\$16.08)	(\$3,983.23)	(\$0.52)	(\$28.86)

*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.