

KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
NONIRRIGATED ALFALFA: STATE AVERAGES

	1997-2001 Average	2002
Number of Farms	136	107
Crop Acres	113	130
Acres Owned	36	35
Acres Rented	77	95
Yield / Acre	3.60	2.49
Tons	347	273
Operator Percentage	85.40%	84.34%
Gross Income / Acre	\$224.25	\$182.59
Variable Costs / Acre	\$110.73	\$101.37
Total Expense / Acre	\$184.89	\$162.18
Gross Income / Ton	\$72.94	\$86.95
Total Expense / Ton	\$60.14	\$77.23

	Total Dollars	\$ / Ton	\$ / Acre	Total Dollars	\$ / Ton	\$ / Acre
INCOME:						
Alfalfa (Operator's Share)	\$23,153.50	\$66.65	\$204.90	\$22,506.16	\$82.44	\$173.12
Patronage Refunds	99.53	0.29	0.88	54.66	0.20	0.42
Government Payments	1,865.79	5.37	16.51	1,001.52	3.67	7.70
Miscellaneous Income	217.58	0.63	1.93	164.73	0.60	1.27
Crop Insurance Proceeds	3.38	0.01	0.03	9.31	0.03	0.07
OTHER INCOME	\$2,186.29	\$6.29	\$19.35	\$1,230.22	\$4.51	\$9.46
GROSS INCOME	\$25,339.79	\$72.94	\$224.25	\$23,736.38	\$86.95	\$182.59
EXPENSES:						
Labor Hired	\$1,314.97	\$3.79	\$11.64	\$1,109.30	\$4.06	\$8.53
General Machinery Repairs	2,174.80	6.26	19.25	2,221.37	8.14	17.09
Interest Paid	1,389.53	4.00	12.30	1,467.12	5.37	11.29
Seed / Other Crop Expense	749.95	2.16	6.64	935.79	3.43	7.20
Crop Insurance	21.29	0.06	0.19	40.43	0.15	0.31
Fertilizer / Lime	1,046.51	3.01	9.26	953.71	3.49	7.34
Machine Hire - Lease	1,170.04	3.37	10.35	1,209.70	4.43	9.31
Farm Org Fees / Travel / Publ	240.37	0.69	2.13	308.99	1.13	2.38
Gas / Fuel / Oil	985.91	2.84	8.72	1,056.42	3.87	8.13
Crop Storage & Marketing	132.39	0.38	1.17	42.12	0.15	0.32
Personal Property Tax	63.89	0.18	0.57	78.41	0.29	0.60
General Farm Insurance	339.67	0.98	3.01	323.30	1.18	2.49
Utilities	302.46	0.87	2.68	429.25	1.57	3.30
Cash Farm Rent	1,194.20	3.44	10.57	1,709.13	6.26	13.15
Herbicide / Insecticide	1,247.81	3.59	11.04	1,169.86	4.29	9.00
Conservation	7.09	0.02	0.06	5.98	0.02	0.05
Auto Expense	131.96	0.38	1.17	117.58	0.43	0.90
TOTAL VARIABLE COSTS	\$12,512.85	\$36.02	\$110.73	\$13,178.46	\$48.27	\$101.37
RETURN ABOVE VARIABLE COSTS	\$12,826.94	\$36.92	\$113.51	\$10,557.92	\$38.67	\$81.21
Depreciation	1,871.11	5.39	16.56	2,254.67	8.26	17.34
Real Estate Tax	293.23	0.84	2.59	303.57	1.11	2.34
Unpaid Operator Labor	3,157.14	9.09	27.94	2,857.17	10.47	21.98
Interest Charge *	75.09	0.22	0.66	45.08	0.17	0.35
TOTAL FIXED COSTS	\$5,396.57	\$15.53	\$47.76	\$5,460.49	\$20.00	\$42.00
Land Charge **	\$2,983.01	\$8.59	\$26.40	\$2,444.27	\$8.95	\$18.80
TOTAL EXPENSE	\$20,892.43	\$60.14	\$184.89	\$21,083.22	\$77.23	\$162.18
NET RETURN TO MANAGEMENT	\$4,447.36	\$12.80	\$39.36	\$2,653.16	\$9.72	\$20.41
NET RETURN TO LABOR-MGT	\$8,919.47	\$25.67	\$78.93	\$6,619.63	\$24.25	\$50.92

*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.