

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

	1997-2001 Average	2002
Number of Farms	437	327
Crop Acres	258	298
Acres Owned	61	76
Acres Rented	197	223
Yield / Acre	74.4	49.6
Bushels	14,932	11,586
Operator Percentage	77.70%	78.35%
Gross Income / Acre	\$140.07	\$118.05
Variable Costs / Acre	\$99.88	\$85.82
Total Expense / Acre	\$146.54	\$129.45
Gross Income / Bushel	\$2.42	\$3.04
Total Expense / Bushel	\$2.53	\$3.33

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$26,906.46	\$1.80	\$104.21	\$27,444.31	\$2.37	\$92.10
Patronage Refunds	386.55	0.03	1.50	259.01	0.02	0.87
Government Payments	7,757.26	0.52	30.04	2,986.84	0.26	10.02
Miscellaneous Income	498.01	0.03	1.93	478.51	0.04	1.61
Crop Insurance Proceeds	618.14	0.04	2.39	4,010.76	0.35	13.46
OTHER INCOME	\$9,259.97	\$0.62	\$35.86	\$7,735.12	\$0.67	\$25.96
GROSS INCOME	\$36,166.43	\$2.42	\$140.07	\$35,179.43	\$3.04	\$118.05
EXPENSES:						
Labor Hired	\$1,338.22	\$0.09	\$5.18	\$1,188.59	\$0.10	\$3.99
General Machinery Repairs	3,339.68	0.22	12.93	3,083.94	0.27	10.35
Interest Paid	2,395.40	0.16	9.28	2,395.21	0.21	8.04
Seed / Other Crop Expense	1,959.63	0.13	7.59	2,441.76	0.21	8.19
Crop Insurance	705.57	0.05	2.73	900.51	0.08	3.02
Fertilizer / Lime	5,026.65	0.34	19.47	4,808.04	0.41	16.13
Machine Hire - Lease	1,512.60	0.10	5.86	1,158.66	0.10	3.89
Farm Org Fees / Travel / Publ	398.47	0.03	1.54	411.34	0.04	1.38
Gas / Fuel / Oil	1,774.44	0.12	6.87	1,863.96	0.16	6.25
Crop Storage & Marketing	184.65	0.01	0.72	103.60	0.01	0.35
Personal Property Tax	123.24	0.01	0.48	138.47	0.01	0.46
General Farm Insurance	538.55	0.04	2.09	628.37	0.05	2.11
Utilities	516.70	0.03	2.00	585.11	0.05	1.96
Cash Farm Rent	1,215.64	0.08	4.71	1,271.97	0.11	4.27
Herbicide / Insecticide	4,531.03	0.30	17.55	4,361.28	0.38	14.64
Conservation	19.68	0.00	0.08	35.47	0.00	0.12
Auto Expense	209.17	0.01	0.81	196.87	0.02	0.66
TOTAL VARIABLE COSTS	\$25,789.35	\$1.73	\$99.88	\$25,573.15	\$2.21	\$85.82
RETURN ABOVE VARIABLE COSTS	\$10,377.08	\$0.69	\$40.19	\$9,606.28	\$0.83	\$32.24
Depreciation	3,630.83	0.24	14.06	4,051.94	0.35	13.60
Real Estate Tax	473.26	0.03	1.83	599.06	0.05	2.01
Unpaid Operator Labor	4,850.04	0.32	18.78	5,258.63	0.45	17.65
Interest Charge *	313.82	0.02	1.22	435.80	0.04	1.46
TOTAL FIXED COSTS	\$9,267.96	\$0.62	\$35.89	\$10,345.43	\$0.89	\$34.72
Land Charge **	\$2,778.63	\$0.19	\$10.76	\$2,658.77	\$0.23	\$8.92
TOTAL EXPENSE	\$37,835.94	\$2.53	\$146.54	\$38,577.35	\$3.33	\$129.45
NET RETURN TO MANAGEMENT	(\$1,669.51)	(\$0.11)	(\$6.47)	(\$3,397.92)	(\$0.29)	(\$11.40)
NET RETURN TO LABOR-MGT	\$4,518.75	\$0.30	\$17.50	\$3,049.30	\$0.26	\$10.23

*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.