

NORTHEAST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
NONIRRIGATED BROME HAY

	1997-2001 Average	2002
Number of Farms	14	24
Crop Acres	110	138
Acres Owned	18	29
Acres Rented	93	109
Yield / Acre	2.05	2.35
Tons	218	308
Operator Percentage	96.05%	94.97%
Gross Income / Acre	\$109.94	\$128.89
Variable Costs / Acre	\$72.24	\$74.79
Total Expense / Acre	\$116.77	\$108.31
Gross Income / Ton	\$55.73	\$57.75
Total Expense / Ton	\$59.19	\$48.53

	Total Dollars	\$ / Ton	\$ / Acre	Total Dollars	\$ / Ton	\$ / Acre
INCOME:						
Brome Hay (Operator's Share)	\$10,838.49	\$49.76	\$98.17	\$17,464.10	\$56.70	\$126.55
Patronage Refunds	68.15	0.31	0.62	17.91	0.06	0.13
Government Payments	735.28	3.38	6.66	-	-	-
Miscellaneous Income	495.51	2.28	4.49	304.26	0.99	2.20
Crop Insurance Proceeds	-	-	-	-	-	-
OTHER INCOME	\$1,298.94	\$5.96	\$11.77	\$322.17	\$1.05	\$2.33
GROSS INCOME	\$12,137.43	\$55.73	\$109.94	\$17,786.27	\$57.75	\$128.89
EXPENSES:						
Labor Hired	\$370.88	\$1.70	\$3.36	\$256.12	\$0.83	\$1.86
General Machinery Repairs	1,013.41	4.65	9.18	1,293.87	4.20	9.38
Interest Paid	768.54	3.53	6.96	1,361.89	4.42	9.87
Seed / Other Crop Expense	294.57	1.35	2.67	83.68	0.27	0.61
Crop Insurance	3.31	0.02	0.03	-	-	-
Fertilizer / Lime	1,878.72	8.63	17.02	3,067.40	9.96	22.23
Machine Hire - Lease	515.36	2.37	4.67	802.84	2.61	5.82
Farm Org Fees / Travel / Publ	228.03	1.05	2.07	214.52	0.70	1.55
Gas / Fuel / Oil	452.41	2.08	4.10	629.27	2.04	4.56
Crop Storage & Marketing	3.52	0.02	0.03	90.89	0.30	0.66
Personal Property Tax	120.94	0.56	1.10	100.45	0.33	0.73
General Farm Insurance	310.37	1.43	2.81	292.79	0.95	2.12
Utilities	101.91	0.47	0.92	75.90	0.25	0.55
Cash Farm Rent	1,525.61	7.00	13.82	1,793.80	5.82	13.00
Herbicide / Insecticide	381.41	1.75	3.45	53.65	0.17	0.39
Conservation	1.07	0.00	0.01	203.02	0.66	1.47
Auto Expense	5.58	0.03	0.05	0.43	0.00	0.00
TOTAL VARIABLE COSTS	\$7,975.64	\$36.62	\$72.24	\$10,320.52	\$33.51	\$74.79
RETURN ABOVE VARIABLE COSTS	\$4,161.79	\$19.11	\$37.70	\$7,465.75	\$24.24	\$54.10
Depreciation	1,736.30	7.97	15.73	1,249.52	4.06	9.05
Real Estate Tax	253.27	1.16	2.29	202.64	0.66	1.47
Unpaid Operator Labor	1,912.88	8.78	17.33	1,902.62	6.18	13.79
Interest Charge *	290.95	1.34	2.64	-	-	-
TOTAL FIXED COSTS	\$4,193.40	\$19.25	\$37.98	\$3,354.78	\$10.89	\$24.31
Land Charge **	\$722.37	\$3.32	\$6.54	\$1,271.63	\$4.13	\$9.21
TOTAL EXPENSE	\$12,891.41	\$59.19	\$116.77	\$14,946.93	\$48.53	\$108.31
NET RETURN TO MANAGEMENT	(\$753.98)	(\$3.46)	(\$6.83)	\$2,839.34	\$9.22	\$20.57
NET RETURN TO LABOR-MGT	\$1,529.79	\$7.02	\$13.86	\$4,998.08	\$16.23	\$36.22

*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.