

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

	1997-2001 Average	2002
Number of Farms	47	28
Crop Acres	154	183
Acres Owned	41	48
Acres Rented	113	134
Yield / Acre	90.2	55.1
Busiels	11,276	8,812
Operator Percentage	80.94%	87.34%
Gross Income / Acre	\$173.00	\$141.61
Variable Costs / Acre	\$121.06	\$105.31
Total Expense / Acre	\$191.63	\$164.34
Gross Income / Bushel	\$2.37	\$2.94
Total Expense / Bushel	\$2.62	\$3.41

	Total Dollars	\$ / Busiel	\$ / Acre	Total Dollars	\$ / Busiel	\$ / Acre
<b>INCOME:</b>						
Grain Sorghum (Operator's Share)	\$20,559.38	\$1.82	\$133.16	\$21,900.24	\$2.49	\$119.67
Patronage Refunds	196.17	0.02	1.27	94.21	0.01	0.51
Government Payments	5,230.39	0.46	33.88	2,040.31	0.23	11.15
Miscellaneous Income	609.87	0.05	3.95	331.69	0.04	1.81
Crop Insurance Proceeds	115.79	0.01	0.75	1,547.50	0.18	8.46
OTHER INCOME	\$6,152.22	\$0.55	\$39.85	\$4,013.71	\$0.46	\$21.93
<b>GROSS INCOME</b>	<b>\$26,711.60</b>	<b>\$2.37</b>	<b>\$173.00</b>	<b>\$25,913.95</b>	<b>\$2.94</b>	<b>\$141.61</b>
<b>EXPENSES:</b>						
Labor hired	\$833.49	\$0.07	\$5.40	\$361.17	\$0.04	\$1.97
General Machinery Repairs	2,445.82	0.22	15.84	2,290.40	0.26	12.52
Interest Paid	1,124.46	0.10	7.28	930.89	0.11	5.09
Seed / Other Crop Expense	1,777.74	0.16	11.51	1,875.96	0.21	10.25
Crop Insurance	321.88	0.03	2.08	811.91	0.09	4.44
Fertilizer / Lime	3,974.83	0.35	25.74	4,164.36	0.47	22.76
Machine hire - Lease	683.57	0.06	4.43	760.74	0.09	4.16
Farm Org Fees / Travel / Publications	297.96	0.03	1.93	244.64	0.03	1.34
Gas / Fuel / Oil	1,249.51	0.11	8.09	1,129.48	0.13	6.17
Crop Storage & Marketing	58.36	0.01	0.38	55.46	0.01	0.30
Personal Property Tax	114.99	0.01	0.74	116.04	0.01	0.63
General Farm Insurance	416.30	0.04	2.70	389.40	0.04	2.13
Utilities	259.26	0.02	1.68	226.80	0.03	1.24
Cash Farm Rent	2,209.98	0.20	14.31	2,347.99	0.27	12.83
herbicide / Insecticide	2,868.32	0.25	18.58	3,419.15	0.39	18.68
Conservation	38.89	0.00	0.25	118.09	0.01	0.65
Auto Expense	15.82	0.00	0.10	30.06	0.00	0.16
<b>TOTAL VARIABLE COSTS</b>	<b>\$18,691.18</b>	<b>\$1.66</b>	<b>\$121.06</b>	<b>\$19,272.54</b>	<b>\$2.19</b>	<b>\$105.31</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$8,020.43</b>	<b>\$0.71</b>	<b>\$51.95</b>	<b>\$6,641.41</b>	<b>\$0.75</b>	<b>\$36.29</b>
Depreciation	2,915.80	0.26	18.88	2,957.48	0.34	16.16
Real Estate Tax	339.74	0.03	2.20	478.87	0.05	2.62
Unpaid Operator Labor	4,407.59	0.39	28.55	4,439.09	0.50	24.26
Interest Charge *	930.07	0.08	6.02	1,171.86	0.13	6.40
<b>TOTAL FIXED COSTS</b>	<b>\$8,593.19</b>	<b>\$0.76</b>	<b>\$55.66</b>	<b>\$9,047.30</b>	<b>\$1.03</b>	<b>\$49.44</b>
Land Charge **	\$2,303.75	\$0.20	\$14.92	\$1,754.44	\$0.20	\$9.59
<b>TOTAL EXPENSE</b>	<b>\$29,588.11</b>	<b>\$2.62</b>	<b>\$191.63</b>	<b>\$30,074.28</b>	<b>\$3.41</b>	<b>\$164.34</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>(\$2,876.51)</b>	<b>(\$0.26)</b>	<b>(\$18.63)</b>	<b>(\$4,160.33)</b>	<b>(\$0.47)</b>	<b>(\$22.73)</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>\$2,364.57</b>	<b>\$0.21</b>	<b>\$15.31</b>	<b>\$639.93</b>	<b>\$0.07</b>	<b>\$3.50</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 tie 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.