

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
NO-TILL NONIRRIGATED GRAIN SORGHUM

	1997-2001 Average	2002
Number of Farms	29	42
Crop Acres	296	351
Acres Owned	76	98
Acres Rented	220	254
Yield / Acre	80.4	12.4
Bushels	18,417	3,416
Operator Percentage	77.49%	78.55%
Gross Income / Acre	\$139.42	\$92.61
Variable Costs / Acre	\$99.74	\$75.42
Total Expense / Acre	\$134.01	\$98.56
Gross Income / Bushel	\$2.24	\$9.52
Total Expense / Bushel	\$2.15	\$10.13

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$30,861.70	\$1.68	\$104.40	\$9,518.41	\$2.79	\$27.12
Patronage Refunds	296.58	0.02	1.00	144.64	0.04	0.41
Government Payments	8,713.10	0.47	29.48	3,562.52	1.04	10.15
Miscellaneous Income	662.30	0.04	2.24	315.84	0.09	0.90
Crop Insurance Proceeds	679.65	0.04	2.30	18,964.50	5.55	54.03
OTHER INCOME	\$10,351.64	\$0.56	\$35.02	\$22,987.50	\$6.73	\$65.49
GROSS INCOME	\$41,213.35	\$2.24	\$139.42	\$32,505.91	\$9.52	\$92.61
EXPENSES:						
Labor Hired	\$925.14	\$0.05	\$3.13	\$996.27	\$0.29	\$2.84
General Machinery Repairs	2,839.76	0.15	9.61	2,562.17	0.75	7.30
Interest Paid	2,288.17	0.12	7.74	1,966.95	0.58	5.60
Seed / Other Crop Expense	1,565.74	0.09	5.30	1,720.78	0.50	4.90
Crop Insurance	939.42	0.05	3.18	1,272.26	0.37	3.62
Fertilizer / Lime	4,869.75	0.26	16.47	4,269.78	1.25	12.16
Machine Hire - Lease	2,586.25	0.14	8.75	1,523.82	0.45	4.34
Farm Org Fees / Travel / Publ	555.39	0.03	1.88	526.85	0.15	1.50
Gas / Fuel / Oil	1,352.35	0.07	4.57	1,319.63	0.39	3.76
Crop Storage & Marketing	152.39	0.01	0.52	196.10	0.06	0.56
Personal Property Tax	97.29	0.01	0.33	113.15	0.03	0.32
General Farm Insurance	533.80	0.03	1.81	624.59	0.18	1.78
Utilities	453.18	0.02	1.53	443.07	0.13	1.26
Cash Farm Rent	978.20	0.05	3.31	1,678.33	0.49	4.78
Herbicide / Insecticide	9,102.69	0.49	30.79	6,988.05	2.05	19.91
Conservation	24.42	0.00	0.08	65.76	0.02	0.19
Auto Expense	220.43	0.01	0.75	204.31	0.06	0.58
TOTAL VARIABLE COSTS	\$29,484.36	\$1.60	\$99.74	\$26,471.87	\$7.75	\$75.42
RETURN ABOVE VARIABLE COSTS	\$11,728.99	\$0.64	\$39.68	\$6,034.04	\$1.77	\$17.19
Depreciation	3,077.47	0.17	10.41	3,076.39	0.90	8.76
Real Estate Tax	532.92	0.03	1.80	609.99	0.18	1.74
Unpaid Operator Labor	2,687.06	0.15	9.09	2,738.80	0.80	7.80
Interest Charge *	465.68	0.03	1.58	605.81	0.18	1.73
TOTAL FIXED COSTS	\$6,763.13	\$0.37	\$22.88	\$7,030.99	\$2.06	\$20.03
Land Charge **	\$3,365.67	\$0.18	\$11.39	\$1,092.21	\$0.32	\$3.11
TOTAL EXPENSE	\$39,613.16	\$2.15	\$134.01	\$34,595.07	\$10.13	\$98.56
NET RETURN TO MANAGEMENT	\$1,600.19	\$0.09	\$5.41	(\$2,089.16)	(\$0.61)	(\$5.95)
NET RETURN TO LABOR-MGT	\$5,212.39	\$0.28	\$17.63	\$1,645.91	\$0.48	\$4.69

*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.