

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
FLOOD IRRIGATED GRAIN SORGHUM

	1997-2001 Average	2002
Number of Farms	11	9
Crop Acres	134	103
Acres Owned	38	26
Acres Rented	96	77
Yield / Acre	104.2	103.0
Bushels	12,206	9,057
Operator Percentage	87.43%	85.40%
Gross Income / Acre	\$234.34	\$261.76
Variable Costs / Acre	\$186.91	\$212.66
Total Expense / Acre	\$287.52	\$308.62
Gross Income / Bushel	\$2.57	\$2.98
Total Expense / Bushel	\$3.16	\$3.51

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$21,790.98	\$1.79	\$162.62	\$23,028.43	\$2.54	\$223.58
Patronage Refunds	840.73	0.07	6.27	190.99	0.02	1.85
Government Payments	8,042.59	0.66	60.02	2,627.70	0.29	25.51
Miscellaneous Income	499.16	0.04	3.73	313.51	0.03	3.04
Crop Insurance Proceeds	227.95	0.02	1.70	800.31	0.09	7.77
OTHER INCOME	\$9,610.42	\$0.79	\$71.72	\$3,932.51	\$0.43	\$38.18
GROSS INCOME	\$31,401.40	\$2.57	\$234.34	\$26,960.94	\$2.98	\$261.76
EXPENSES:						
Labor Hired	\$1,653.87	\$0.14	\$12.34	\$2,122.13	\$0.23	\$20.60
General Machinery Repairs	3,661.79	0.30	27.33	2,383.39	0.26	23.14
Irrigation Equipment Repairs	1,208.79	0.10	9.02	489.57	0.05	4.75
Interest Paid	898.09	0.07	6.70	1,026.00	0.11	9.96
Seed / Other Crop Expense	1,603.87	0.13	11.97	1,492.81	0.16	14.49
Crop Insurance	486.54	0.04	3.63	839.54	0.09	8.15
Fertilizer / Lime	3,035.77	0.25	22.66	1,101.09	0.12	10.69
Machine Hire - Lease	1,457.25	0.12	10.87	1,525.20	0.17	14.81
Farm Org Fees / Travel / Publ	418.70	0.03	3.12	285.46	0.03	2.77
Gas / Fuel / Oil	1,579.57	0.13	11.79	1,637.94	0.18	15.90
Irrigation Fuel - Pumping	2,841.81	0.23	21.21	4,191.82	0.46	40.70
Crop Storage & Marketing	495.18	0.04	3.70	20.00	0.00	0.19
Personal Property Tax	119.07	0.01	0.89	95.58	0.01	0.93
General Farm Insurance	351.91	0.03	2.63	403.00	0.04	3.91
Utilities	538.47	0.04	4.02	550.21	0.06	5.34
Cash Farm Rent	770.14	0.06	5.75	770.91	0.09	7.48
Herbicide / Insecticide	3,817.71	0.31	28.49	2,876.08	0.32	27.92
Conservation	-	-	-	-	-	-
Auto Expense	106.90	0.01	0.80	93.10	0.01	0.90
TOTAL VARIABLE COSTS	\$25,045.43	\$2.05	\$186.91	\$21,903.83	\$2.42	\$212.66
RETURN ABOVE VARIABLE COSTS	\$6,355.97	\$0.52	\$47.43	\$5,057.11	\$0.56	\$49.10
Depreciation	4,752.14	0.39	35.46	2,734.38	0.30	26.55
Real Estate Tax	372.86	0.03	2.78	280.31	0.03	2.72
Unpaid Operator Labor	3,637.91	0.30	27.15	3,430.00	0.38	33.30
Interest Charge *	2,125.32	0.17	15.86	1,163.23	0.13	11.29
TOTAL FIXED COSTS	\$10,888.23	\$0.89	\$81.26	\$7,607.92	\$0.84	\$73.86
Land Charge **	\$2,593.65	\$0.21	\$19.36	\$2,275.92	\$0.25	\$22.10
TOTAL EXPENSE	\$38,527.31	\$3.16	\$287.52	\$31,787.67	\$3.51	\$308.62
NET RETURN TO MANAGEMENT	(\$7,125.91)	(\$0.58)	(\$53.18)	(\$4,826.73)	(\$0.53)	(\$46.86)
NET RETURN TO LABOR-MGT	(\$1,834.13)	(\$0.15)	(\$13.69)	\$725.40	\$0.08	\$7.04

*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.