

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

	1997-2001 Average	2002
Number of Farms	21	28
Crop Acres	112	106
Acres Owned	29	29
Acres Rented	83	77
Yield / Acre	98.1	77.8
Bushels	9,220	6,501
Operator Percentage	83.95%	78.83%
Gross Income / Acre	\$214.86	\$204.44
Variable Costs / Acre	\$180.63	\$186.84
Total Expense / Acre	\$268.40	\$260.02
Gross Income / Bushel	\$2.61	\$3.33
Total Expense / Bushel	\$3.26	\$4.24

	Total Dollars	\$ / Bushel	\$ / Acre	Total Dollars	\$ / Bushel	\$ / Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$16,553.77	\$1.80	\$147.80	\$15,440.05	\$2.38	\$145.66
Patronage Refunds	519.62	0.06	4.64	133.13	0.02	1.26
Government Payments	6,266.14	0.68	55.95	2,290.69	0.35	21.61
Miscellaneous Income	567.35	0.06	5.07	401.58	0.06	3.79
Crop Insurance Proceeds	156.92	0.02	1.40	3,404.95	0.52	32.12
OTHER INCOME	\$7,510.03	\$0.81	\$67.05	\$6,230.35	\$0.96	\$58.78
GROSS INCOME	\$24,063.80	\$2.61	\$214.86	\$21,670.40	\$3.33	\$204.44
EXPENSES:						
Labor Hired	\$1,331.10	\$0.14	\$11.88	\$1,088.64	\$0.17	\$10.27
General Machinery Repairs	2,648.82	0.29	23.65	1,943.69	0.30	18.34
Irrigation Equipment Repairs	1,112.22	0.12	9.93	1,113.86	0.17	10.51
Interest Paid	1,032.98	0.11	9.22	1,118.21	0.17	10.55
Seed / Other Crop Expense	1,257.69	0.14	11.23	1,364.67	0.21	12.87
Crop Insurance	387.69	0.04	3.46	755.50	0.12	7.13
Fertilizer / Lime	2,545.37	0.28	22.73	1,696.52	0.26	16.00
Machine Hire - Lease	1,251.45	0.14	11.17	1,280.22	0.20	12.08
Farm Org Fees / Travel / Publ	311.57	0.03	2.78	252.34	0.04	2.38
Gas / Fuel / Oil	1,261.69	0.14	11.27	1,174.23	0.18	11.08
Irrigation Fuel - Pumping	2,496.59	0.27	22.29	3,681.43	0.57	34.73
Crop Storage & Marketing	266.84	0.03	2.38	73.96	0.01	0.70
Personal Property Tax	100.18	0.01	0.89	85.41	0.01	0.81
General Farm Insurance	305.36	0.03	2.73	398.11	0.06	3.76
Utilities	459.32	0.05	4.10	859.49	0.13	8.11
Cash Farm Rent	518.93	0.06	4.63	308.50	0.05	2.91
Herbicide / Insecticide	2,820.43	0.31	25.18	2,408.64	0.37	22.72
Conservation	-	-	-	26.58	0.00	0.25
Auto Expense	122.37	0.01	1.09	174.53	0.03	1.65
TOTAL VARIABLE COSTS	\$20,230.58	\$2.19	\$180.63	\$19,804.53	\$3.05	\$186.84
RETURN ABOVE VARIABLE COSTS	\$3,833.22	\$0.42	\$34.23	\$1,865.87	\$0.29	\$17.60
Depreciation	3,512.49	0.38	31.36	2,230.08	0.34	21.04
Real Estate Tax	259.45	0.03	2.32	340.65	0.05	3.21
Unpaid Operator Labor	2,882.78	0.31	25.74	2,793.21	0.43	26.35
Interest Charge *	1,304.86	0.14	11.65	783.69	0.12	7.39
TOTAL FIXED COSTS	\$7,959.58	\$0.86	\$71.07	\$6,147.63	\$0.95	\$58.00
Land Charge **	\$1,870.68	\$0.20	\$16.70	\$1,609.65	\$0.25	\$15.19
TOTAL EXPENSE	\$30,060.85	\$3.26	\$268.40	\$27,561.81	\$4.24	\$260.02
NET RETURN TO MANAGEMENT	(\$5,997.05)	(\$0.65)	(\$53.55)	(\$5,891.41)	(\$0.91)	(\$55.58)
NET RETURN TO LABOR-MGT	(\$1,783.17)	(\$0.19)	(\$15.92)	(\$2,009.56)	(\$0.31)	(\$18.96)

*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.