

SOUTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2002
SPRINKLER IRRIGATED CORN

	1997-2001 Average	2002
Number of Farms	55	40
Crop Acres	395	405
Acres Owned	68	64
Acres Rented	328	341
Yield / Acre	190.8	185.3
Bushels	57,536	57,248
Operator Percentage	76.25%	76.27%
Gross Income / Acre	\$398.73	\$397.86
Variable Costs / Acre	\$314.61	\$332.78
Total Expense / Acre	\$412.89	\$429.90
Gross Income / Bushel	\$2.74	\$2.81
Total Expense / Bushel	\$2.84	\$3.04

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Corn (Operator's Share)	\$124,449.59	\$2.16	\$314.74	\$140,968.06	\$2.46	\$348.07
Patronage Refunds	799.11	0.01	2.02	620.69	0.01	1.53
Government Payments	27,886.30	0.48	70.53	10,045.73	0.18	24.80
Miscellaneous Income	3,282.85	0.06	8.30	6,397.74	0.11	15.80
Crop Insurance Proceeds	1,240.56	0.02	3.14	3,101.12	0.05	7.66
OTHER INCOME	\$33,208.81	\$0.58	\$83.99	\$20,165.28	\$0.35	\$49.79
GROSS INCOME	\$157,658.41	\$2.74	\$398.73	\$161,133.34	\$2.81	\$397.86
EXPENSES:						
Labor Hired	\$4,792.56	\$0.08	\$12.12	\$5,285.81	\$0.09	\$13.05
General Machinery Repairs	10,666.38	0.19	26.98	11,691.26	0.20	28.87
Irrigation Equipment Repairs	4,958.44	0.09	12.54	5,684.04	0.10	14.03
Interest Paid	6,593.60	0.11	16.68	6,695.45	0.12	16.53
Seed / Other Crop Expense	17,964.67	0.31	45.43	19,359.79	0.34	47.80
Crop Insurance	4,078.80	0.07	10.32	4,646.63	0.08	11.47
Fertilizer / Lime	18,009.45	0.31	45.55	16,350.57	0.29	40.37
Machine Hire - Lease	11,751.82	0.20	29.72	7,665.70	0.13	18.93
Farm Org Fees / Travel / Publ	1,096.68	0.02	2.77	1,277.32	0.02	3.15
Gas / Fuel / Oil	5,117.30	0.09	12.94	6,009.17	0.10	14.84
Irrigation Fuel - Pumping	14,185.62	0.25	35.88	20,773.78	0.36	51.29
Crop Storage & Marketing	682.73	0.01	1.73	802.47	0.01	1.98
Personal Property Tax	492.45	0.01	1.25	370.34	0.01	0.91
General Farm Insurance	1,945.97	0.03	4.92	2,664.13	0.05	6.58
Utilities	2,297.30	0.04	5.81	4,272.46	0.07	10.55
Cash Farm Rent	2,242.09	0.04	5.67	1,823.91	0.03	4.50
Herbicide / Insecticide	16,578.82	0.29	41.93	18,297.60	0.32	45.18
Conservation	4.86	0.00	0.01	-	-	-
Auto Expense	938.89	0.02	2.37	1,104.95	0.02	2.73
TOTAL VARIABLE COSTS	\$124,398.44	\$2.16	\$314.61	\$134,775.38	\$2.35	\$332.78
RETURN ABOVE VARIABLE COSTS	\$33,259.96	\$0.58	\$84.12	\$26,357.96	\$0.46	\$65.08
Depreciation	13,075.33	0.23	33.07	10,840.77	0.19	26.77
Real Estate Tax	699.67	0.01	1.77	767.31	0.01	1.89
Unpaid Operator Labor	10,697.84	0.19	27.06	12,923.47	0.23	31.91
Interest Charge *	5,054.41	0.09	12.78	4,860.12	0.08	12.00
TOTAL FIXED COSTS	\$29,527.25	\$0.51	\$74.68	\$29,391.67	\$0.51	\$72.57
Land Charge **	\$9,332.02	\$0.16	\$23.60	\$9,942.73	\$0.17	\$24.55
TOTAL EXPENSE	\$163,257.71	\$2.84	\$412.89	\$174,109.78	\$3.04	\$429.90
NET RETURN TO MANAGEMENT	(\$5,599.30)	(\$0.10)	(\$14.16)	(\$12,976.44)	(\$0.23)	(\$32.04)
NET RETURN TO LABOR-MGT	\$9,891.11	\$0.17	\$25.02	\$5,232.84	\$0.09	\$12.92

*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.