

NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2004
NONIRRIGATED GRAIN SORGHUM

	1999-2003 Average	2004
Number of Farms	116	77
Crop Acres	247	253
Acres Owned	73	71
Acres Rented	174	182
Yield / Acre	64	106
Bushels	12,588	21,734
Operator Percentage	79.53%	80.75%
Gross Income / Acre	\$129.18	\$182.60
Variable Costs / Acre	\$104.39	\$118.43
Total Expense / Acre	\$154.39	\$176.34
Gross Income / Bushel	\$2.53	\$2.13
Total Expense / Bushel	\$3.03	\$2.05

	Total Dollars	\$/ Bushel	\$/ Acre	Total Dollars	\$/ Bushel	\$/ Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$23,787.47	\$1.89	\$96.31	\$36,760.84	\$1.69	\$145.30
Patronage Refunds	212.57	0.02	0.86	4.89	0.00	0.02
Government Payments	6,079.45	0.48	24.61	9,342.98	0.43	36.93
Miscellaneous Income	136.21	0.01	0.55	-	-	-
Crop Insurance Proceeds	1,692.23	0.13	6.85	89.78	0.00	0.35
OTHER INCOME	\$8,120.46	\$0.65	\$32.88	\$9,437.65	\$0.43	\$37.30
GROSS INCOME	\$31,907.93	\$2.53	\$129.18	\$46,198.49	\$2.13	\$182.60
EXPENSES:						
Labor Hired	\$1,220.29	\$0.10	\$4.94	\$1,230.06	\$0.06	\$4.86
General Machinery Repairs	2,804.95	0.22	11.36	3,189.81	0.15	12.61
Interest Paid	2,222.40	0.18	9.00	2,224.17	0.10	8.79
Seed / Other Crop Expense	2,187.40	0.17	8.86	2,514.19	0.12	9.94
Crop Insurance	788.39	0.06	3.19	1,288.76	0.06	5.09
Fertilizer / Lime	5,529.10	0.44	22.39	6,900.35	0.32	27.27
Machine Hire - Lease	868.93	0.07	3.52	944.13	0.04	3.73
Farm Org Fees / Travel / Publ	333.76	0.03	1.35	377.75	0.02	1.49
Gas / Fuel / Oil	1,723.57	0.14	6.98	2,402.42	0.11	9.50
Crop Storage & Marketing	100.24	0.01	0.41	205.10	0.01	0.81
Personal Property Tax	161.12	0.01	0.65	129.66	0.01	0.51
General Farm Insurance	577.45	0.05	2.34	648.33	0.03	2.56
Utilities	428.29	0.03	1.73	434.15	0.02	1.72
Cash Farm Rent	1,267.57	0.10	5.13	1,399.89	0.06	5.53
Herbicide / Insecticide	5,331.16	0.42	21.58	5,975.65	0.27	23.62
Conservation	35.99	0.00	0.15	2.35	0.00	0.01
Auto Expense	202.55	0.02	0.82	96.11	0.00	0.38
TOTAL VARIABLE COSTS	\$25,783.15	\$2.05	\$104.39	\$29,962.88	\$1.38	\$118.43
RETURN ABOVE VARIABLE COSTS	\$6,124.78	\$0.49	\$24.80	\$16,235.61	\$0.75	\$64.17
Depreciation	3,474.57	0.28	14.07	3,925.10	0.18	15.51
Real Estate Tax	529.16	0.04	2.14	721.26	0.03	2.85
Unpaid Operator Labor	5,017.69	0.40	20.31	4,923.12	0.23	19.46
Interest Charge *	439.04	0.03	1.78	829.63	0.04	3.28
TOTAL FIXED COSTS	\$9,460.47	\$0.75	\$38.30	\$10,399.11	\$0.48	\$41.10
Land Charge **	\$2,889.92	\$0.23	\$11.70	\$4,251.50	\$0.20	\$16.80
TOTAL EXPENSE	\$38,133.53	\$3.03	\$154.39	\$44,613.49	\$2.05	\$176.34
NET RETURN TO MANAGEMENT	(\$6,225.60)	(\$0.49)	(\$25.20)	\$1,585.00	\$0.07	\$6.26
NET RETURN TO LABOR-MGT	\$12.39	\$0.00	\$0.05	\$7,738.18	\$0.36	\$30.59

*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.