

KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2009
IRRIGATED ALFALFA

	2004-2008 Average	2009
Number of Farms	11	8
Crop Acres	140	316
Acres Owned	66	19
Acres Rented	74	297
Yield / Acre	5.71	5.87
Tons (Operator's Share)	755	1,328
Operator Percentage	94.16%	71.59%
Gross Income / Acre	\$494.85	\$443.98
Variable Costs / Acre	\$302.89	\$310.28
Total Expense / Acre	\$451.90	\$394.63
Gross Income / Ton	\$92.07	\$105.65
Total Expense / Ton	\$84.08	\$93.90

	Total Dollars	\$/Ton	\$/Acre	Total Dollars	\$/Ton	\$/Acre
INCOME:						
Alfalfa (Operator's Share)	\$64,748.66	\$85.81	\$461.17	\$138,429.20	\$104.24	\$438.07
Patronage Refunds	\$511.83	\$0.68	\$3.65	\$575.42	\$0.43	\$1.82
Government Payments	3,865.69	5.12	27.53	1,270.97	0.96	4.02
Miscellaneous Income	351.34	0.47	2.50	23.04	0.02	0.07
OTHER INCOME	\$4,728.86	\$6.27	\$33.68	\$1,869.43	\$1.41	\$5.92
GROSS INCOME	\$69,477.52	\$92.07	\$494.85	\$140,298.63	\$105.65	\$443.98
EXPENSES:						
Labor Hired	\$1,288.56	\$1.71	\$9.18	\$18,015.43	\$13.57	\$57.01
General Machinery Repairs	6,247.39	8.28	44.50	5,797.99	4.37	18.35
Irrigation Equipment Repairs	1,863.50	2.47	13.27	5,405.38	4.07	17.11
Interest Paid	4,089.69	5.42	29.13	6,187.73	4.66	19.58
Seed / Other Crop Expense	1,025.48	1.36	7.30	1,939.23	1.46	6.14
Fertilizer / Lime	2,944.54	3.90	20.97	3,166.34	2.38	10.02
Machine Hire - Lease	1,980.30	2.62	14.10	28,403.35	21.39	89.88
Farm Org Fees / Travel / Publ	523.66	0.69	3.73	771.11	0.58	2.44
Gas / Fuel / Oil	3,743.62	4.96	26.66	5,362.40	4.04	16.97
Irrigation Fuel - Pumping	10,834.76	14.36	77.17	14,985.11	11.28	47.42
Crop Storage & Marketing	178.91	0.24	1.27	0.00	0.00	0.00
Personal Property Tax	259.97	0.34	1.85	195.21	0.15	0.62
General Farm Insurance	874.81	1.16	6.23	396.21	0.30	1.25
Utilities	459.53	0.61	3.27	448.31	0.34	1.42
Cash Farm Rent	3,391.11	4.49	24.15	1,591.56	1.20	5.04
Herbicide / Insecticide	2,504.26	3.32	17.84	5,308.00	4.00	16.80
Conservation	35.49	0.05	0.25	13.00	0.01	0.04
Auto Expense	280.07	0.37	1.99	62.66	0.05	0.20
TOTAL VARIABLE COSTS	\$42,525.65	\$56.36	\$302.89	\$98,049.02	\$73.83	\$310.28
RETURN ABOVE VARIABLE COSTS	\$26,951.87	\$35.72	\$191.96	\$42,249.61	\$31.81	\$133.70
Depreciation	\$7,353.62	\$9.75	\$52.38	\$16,063.33	\$12.10	\$50.83
Real Estate Tax	684.13	0.91	4.87	236.32	0.18	0.75
Unpaid Operator Labor	2,551.47	3.38	18.17	3,184.14	2.40	10.08
Interest Charge *	650.82	0.86	4.64	4,464.21	3.36	14.13
TOTAL FIXED COSTS	\$11,240.04	\$14.90	\$80.06	\$23,948.00	\$18.03	\$75.78
Land Charge **	\$9,681.57	\$12.83	\$68.96	\$2,705.88	\$2.04	\$8.56
TOTAL EXPENSE	\$63,447.26	\$84.08	\$451.90	\$124,702.90	\$93.90	\$394.63
NET RETURN TO MANAGEMENT	\$6,030.26	\$7.99	\$42.95	\$15,595.73	\$11.74	\$49.35
NET RETURN TO LABOR-MGT	\$9,870.29	\$13.08	\$70.30	\$36,795.30	\$27.71	\$116.44

*Interest charge equals: ((8.0% times three-fourths the variable costs minus interest paid) 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 20%). 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.