

**NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION  
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2009  
NONIRRIGATED ALFALFA**

	2004-2008 Average	2009
Number of Farms	44	41
Crop Acres	100	95
Acres Owned	34	29
Acres Rented	66	66
Yield / Acre	3.20	3.66
Tons (Operator's Share)	305	332
Operator Percentage	95.12%	95.48%
Gross Income / Acre	\$268.43	\$348.57
Variable Costs / Acre	\$124.46	\$155.66
Total Expense / Acre	\$207.69	\$254.77
Gross Income / Ton	\$88.19	\$99.74
Total Expense / Ton	\$68.23	\$72.90

	Total Dollars	\$/Ton	\$/Acre	Total Dollars	\$/Ton	\$/Acre
<b>INCOME:</b>						
Alfalfa (Operator's Share)	\$25,603.73	\$83.95	\$255.53	\$31,968.70	\$96.29	\$336.51
Patronage Refunds	\$6.90	\$0.02	\$0.07	\$13.60	\$0.04	\$0.14
Government Payments	1,283.80	4.21	12.81	1,131.86	3.41	11.91
Miscellaneous Income	2.63	0.01	0.03	0.00	0.00	0.00
OTHER INCOME	\$1,293.33	\$4.24	\$12.91	\$1,145.46	\$3.45	\$12.06
<b>GROSS INCOME</b>	<b>\$26,897.07</b>	<b>\$88.19</b>	<b>\$268.43</b>	<b>\$33,114.16</b>	<b>\$99.74</b>	<b>\$348.57</b>
<b>EXPENSES:</b>						
Labor Hired	\$703.11	\$2.31	\$7.02	\$959.29	\$2.89	\$10.10
General Machinery Repairs	1,797.26	5.89	17.94	2,493.43	7.51	26.25
Interest Paid	1,383.07	4.53	13.80	1,275.00	3.84	13.42
Seed / Other Crop Expense	718.26	2.35	7.17	1,105.43	3.33	11.64
Fertilizer / Lime	1,096.67	3.60	10.94	1,635.23	4.93	17.21
Machine Hire - Lease	1,493.60	4.90	14.91	1,587.94	4.78	16.72
Farm Org Fees / Travel / Publ	183.33	0.60	1.83	152.95	0.46	1.61
Gas / Fuel / Oil	1,553.61	5.09	15.51	1,124.16	3.39	11.83
Crop Storage & Marketing	66.71	0.22	0.67	0.00	0.00	0.00
Personal Property Tax	59.82	0.20	0.60	99.31	0.30	1.05
General Farm Insurance	318.10	1.04	3.17	338.99	1.02	3.57
Utilities	300.60	0.99	3.00	226.49	0.68	2.38
Cash Farm Rent	1,517.29	4.97	15.14	2,386.12	7.19	25.12
Herbicide / Insecticide	1,153.28	3.78	11.51	1,229.49	3.70	12.94
Conservation	6.23	0.02	0.06	7.14	0.02	0.08
Auto Expense	119.91	0.39	1.20	167.13	0.50	1.76
<b>TOTAL VARIABLE COSTS</b>	<b>\$12,470.85</b>	<b>\$40.89</b>	<b>\$124.46</b>	<b>\$14,788.10</b>	<b>\$44.54</b>	<b>\$155.66</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$14,426.21</b>	<b>\$47.30</b>	<b>\$143.97</b>	<b>\$18,326.06</b>	<b>\$55.20</b>	<b>\$192.91</b>
Depreciation	\$2,144.14	\$7.03	\$21.40	\$2,638.61	\$7.95	\$27.77
Real Estate Tax	322.80	1.06	3.22	355.46	1.07	3.74
Unpaid Operator Labor	2,798.52	9.18	27.93	3,387.20	10.20	35.65
Interest Charge *	57.44	0.19	0.57	380.14	1.15	4.00
<b>TOTAL FIXED COSTS</b>	<b>\$5,322.90</b>	<b>\$17.45</b>	<b>\$53.12</b>	<b>\$6,761.41</b>	<b>\$20.37</b>	<b>\$71.17</b>
Land Charge **	\$3,016.65	\$9.89	\$30.11	\$2,653.75	\$7.99	\$27.93
<b>TOTAL EXPENSE</b>	<b>\$20,810.41</b>	<b>\$68.23</b>	<b>\$207.69</b>	<b>\$24,203.26</b>	<b>\$72.90</b>	<b>\$254.77</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>\$6,086.66</b>	<b>\$19.96</b>	<b>\$60.75</b>	<b>\$8,910.90</b>	<b>\$26.84</b>	<b>\$93.80</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>\$9,588.29</b>	<b>\$31.44</b>	<b>\$95.69</b>	<b>\$13,257.39</b>	<b>\$39.93</b>	<b>\$139.55</b>

\*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 25%). 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.