

NORTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2009
NO-TILL NONIRRIGATED GRAIN SORGHUM

	2004-2008 Average	2009
Number of Farms	31	37
Crop Acres	326	332
Acres Owned	71	67
Acres Rented	254	265
Yield / Acre	92	108
Bushels (Operator's Share)	25,230	29,327
Operator Percentage	83.99%	82.06%
Gross Income / Acre	\$240.54	\$302.79
Variable Costs / Acre	\$154.59	\$195.35
Total Expense / Acre	\$214.94	\$272.84
Gross Income / Bushel	\$3.10	\$3.43
Total Expense / Bushel	\$2.77	\$3.09

	Total Dollars	\$/Bushel	\$/Acre	Total Dollars	\$/Bushel	\$/Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$70,369.32	\$2.79	\$216.12	\$95,078.97	\$3.24	\$286.38
Patronage Refunds	\$193.16	\$0.01	\$0.59	\$795.18	\$0.03	\$2.40
Government Payments	7,172.55	0.28	22.03	3,991.83	0.14	12.02
Miscellaneous Income	172.87	0.01	0.53	599.41	0.02	1.81
Crop Insurance Proceeds	420.36	0.02	1.29	59.32	0.00	0.18
Crop Futures	(8.52)	(0.00)	(0.03)	0.00	0.00	0.00
OTHER INCOME	\$7,950.42	\$0.32	\$24.42	\$5,445.74	\$0.19	\$16.40
GROSS INCOME	\$78,319.74	\$3.10	\$240.54	\$100,524.71	\$3.43	\$302.79
EXPENSES:						
Labor Hired	\$1,929.93	\$0.08	\$5.93	\$2,797.91	\$0.10	\$8.43
General Machinery Repairs	4,867.18	0.19	14.95	7,083.60	0.24	21.34
Interest Paid	2,835.34	0.11	8.71	3,046.31	0.10	9.18
Seed / Other Crop Expense	4,024.09	0.16	12.36	4,048.78	0.14	12.20
Crop Insurance	2,678.00	0.11	8.22	4,044.68	0.14	12.18
Fertilizer / Lime	12,964.29	0.51	39.82	17,306.53	0.59	52.13
Machine Hire - Lease	1,479.60	0.06	4.54	2,009.63	0.07	6.05
Farm Org Fees / Travel / Publ	512.16	0.02	1.57	624.56	0.02	1.88
Gas / Fuel / Oil	3,400.24	0.13	10.44	3,424.87	0.12	10.32
Crop Storage & Marketing	217.70	0.01	0.67	980.46	0.03	2.95
Personal Property Tax	212.21	0.01	0.65	275.94	0.01	0.83
General Farm Insurance	919.66	0.04	2.82	1,046.93	0.04	3.15
Utilities	654.28	0.03	2.01	686.48	0.02	2.07
Cash Farm Rent	3,953.51	0.16	12.14	4,701.96	0.16	14.16
Herbicide / Insecticide	9,406.00	0.37	28.89	12,518.30	0.43	37.71
Conservation	48.67	0.00	0.15	65.27	0.00	0.20
Auto Expense	231.17	0.01	0.71	195.09	0.01	0.59
TOTAL VARIABLE COSTS	\$50,334.01	\$2.00	\$154.59	\$64,857.30	\$2.21	\$195.35
RETURN ABOVE VARIABLE COSTS	\$27,985.73	\$1.11	\$85.95	\$35,667.41	\$1.22	\$107.43
Depreciation	\$4,692.63	\$0.19	\$14.41	\$6,578.96	\$0.22	\$19.82
Real Estate Tax	769.94	0.03	2.36	\$841.00	0.03	2.53
Unpaid Operator Labor	6,967.86	0.28	21.40	\$9,610.37	0.33	28.95
Interest Charge *	1,542.75	0.06	4.74	\$2,767.62	0.09	8.34
TOTAL FIXED COSTS	\$13,973.18	\$0.55	\$42.92	\$19,797.95	\$0.68	\$59.63
Land Charge **	\$5,676.27	\$0.22	\$17.43	\$5,928.22	\$0.20	\$17.86
TOTAL EXPENSE	\$69,983.46	\$2.77	\$214.94	\$90,583.47	\$3.09	\$272.84
NET RETURN TO MANAGEMENT	\$8,336.28	\$0.33	\$25.60	\$9,941.24	\$0.34	\$29.94
NET RETURN TO LABOR-MGT	\$17,234.07	\$0.68	\$52.93	\$22,349.52	\$0.76	\$67.32

*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.