

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

	2004-2008 Average	2009
Number of Farms	12	26
Crop Acres	54	56
Acres Owned	17	25
Acres Rented	36	31
Yield / Acre	3.83	4.55
Tons (Operator's Share)	181	247
Operator Percentage	88.36%	96.94%
Gross Income / Acre	\$354.55	\$460.61
Variable Costs / Acre	\$137.84	\$195.73
Total Expense / Acre	\$259.36	\$356.00
Gross Income / Ton	\$104.76	\$104.43
Total Expense / Ton	\$76.64	\$80.71

	Total Dollars	\$/Ton	\$/Acre	Total Dollars	\$/Ton	\$/Acre
<b>INCOME:</b>						
Alfalfa (Operator's Share)	\$18,730.56	\$103.26	\$349.45	\$25,563.77	\$103.50	\$456.50
Patronage Refunds	\$121.60	\$0.67	\$2.27	\$84.67	\$0.34	\$1.51
Government Payments	5.81	0.03	0.11	41.52	0.17	0.74
Miscellaneous Income	146.07	0.81	2.73	104.09	0.42	1.86
OTHER INCOME	\$273.48	\$1.51	\$5.10	\$230.28	\$0.93	\$4.11
<b>GROSS INCOME</b>	<b>\$19,004.03</b>	<b>\$104.76</b>	<b>\$354.55</b>	<b>\$25,794.05</b>	<b>\$104.43</b>	<b>\$460.61</b>
<b>EXPENSES:</b>						
Labor Hired	\$638.73	\$3.52	\$11.92	\$639.35	\$2.59	\$11.42
General Machinery Repairs	1,395.01	7.69	26.03	2,323.23	9.41	41.49
Interest Paid	427.58	2.36	7.98	1,027.79	4.16	18.35
Seed / Other Crop Expense	606.78	3.34	11.32	373.52	1.51	6.67
Fertilizer / Lime	1,023.20	5.64	19.09	2,207.88	8.94	39.43
Machine Hire - Lease	555.50	3.06	10.36	617.18	2.50	11.02
Farm Org Fees / Travel / Publ	145.93	0.80	2.72	154.75	0.63	2.76
Gas / Fuel / Oil	941.20	5.19	17.56	828.10	3.35	14.79
Crop Storage & Marketing	232.18	1.28	4.33	142.66	0.58	2.55
Personal Property Tax	61.74	0.34	1.15	101.01	0.41	1.80
General Farm Insurance	295.02	1.63	5.50	323.75	1.31	5.78
Utilities	120.39	0.66	2.25	251.87	1.02	4.50
Cash Farm Rent	521.28	2.87	9.73	751.16	3.04	13.41
Herbicide / Insecticide	392.10	2.16	7.32	1,052.05	4.26	18.79
Conservation	22.15	0.12	0.41	145.34	0.59	2.60
Auto Expense	9.67	0.05	0.18	21.41	0.09	0.38
<b>TOTAL VARIABLE COSTS</b>	<b>\$7,388.44</b>	<b>\$40.73</b>	<b>\$137.84</b>	<b>\$10,961.05</b>	<b>\$44.38</b>	<b>\$195.73</b>
<b>RETURN ABOVE VARIABLE COSTS</b>	<b>\$11,615.59</b>	<b>\$64.03</b>	<b>\$216.71</b>	<b>\$14,833.00</b>	<b>\$60.05</b>	<b>\$264.88</b>
Depreciation	\$1,014.05	\$5.59	\$18.92	\$1,874.47	\$7.59	\$33.47
Real Estate Tax	233.25	1.29	4.35	292.09	1.18	5.22
Unpaid Operator Labor	2,747.58	15.15	51.26	3,624.71	14.67	64.73
Interest Charge *	314.57	1.73	5.87	168.04	0.68	3.00
<b>TOTAL FIXED COSTS</b>	<b>\$4,309.44</b>	<b>\$23.76</b>	<b>\$80.40</b>	<b>\$5,959.31</b>	<b>\$24.13</b>	<b>\$106.42</b>
Land Charge **	\$2,203.91	\$12.15	\$41.12	\$3,015.69	\$12.21	\$53.85
<b>TOTAL EXPENSE</b>	<b>\$13,901.80</b>	<b>\$76.64</b>	<b>\$259.36</b>	<b>\$19,936.05</b>	<b>\$80.71</b>	<b>\$356.00</b>
<b>NET RETURN TO MANAGEMENT</b>	<b>\$5,102.24</b>	<b>\$28.13</b>	<b>\$95.19</b>	<b>\$5,858.00</b>	<b>\$23.72</b>	<b>\$104.61</b>
<b>NET RETURN TO LABOR-MGT</b>	<b>\$8,488.54</b>	<b>\$46.79</b>	<b>\$158.37</b>	<b>\$10,122.06</b>	<b>\$40.98</b>	<b>\$180.75</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.