

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

	2004-2008 Average			2009		
Number of Farms	-			10		
Crop Acres	-			180		
Acres Owned	-			47		
Acres Rented	-			133		
Yield / Acre	-			1.25		
Tons (Operator's Share)	-			218		
Operator Percentage	-			96.89%		
Gross Income / Acre	-			\$51.05		
Variable Costs / Acre	-			\$47.46		
Total Expense / Acre	-			\$115.31		
Gross Income / Ton	-			\$42.15		
Total Expense / Ton	-			\$95.21		
	Total Dollars	\$/Ton	\$/Acre	Total Dollars	\$/Ton	\$/Acre
INCOME:						
Prairie Hay (Operator's Share)	-	-	-	\$8,729.75	\$40.04	\$48.50
Patronage Refunds	-	-	-	\$74.92	\$0.34	\$0.42
Government Payments	-	-	-	0.00	0.00	0.00
Miscellaneous Income	-	-	-	384.94	1.77	2.14
OTHER INCOME	-	-	-	\$459.86	\$2.11	\$2.55
GROSS INCOME	-	-	-	\$9,189.61	\$42.15	\$51.05
EXPENSES:						
Labor Hired	-	-	-	\$681.60	\$3.13	\$3.79
General Machinery Repairs	-	-	-	2,382.83	10.93	13.24
Interest Paid	-	-	-	1,048.18	4.81	5.82
Seed / Other Crop Expense	-	-	-	190.16	0.87	1.06
Fertilizer / Lime	-	-	-	0.00	0.00	0.00
Machine Hire - Lease	-	-	-	325.83	1.49	1.81
Farm Org Fees / Travel / Publ	-	-	-	181.07	0.83	1.01
Gas / Fuel / Oil	-	-	-	1,889.07	8.67	10.49
Crop Storage & Marketing	-	-	-	0.00	0.00	0.00
Personal Property Tax	-	-	-	187.69	0.86	1.04
General Farm Insurance	-	-	-	404.71	1.86	2.25
Utilities	-	-	-	100.07	0.46	0.56
Cash Farm Rent	-	-	-	1,136.02	5.21	6.31
Herbicide / Insecticide	-	-	-	10.26	0.05	0.06
Conservation	-	-	-	0.00	0.00	0.00
Auto Expense	-	-	-	4.56	0.02	0.03
TOTAL VARIABLE COSTS	-	-	-	\$8,542.05	\$39.18	\$47.46
RETURN ABOVE VARIABLE COSTS	-	-	-	\$647.56	\$2.97	\$3.60
Depreciation	-	-	-	\$4,425.95	\$20.30	\$24.59
Real Estate Tax	-	-	-	205.27	0.94	1.14
Unpaid Operator Labor	-	-	-	6,068.42	27.84	33.71
Interest Charge *	-	-	-	817.76	3.75	4.54
TOTAL FIXED COSTS	-	-	-	\$11,517.40	\$52.83	\$63.99
Land Charge **	-	-	-	\$695.78	\$3.19	\$3.87
TOTAL EXPENSE	-	-	-	\$20,755.23	\$95.21	\$115.31
NET RETURN TO MANAGEMENT	-	-	-	(\$11,565.62)	(\$53.05)	(\$64.25)
NET RETURN TO LABOR-MGT	-	-	-	(\$4,815.60)	(\$22.09)	(\$26.75)

*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 management is not included in the expenses.