

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

	2004-2008 Average	2009
Number of Farms	55	77
Crop Acres	387	523
Acres Owned	125	169
Acres Rented	262	354
Yield / Acre	63	75
Bushels (Operator's Share)	20,775	33,178
Operator Percentage	85.82%	84.47%
Gross Income / Acre	\$200.53	\$224.08
Variable Costs / Acre	\$129.42	\$176.68
Total Expense / Acre	\$173.76	\$235.32
Gross Income / Bushel	\$3.74	\$3.53
Total Expense / Bushel	\$3.24	\$3.71

	Total Dollars	\$/Bushel	\$/Acre	Total Dollars	\$/Bushel	\$/Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$61,065.46	\$2.94	\$157.79	\$103,845.91	\$3.13	\$198.56
Patronage Refunds	\$703.98	\$0.03	\$1.82	\$2,590.69	\$0.08	\$4.95
Government Payments	8,070.41	0.39	20.85	6,929.81	0.21	13.25
Miscellaneous Income	224.22	0.01	0.58	374.54	0.01	0.72
Crop Insurance Proceeds	7,315.22	0.35	18.90	3,583.12	0.11	6.85
Crop Futures	227.70	0.01	0.59	(130.22)	(0.00)	(0.25)
OTHER INCOME	\$16,541.53	\$0.80	\$42.74	\$13,347.94	\$0.40	\$25.52
GROSS INCOME	\$77,606.99	\$3.74	\$200.53	\$117,193.85	\$3.53	\$224.08
EXPENSES:						
Labor Hired	\$2,275.71	\$0.11	\$5.88	\$3,230.90	\$0.10	\$6.18
General Machinery Repairs	3,967.98	0.19	10.25	7,660.59	0.23	14.65
Interest Paid	3,378.07	0.16	8.73	5,445.10	0.16	10.41
Seed / Other Crop Expense	2,637.56	0.13	6.82	5,509.06	0.17	10.53
Crop Insurance	4,210.13	0.20	10.88	7,544.82	0.23	14.43
Fertilizer / Lime	8,747.65	0.42	22.60	23,041.91	0.69	44.06
Machine Hire - Lease	4,168.86	0.20	10.77	7,642.99	0.23	14.61
Farm Org Fees / Travel / Publ	698.03	0.03	1.80	940.88	0.03	1.80
Gas / Fuel / Oil	4,042.53	0.19	10.45	4,854.02	0.15	9.28
Crop Storage & Marketing	178.76	0.01	0.46	99.44	0.00	0.19
Personal Property Tax	163.50	0.01	0.42	392.22	0.01	0.75
General Farm Insurance	811.52	0.04	2.10	1,188.65	0.04	2.27
Utilities	328.24	0.02	0.85	392.89	0.01	0.75
Cash Farm Rent	1,969.96	0.09	5.09	3,753.79	0.11	7.18
Herbicide / Insecticide	12,283.56	0.59	31.74	20,495.69	0.62	39.19
Conservation	74.49	0.00	0.19	83.61	0.00	0.16
Auto Expense	148.32	0.01	0.38	129.47	0.00	0.25
TOTAL VARIABLE COSTS	\$50,084.86	\$2.41	\$129.42	\$92,406.03	\$2.79	\$176.68
RETURN ABOVE VARIABLE COSTS	\$27,522.13	\$1.32	\$71.12	\$24,787.82	\$0.75	\$47.40
Depreciation	\$4,464.54	\$0.21	\$11.54	\$8,325.28	\$0.25	\$15.92
Real Estate Tax	673.12	0.03	1.74	675.44	0.02	1.29
Unpaid Operator Labor	4,479.40	0.22	11.57	9,289.95	0.28	17.76
Interest Charge *	914.96	0.04	2.36	2,436.65	0.07	4.66
TOTAL FIXED COSTS	\$10,532.03	\$0.51	\$27.21	\$20,727.32	\$0.62	\$39.63
Land Charge **	\$6,628.38	\$0.32	\$17.13	\$9,941.27	\$0.30	\$19.01
TOTAL EXPENSE	\$67,245.27	\$3.24	\$173.76	\$123,074.62	\$3.71	\$235.32
NET RETURN TO MANAGEMENT	\$10,361.72	\$0.50	\$26.77	(\$5,880.77)	(\$0.18)	(\$11.24)
NET RETURN TO LABOR-MGT	\$17,116.83	\$0.82	\$44.23	\$6,640.08	\$0.20	\$12.70

*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.