

NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 3-YEAR AVERAGE & 2009
NO-TILL NONIRRIGATED SORGHUM SILAGE

	2006-2008	2009
Number of Farms	5	7
Crop Acres	74	134
Acres Owned	44	99
Acres Rented	31	35
Yield / Acre	14.7	19.7
Tons (Operator's Share)	988	2,633
Operator Percentage	91%	100%
Gross Income / Acre	\$309.74	\$431.30
Variable Costs / Acre	\$211.56	\$279.54
Total Expense / Acre	\$300.68	\$407.10
Gross Income / Ton	\$23.19	\$21.95
Total Expense / Ton	\$22.51	\$20.72

	Total Dollars	\$/Ton	\$/Acre	Total Dollars	\$/Ton	\$/Acre
INCOME:						
Silage (Operator's Share)	\$19,701.60	\$19.93	\$266.24	\$54,568.17	\$20.72	\$407.23
Patronage Refunds	\$239.24	\$0.24	\$3.23	\$1,731.97	\$0.66	\$12.93
Government Payments	1,336.95	1.35	18.07	1,373.00	0.52	10.25
Miscellaneous Income	1,642.68	1.66	22.20	121.56	0.05	0.91
OTHER INCOME	\$3,218.86	\$3.26	\$43.50	\$3,226.53	\$1.23	\$24.08
GROSS INCOME	\$22,920.46	\$23.19	\$309.74	\$57,794.70	\$21.95	\$431.30
EXPENSES:						
Labor Hired	\$439.18	\$0.44	\$5.93	\$2,558.68	\$0.97	\$19.09
General Machinery Repairs	1,617.18	1.64	21.85	11,710.61	4.45	87.39
Interest Paid	1,295.10	1.31	17.50	4,723.12	1.79	35.25
Seed / Other Crop Expense	821.47	0.83	11.10	1,622.53	0.62	12.11
Fertilizer / Lime	1,314.94	1.33	17.77	5,427.98	2.06	40.51
Machine Hire - Lease	5,428.44	5.49	73.36	3,929.96	1.49	29.33
Farm Org Fees / Travel / Publ	188.34	0.19	2.55	456.04	0.17	3.40
Gas / Fuel / Oil	1,100.33	1.11	14.87	2,112.75	0.80	15.77
Crop Storage & Marketing	115.23	0.12	1.56	0.00	0.00	0.00
Personal Property Tax	41.69	0.04	0.56	242.50	0.09	1.81
General Farm Insurance	298.76	0.30	4.04	859.51	0.33	6.41
Utilities	185.18	0.19	2.50	283.52	0.11	2.12
Cash Farm Rent	278.60	0.28	3.76	454.93	0.17	3.40
Herbicide / Insecticide	2,489.55	2.52	33.64	3,062.30	1.16	22.85
Conservation	2.29	0.00	0.03	1.32	0.00	0.01
Auto Expense	39.47	0.04	0.53	12.07	0.00	0.09
TOTAL VARIABLE COSTS	\$15,655.75	\$15.84	\$211.56	\$37,457.82	\$14.23	\$279.54
RETURN ABOVE VARIABLE COSTS	\$7,264.70	\$7.35	\$98.17	\$20,336.88	\$7.72	\$151.77
Depreciation	\$1,592.53	\$1.61	\$21.52	\$3,634.13	\$1.38	\$27.12
Real Estate Tax	253.54	0.26	3.43	703.07	0.27	5.25
Unpaid Operator Labor	837.60	0.85	11.32	1,689.34	0.64	12.61
Interest Charge *	413.97	0.42	5.59	0.00	0.00	0.00
TOTAL FIXED COSTS	\$3,097.64	\$3.13	\$41.86	\$6,026.54	\$2.29	\$44.97
Land Charge **	\$3,496.87	\$3.54	\$47.25	\$11,066.92	\$4.20	\$82.59
TOTAL EXPENSE	\$22,250.26	\$22.51	\$300.68	\$54,551.28	\$20.72	\$407.10
NET RETURN TO MANAGEMENT	\$670.19	\$0.68	\$9.06	\$3,243.42	\$1.23	\$24.20
NET RETURN TO LABOR-MGT	\$1,946.97	\$1.97	\$26.31	\$7,491.44	\$2.85	\$55.91

*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.