

**NORTHWEST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 2-YEAR AVERAGE & 2009
NONIRRIGATED PRAIRIE HAY**

	2007-2008	2009
Number of Farms	6	14
Crop Acres	75	153
Acres Owned	26	46
Acres Rented	50	107
Yield / Acre	1.24	1.91
Tons (Operator's Share)	85	241
Operator Percentage	91.47%	82.47%
Gross Income / Acre	\$75.06	\$106.02
Variable Costs / Acre	\$33.68	\$53.96
Total Expense / Acre	\$70.48	\$78.14
Gross Income / Ton	\$66.18	\$67.31
Total Expense / Ton	\$62.14	\$49.61

	Total Dollars	\$/Ton	\$/Acre	Total Dollars	\$/Ton	\$/Acre
INCOME:						
Prairie Hay (Operator's Share)	\$4,896.80	\$57.95	\$65.73	\$13,623.07	\$56.53	\$89.04
Patronage Refunds	\$24.07	\$0.28	\$0.32	\$317.98	1.32	2.08
Government Payments	667.61	7.90	8.96	2,251.64	9.34	14.72
Miscellaneous Income	3.63	0.04	0.05	28.06	0.12	0.18
OTHER INCOME	\$695.30	\$8.23	\$9.33	\$2,597.68	\$10.78	\$16.98
GROSS INCOME	\$5,592.09	\$66.18	\$75.06	\$16,220.75	\$67.31	\$106.02
EXPENSES:						
Labor Hired	\$40.44	\$0.48	\$0.54	\$625.69	\$2.60	\$4.09
General Machinery Repairs	1,116.77	13.22	14.99	3,346.36	13.89	21.87
Interest Paid	241.09	2.85	3.24	1,033.31	4.29	6.75
Seed / Other Crop Expense	10.41	0.12	0.14	293.51	1.22	1.92
Fertilizer / Lime	0.00	0.00	0.00	499.68	2.07	3.27
Machine Hire - Lease	0.00	0.00	0.00	3.21	0.01	0.02
Farm Org Fees / Travel / Publ	21.39	0.25	0.29	109.42	0.45	0.72
Gas / Fuel / Oil	855.27	10.12	11.48	1,367.50	5.67	8.94
Crop Storage & Marketing	0.00	0.00	0.00	0.00	0.00	0.00
Personal Property Tax	15.41	0.18	0.21	70.68	0.29	0.46
General Farm Insurance	93.38	1.11	1.25	227.17	0.94	1.48
Utilities	12.38	0.15	0.17	51.14	0.21	0.33
Cash Farm Rent	98.50	1.17	1.32	360.71	1.50	2.36
Herbicide / Insecticide	0.00	0.00	0.00	255.28	1.06	1.67
Conservation	0.00	0.00	0.00	4.24	0.02	0.03
Auto Expense	4.23	0.05	0.06	7.31	0.03	0.05
TOTAL VARIABLE COSTS	\$2,509.23	\$29.70	\$33.68	\$8,255.21	\$34.25	\$53.96
RETURN ABOVE VARIABLE COSTS	\$3,082.86	\$36.48	\$41.38	\$7,965.54	\$33.05	\$52.06
Depreciation	\$1,070.51	\$12.67	\$14.37	\$1,679.11	\$6.97	\$10.97
Real Estate Tax	183.12	2.17	2.46	135.42	0.56	0.89
Unpaid Operator Labor	715.79	8.47	9.61	961.36	3.99	6.28
Interest Charge *	237.57	2.81	3.19	0.00	0.00	0.00
TOTAL FIXED COSTS	\$2,206.98	\$26.12	\$29.62	\$2,775.89	\$11.52	\$18.14
Land Charge **	\$534.69	\$6.33	\$7.18	\$924.78	\$3.84	\$6.04
TOTAL EXPENSE	\$5,250.90	\$62.14	\$70.48	\$11,955.88	\$49.61	\$78.14
NET RETURN TO MANAGEMENT	\$341.19	\$4.04	\$4.58	\$4,264.87	\$17.70	\$27.87
NET RETURN TO LABOR-MGT	\$1,097.41	\$12.99	\$14.73	\$5,851.92	\$24.28	\$38.25

*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.