

SOUTH CENTRAL KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2009
NONIRRIGATED GRAIN SORGHUM

	2004-2008 Average	2009
Number of Farms	60	40
Crop Acres	349	374
Acres Owned	64	85
Acres Rented	285	289
Yield / Acre	82	92
Bushels (Operator's Share)	21,283	26,835
Operator Percentage	74.76%	77.69%
Gross Income / Acre	\$209.72	\$263.14
Variable Costs / Acre	\$145.88	\$178.44
Total Expense / Acre	\$210.88	\$263.86
Gross Income / Bushel	\$3.44	\$3.67
Total Expense / Bushel	\$3.46	\$3.68

	Total Dollars	\$/Bushel	\$/Acre	Total Dollars	\$/Bushel	\$/Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$58,494.75	\$2.75	\$167.61	\$84,936.68	\$3.17	\$227.10
Patronage Refunds	\$893.94	\$0.04	\$2.56	\$2,745.35	\$0.10	\$7.34
Government Payments	8,258.96	0.39	23.66	5,030.98	0.19	13.45
Miscellaneous Income	2,492.05	0.12	7.14	3,338.78	0.12	8.93
Crop Insurance Proceeds	3,132.72	0.15	8.98	2,531.20	0.09	6.77
Crop Futures	(80.69)	(0.00)	(0.23)	(169.22)	(0.01)	(0.45)
OTHER INCOME	\$14,696.98	\$0.69	\$42.11	\$13,477.09	\$0.50	\$36.04
GROSS INCOME	\$73,191.73	\$3.44	\$209.72	\$98,413.77	\$3.67	\$263.14
EXPENSES:						
Labor Hired	\$2,528.68	\$0.12	\$7.25	\$3,754.41	\$0.14	\$10.04
General Machinery Repairs	5,353.35	0.25	15.34	7,591.33	0.28	20.30
Interest Paid	3,137.81	0.15	8.99	2,999.34	0.11	8.02
Seed / Other Crop Expense	5,326.49	0.25	15.26	8,400.73	0.31	22.46
Crop Insurance	1,757.17	0.08	5.03	3,946.64	0.15	10.55
Fertilizer / Lime	12,513.72	0.59	35.86	15,016.36	0.56	40.15
Machine Hire - Lease	1,807.44	0.08	5.18	1,849.28	0.07	4.94
Farm Org Fees / Travel / Publ	754.90	0.04	2.16	890.86	0.03	2.38
Gas / Fuel / Oil	4,971.57	0.23	14.25	4,487.75	0.17	12.00
Crop Storage & Marketing	256.38	0.01	0.73	246.44	0.01	0.66
Personal Property Tax	245.28	0.01	0.70	544.58	0.02	1.46
General Farm Insurance	909.95	0.04	2.61	1,418.09	0.05	3.79
Utilities	953.16	0.04	2.73	1,143.06	0.04	3.06
Cash Farm Rent	2,420.32	0.11	6.94	3,244.47	0.12	8.68
Herbicide / Insecticide	7,587.79	0.36	21.74	10,849.19	0.40	29.01
Conservation	33.96	0.00	0.10	1.67	0.00	0.00
Auto Expense	353.61	0.02	1.01	\$350.70	0.01	0.94
TOTAL VARIABLE COSTS	\$50,911.59	\$2.39	\$145.88	\$66,734.90	\$2.49	\$178.44
RETURN ABOVE VARIABLE COSTS	\$22,280.14	\$1.05	\$63.84	\$31,678.87	\$1.18	\$84.70
Depreciation	\$6,375.76	\$0.30	\$18.27	\$8,988.31	\$0.33	\$24.03
Real Estate Tax	1,027.03	0.05	2.94	968.34	0.04	2.59
Unpaid Operator Labor	8,891.20	0.42	25.48	12,040.63	0.45	32.19
Interest Charge *	1,803.29	0.08	5.17	3,701.05	0.14	9.90
TOTAL FIXED COSTS	\$18,097.27	\$0.85	\$51.85	25,698.33	\$0.96	\$68.71
Land Charge **	\$4,587.61	\$0.22	\$13.15	\$6,251.38	\$0.23	\$16.71
TOTAL EXPENSE	\$73,596.47	\$3.46	\$210.88	\$98,684.61	\$3.68	\$263.86
NET RETURN TO MANAGEMENT	(\$404.74)	(\$0.02)	(\$1.16)	(\$270.84)	(\$0.01)	(\$0.72)
NET RETURN TO LABOR-MGT	\$11,015.14	\$0.52	\$31.56	\$15,524.20	\$0.58	\$41.51

*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.