

SOUTHEAST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 5-YEAR AVERAGE & 2009
NONIRRIGATED ALFALFA

	2004-2008 Average	2009
Number of Farms	10	12
Crop Acres	140	124
Acres Owned	15	32
Acres Rented	125	92
Yield / Acre	2.85	3.74
Tons (Operator's Share)	326	400
Operator Percentage	81.76%	86.25%
Gross Income / Acre	\$223.60	\$325.58
Variable Costs / Acre	\$165.45	\$187.65
Total Expense / Acre	\$230.27	\$274.86
Gross Income / Ton	\$95.89	\$100.93
Total Expense / Ton	\$98.75	\$85.21

	Total Dollars	\$/Ton	\$/Acre	Total Dollars	\$/Ton	\$/Acre
INCOME:						
Alfalfa (Operator's Share)	\$29,375.75	\$90.11	\$210.13	\$38,655.54	\$96.64	\$311.74
Patronage Refunds	\$129.62	\$0.40	\$0.93	\$411.05	\$1.03	\$3.31
Government Payments	1,868.46	5.73	13.37	1,271.36	3.18	10.25
Miscellaneous Income	(115.09)	(0.35)	(0.82)	33.83	0.08	0.27
OTHER INCOME	\$1,882.98	\$5.78	\$13.47	\$1,716.24	\$4.29	\$13.84
GROSS INCOME	\$31,258.73	\$95.89	\$223.60	\$40,371.78	\$100.93	\$325.58
EXPENSES:						
Labor Hired	\$2,379.18	\$7.30	\$17.02	\$844.46	\$2.11	\$6.81
General Machinery Repairs	2,626.39	8.06	18.79	2,700.78	6.75	21.78
Interest Paid	2,221.52	6.81	15.89	1,570.32	3.93	12.66
Seed / Other Crop Expense	2,147.53	6.59	15.36	2,410.86	6.03	19.44
Fertilizer / Lime	2,153.52	6.61	15.40	3,795.33	9.49	30.61
Machine Hire - Lease	3,486.49	10.69	24.94	3,663.87	9.16	29.55
Farm Org Fees / Travel / Publ	325.19	1.00	2.33	199.66	0.50	1.61
Gas / Fuel / Oil	1,939.74	5.95	13.88	1,555.80	3.89	12.55
Crop Storage & Marketing	37.40	0.11	0.27	475.67	1.19	3.84
Personal Property Tax	143.53	0.44	1.03	113.41	0.28	0.91
General Farm Insurance	626.46	1.92	4.48	565.75	1.41	4.56
Utilities	412.87	1.27	2.95	295.01	0.74	2.38
Cash Farm Rent	1,901.77	5.83	13.60	1,874.08	4.69	15.11
Herbicide / Insecticide	2,599.55	7.97	18.59	3,198.33	8.00	25.79
Conservation	15.85	0.05	0.11	0.00	0.00	0.00
Auto Expense	112.96	0.35	0.81	5.25	0.01	0.04
TOTAL VARIABLE COSTS	\$23,129.95	\$70.95	\$165.45	\$23,268.58	\$58.17	\$187.65
RETURN ABOVE VARIABLE COSTS	\$8,128.78	\$24.93	\$58.15	\$17,103.20	\$42.76	\$137.93
Depreciation	\$3,502.41	\$10.74	\$25.05	\$2,673.33	\$6.68	\$21.56
Real Estate Tax	257.93	0.79	1.85	397.58	0.99	3.21
Unpaid Operator Labor	3,626.90	11.13	25.94	4,245.28	10.61	34.24
Interest Charge *	361.53	1.11	2.59	587.04	1.47	4.73
TOTAL FIXED COSTS	\$7,748.77	\$23.77	\$55.43	\$7,903.23	\$19.76	\$63.74
Land Charge **	\$1,313.37	\$4.03	\$9.39	\$2,910.48	\$7.28	\$23.47
TOTAL EXPENSE	\$32,192.09	\$98.75	\$230.27	\$34,082.29	\$85.21	\$274.86
NET RETURN TO MANAGEMENT	(\$933.36)	(\$2.86)	(\$6.68)	\$6,289.49	\$15.72	\$50.72
NET RETURN TO LABOR-MGT	\$5,072.72	\$15.56	\$36.29	\$11,379.23	\$28.45	\$91.77

*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.