

SOUTHEAST KANSAS FARM MANAGEMENT ASSOCIATION
PROFIT CENTER ANALYSIS: 2008 & 2009
NONIRRIGATED DOUBLE-CROP GRAIN SORGHUM

	2008	2009
Number of Farms	4	5
Crop Acres	623	437
Acres Owned	70	227
Acres Rented	552	210
Yield / Acre	53	62
Bushels (Operator's Share)	29,247	23,496
Operator Percentage	88.83%	86.29%
Gross Income / Acre	\$145.70	\$177.55
Variable Costs / Acre	\$122.16	\$98.90
Total Expense / Acre	\$163.65	\$163.45
Gross Income / Bushel	\$3.10	\$3.30
Total Expense / Bushel	\$3.49	\$3.04

	Total Dollars	\$/Bushel	\$/Acre	Total Dollars	\$/Bushel	\$/Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$89,323.37	\$3.05	\$143.38	\$76,007.30	\$3.23	\$173.93
Patronage Refunds	\$976.52	\$0.03	\$1.57	\$69.58	\$0.00	\$0.16
Government Payments	473.39	0.02	0.76	1,511.12	0.06	3.46
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00
Crop Insurance Proceeds	0.00	0.00	0.00	0.00	0.00	0.00
Crop Futures	0.00	0.00	0.00	0.00	0.00	0.00
OTHER INCOME	\$1,449.91	\$0.05	\$2.33	\$1,580.70	\$0.07	\$3.62
GROSS INCOME	\$90,773.28	\$3.10	\$145.70	\$77,588.00	\$3.30	\$177.55
EXPENSES:						
Labor Hired	\$4,119.28	\$0.14	\$6.61	\$4,013.45	\$0.17	\$9.18
General Machinery Repairs	6,016.61	0.21	9.66	5,302.43	0.23	12.13
Interest Paid	7,705.33	0.26	12.37	5,723.11	0.24	13.10
Seed / Other Crop Expense	6,498.50	0.22	10.43	4,972.36	0.21	11.38
Crop Insurance	0.00	0.00	0.00	50.00	0.00	0.11
Fertilizer / Lime	29,961.50	1.02	48.09	9,497.80	0.40	21.73
Machine Hire - Lease	1,376.00	0.05	2.21	190.00	0.01	0.43
Farm Org Fees / Travel / Publ	412.43	0.01	0.66	250.85	0.01	0.57
Gas / Fuel / Oil	5,268.77	0.18	8.46	3,491.07	0.15	7.99
Crop Storage & Marketing	0.00	0.00	0.00	0.00	0.00	0.00
Personal Property Tax	443.17	0.02	0.71	219.46	0.01	0.50
General Farm Insurance	1,220.30	0.04	1.96	927.96	0.04	2.12
Utilities	535.85	0.02	0.86	480.53	0.02	1.10
Cash Farm Rent	4,890.00	0.17	7.85	0.00	0.00	0.00
Herbicide / Insecticide	7,657.98	0.26	12.29	8,092.78	0.34	18.52
Conservation	0.00	0.00	0.00	0.00	0.00	0.00
Auto Expense	0.00	0.00	0.00	7.00	0.00	0.02
TOTAL VARIABLE COSTS	\$76,105.72	\$2.60	\$122.16	\$43,218.80	\$1.84	\$98.90
RETURN ABOVE VARIABLE COSTS	\$14,667.56	\$0.50	\$23.54	\$34,369.20	\$1.46	\$78.65
Depreciation	\$11,945.93	\$0.41	\$19.17	\$8,922.16	\$0.38	\$20.42
Real Estate Tax	1,311.75	0.04	2.11	67.11	0.00	0.15
Unpaid Operator Labor	9,470.33	0.32	15.20	6,346.67	0.27	14.52
Interest Charge *	221.39	0.01	0.36	0.00	0.00	0.00
TOTAL FIXED COSTS	\$22,949.40	\$0.78	\$36.84	\$15,335.94	\$0.65	\$35.09
Land Charge **	\$2,895.89	\$0.10	\$4.65	\$12,870.75	\$0.55	\$29.45
TOTAL EXPENSE	\$101,951.01	\$3.49	\$163.65	\$71,425.49	\$3.04	\$163.45
NET RETURN TO MANAGEMENT	(\$11,177.73)	(\$0.38)	(\$17.94)	\$6,162.51	\$0.26	\$14.10
NET RETURN TO LABOR-MGT	\$2,411.88	\$0.08	\$3.87	\$16,522.63	\$0.70	\$37.81

*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.