

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

	2004-2008 Average	2009
Number of Farms	22	18
Crop Acres	278	307
Acres Owned	113	116
Acres Rented	165	190
Yield / Acre	70	87
Bushels (Operator's Share)	16,073	21,465
Operator Percentage	82.61%	79.97%
Gross Income / Acre	\$212.49	\$251.99
Variable Costs / Acre	\$127.74	\$151.49
Total Expense / Acre	\$198.79	\$228.53
Gross Income / Bushel	\$3.68	\$3.60
Total Expense / Bushel	\$3.44	\$3.27

	Total Dollars	\$/Bushel	\$/Acre	Total Dollars	\$/Bushel	\$/Acre
INCOME:						
Grain Sorghum (Operator's Share)	\$48,835.92	\$3.04	\$175.42	\$69,849.15	\$3.25	\$227.52
Patronage Refunds	\$487.84	\$0.03	\$1.75	\$1,674.42	\$0.08	\$5.45
Government Payments	7,663.80	0.48	27.53	4,626.33	0.22	15.07
Miscellaneous Income	739.38	0.05	2.66	642.64	0.03	2.09
Crop Insurance Proceeds	1,402.30	0.09	5.04	567.65	0.03	1.85
Crop Futures	27.12	0.00	0.10	0.00	0.00	0.00
OTHER INCOME	\$10,320.44	\$0.64	\$37.07	\$7,511.04	\$0.35	\$24.47
GROSS INCOME	\$59,156.36	\$3.68	\$212.49	\$77,360.19	\$3.60	\$251.99
EXPENSES:						
Labor Hired	\$1,917.48	\$0.12	\$6.89	\$1,057.10	\$0.05	\$3.44
General Machinery Repairs	3,630.00	0.23	13.04	5,427.72	0.25	17.68
Interest Paid	1,893.93	0.12	6.80	2,125.13	0.10	6.92
Seed / Other Crop Expense	2,371.65	0.15	8.52	3,284.40	0.15	10.70
Crop Insurance	2,199.92	0.14	7.90	3,487.94	0.16	11.36
Fertilizer / Lime	6,724.32	0.42	24.15	8,144.84	0.38	26.53
Machine Hire - Lease	2,342.77	0.15	8.42	5,630.38	0.26	18.34
Farm Org Fees / Travel / Publ	524.19	0.03	1.88	711.96	0.03	2.32
Gas / Fuel / Oil	4,519.49	0.28	16.23	4,182.90	0.19	13.63
Crop Storage & Marketing	65.02	0.00	0.23	0.00	0.00	0.00
Personal Property Tax	119.30	0.01	0.43	152.44	0.01	0.50
General Farm Insurance	687.43	0.04	2.47	968.62	0.05	3.16
Utilities	920.80	0.06	3.31	968.14	0.05	3.15
Cash Farm Rent	346.80	0.02	1.25	275.31	0.01	0.90
Herbicide / Insecticide	6,990.88	0.43	25.11	9,658.91	0.45	31.46
Conservation	18.99	0.00	0.07	93.54	0.00	0.30
Auto Expense	290.13	0.02	1.04	339.40	0.02	1.11
TOTAL VARIABLE COSTS	\$35,563.11	\$2.21	\$127.74	\$46,508.73	\$2.17	\$151.49
RETURN ABOVE VARIABLE COSTS	\$23,593.25	\$1.47	\$84.75	\$30,851.46	\$1.44	\$100.49
Depreciation	\$3,566.56	\$0.22	\$12.81	\$4,701.90	\$0.22	\$15.32
Real Estate Tax	899.75	0.06	3.23	913.91	0.04	2.98
Unpaid Operator Labor	6,109.62	0.38	21.95	8,712.97	0.41	28.38
Interest Charge *	1,283.43	0.08	4.61	2,042.49	0.10	6.65
TOTAL FIXED COSTS	\$11,859.36	\$0.74	\$42.60	\$16,371.27	\$0.76	\$53.33
Land Charge **	\$7,919.32	\$0.49	\$28.45	\$7,280.03	\$0.34	\$23.71
TOTAL EXPENSE	\$55,341.79	\$3.44	\$198.79	\$70,160.03	\$3.27	\$228.53
NET RETURN TO MANAGEMENT	\$3,814.57	\$0.24	\$13.70	\$7,200.16	\$0.34	\$23.45
NET RETURN TO LABOR-MGT	\$11,841.67	\$0.74	\$42.53	\$16,970.23	\$0.79	\$55.28

*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.