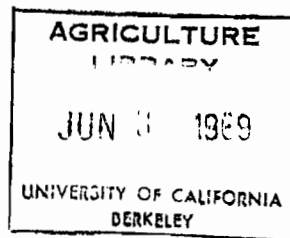


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1969



TULARE COUNTY MILK PRODUCTION COSTS

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Statewide

Cost of production studies

Agricultural Extension Service
University of California
Agricultural Building
Woodland Drive & West Main Street
Visalia, California 93277

COST ANALYSIS WORK SHEET
 GRADE A MILK PRODUCTION - DRYLOT DAIRY - TULARE COUNTY - 1969

Costs are based on a herd of 300 cows, weighing 1400 lbs. each, and producing an average of 500 lbs. butterfat from 14,285 lbs. of milk, testing 3.5% fat. Cows are fed 12 lbs. of concentrate daily for 305 days; 3 lbs. daily for 60 days while dry, and 42 lbs. of dry hay or equivalent roughage daily, allowing for average feed wastage. The dairy is a modern facility, fully equipped with milk barn, covered holding corral, and drylot feed mangers and corrals with adequate mounds and shades. All costs are calculated at current replacement values.

Replacements are purchased at \$400 each, cull cows are sold at \$250 each and all calves are sold. The herd is replaced on the basis of 30% cull-out and 2% death loss per year.

Two milkers require wages and other benefits totaling \$550 each per month, and one laborer receives \$300 per month.

	Annual Herd Total Costs	Each Cow Per Year	Per Lb. . B. F.	Your Costs
CASH COSTS:				
Feed:				
Alfalfa hay: 7.665 tons @ \$28	\$ 64,386.00	\$214.62		
Concentrates: 1.92 tons @ \$65	37,440.00	124.80		
Labor:				
2 milkers @ \$550/month	13,200.00	44.00		
1 laborer @ \$300/month	3,600.00	12.00		
Replacements: Net cost	15,900.00	53.00		
Breeding Costs	2,250.00	7.50		
Taxes: Estimate	4,440.00	14.80		
DHIA testing	1,512.00	5.04		
Dues and Assessments	1,500.00	5.00		
Veterinary and Medicine	3,600.00	12.00		
Supplies	3,900.00	13.00		
Miscl. including repairs and maintenance, insurance, business costs, clipping and trimming and incidental cash costs:	4,500.00	15.00		
TOTAL CASH COSTS	\$156,228.00	\$520.76	\$1.04	
DEPRECIATION:				
Milking barn, corrals, feed manger, etc.:				
\$50,000 - 25 years	\$ 2,000.00	\$ 6.66		
Equipment: \$15,000 - 10 years	1,500.00	5.00		
TOTAL DEPRECIATION	\$ 3,500.00	\$ 11.66	\$.02	
INTEREST ON INVESTMENT @ 7%:				
Land: 30 ac. @ \$800 - \$24,000 @ 7%	\$ 1,680.00	\$ 5.60		
Buildings and Corrals: \$25,000 @ 7%	1,750.00	5.83		
Equipment: \$7,500 @ 7%	525.00	1.75		
Cows @ \$400 each	8,400.00	28.00		
TOTAL INTEREST INVESTMENT	\$ 12,355.00	\$ 41.18	\$.08	
TOTAL ALL COST OF PRODUCTION	\$172,083.00	\$573.60	\$1.14	
Less credit for calves @ \$16/cow in herd		16.00		
NET COST, 100% sales basis		\$557.60		
NET COST with 95% of total production sold: Per Cwt.		\$ 4.11	\$1.17	

Sample costs of production from the above herd costs with varying production per cow.

Pounds of butterfat/cow each year	400	450	500	550	600
Costs per lb. B. F. with 95% of production sold	\$1.46	\$1.31	\$1.17	\$1.06	\$0.98
Costs per Cwt milk with 95% of production sold	\$5.14	\$4.56	\$4.11	\$3.74	\$3.42

Co-operative Extension work in Agriculture and Home Economics,
College of Agriculture, University of California, United States
Department of Agriculture and Tulare County co-operating.

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