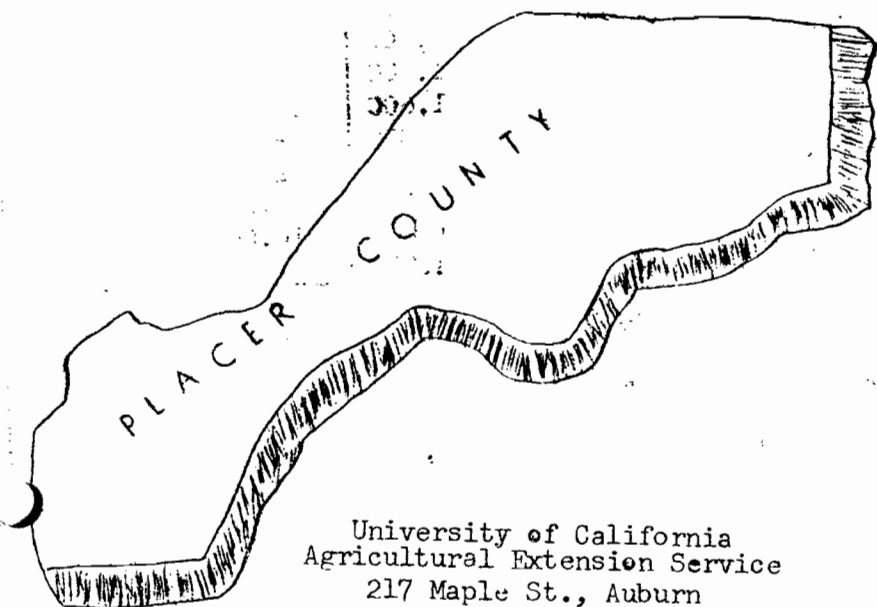


Placer
1963

MILK

SAMPLE PRODUCTION COSTS

GRADE A DAIRY



University of California
Agricultural Extension Service
217 Maple St., Auburn

100 COW GRADE A DAIRY

PRODUCTION DATA:

10,000 lbs. 4.2% milk
 25% replacement
 90% calf crop
 Class I usage on 85% of total production \$5.10/cwt.
 of 4.2% milk is blend price after hauling and sales
 promotion charges.

INCOME

Milk sales 10,000
 cwt. @ \$5.10
 Cull Cows 22 @ \$150
 Bull Calves 45 @ \$12
 Heifer Calves 15 @ \$20

TOTAL INCOME

EXPENSES

Hay - 410 Tons @ \$28
 Grain - 133 Tons @ \$65
 Replacement heifers 25
 @ \$250
 Labor 2 men @ \$500
 Breeding fees 100 @ \$7
 DHIA 100 @ \$4.44
 Taxes
 Insurance
 Truck & Auto
 Utilities & Irrigation
 Veterinary
 Supplies
 Repairs
 Fertilizer
 Interest
 Miscellaneous
 Depreciation

TOTAL EXPENSES

INTEREST ON INVESTMENT

NET INCOME

	Representative		My Ranch	
	Total	Cow	Total	Cow
Milk sales 10,000 cwt. @ \$5.10	\$51,000	\$510.00		
Cull Cows 22 @ \$150	3,300	330.00		
Bull Calves 45 @ \$12	540	5.40		
Heifer Calves 15 @ \$20	300	3.00		
TOTAL INCOME	55,140	551.40		
Hay - 410 Tons @ \$28	11,480	114.80		
Grain - 133 Tons @ \$65	7,345	73.45		
Replacement heifers 25 @ \$250	6,250	62.50		
Labor 2 men @ \$500	12,000	120.00		
Breeding fees 100 @ \$7	700	7.00		
DHIA 100 @ \$4.44	444	4.44		
Taxes	1,300	13.00		
Insurance	225	2.25		
Truck & Auto	600	6.00		
Utilities & Irrigation	2,100	21.00		
Veterinary	1,100	11.00		
Supplies	1,600	16.00		
Repairs	800	8.00		
Fertilizer	450	4.50		
Interest	500	5.00		
Miscellaneous	1,000	10.00		
Depreciation	3,000	3.00		
TOTAL EXPENSES	47,894	478.94		
INTEREST ON INVESTMENT	3,483	34.83		
NET INCOME	3,763	37.63		

CALIFORNIA DAIRY SITUATION AND OUTLOOK - 1963

Here's what happened in 1962:

1. A further decrease in cow numbers.
2. A further increase in production per cow.
3. An increase in total commercial milk production of about 88 million pounds.
4. An increase in Class I usage of 87 million pounds.
5. For a net increase in the quantity of milk available for manufacturing at one million pounds.

Most of the increase in production in 1962 will be offset by similar increases in aggregate Class I utilization.

A continuation of the reduced rate of increase in production and of similar increases in aggregate Class I utilization would result in continued improvement in total returns to California producers in 1963.

INVESTMENT

Representative investment figures vary considerably depending upon the type of operation, where feed is grown for the dairy investment in land and machinery would be close to \$2,000 per cow. Where a dairy lot operation is planned investment would range from \$700 to \$1,200 per cow.

EXPERIENCE

Experience with dairy management problems is absolutely essential to the soundness of the operation. Representative income-cost figures make no allowance for disease out breaks, breeding difficulties, unfavorable climatic conditions, depressed market, or unwise management decisions.

Harry P. Bolton - Farm Advisor

Phil Parsons - Extension Economist

MANAGEMENT TOOLS

The dairy operator can choose to use a wide range of management tools that will provide accurate and necessary information for management decisions. These tools all involve records and their use gives an indication of the interest and sincerity of the individual dairy operator.

Dairy Herd Improvement Association Production Records
Equipment Check Program
California Mastitis Program (CMT)
Alfalfa Hay Analysis (TDN - Protein)
Dairy Cow Culling Guide
Cow Performance Records
 Days in milk
 Days dry
 Calving interval
 Production per year herd life

ACTUAL DAIRY FEED COST PER COW - 1961

<u>Feed Item</u>	<u>Annual Amount</u>	<u>Ton Cost</u>	<u>Annual Cost</u>
Hay	4.133	\$23.00	\$95.05
Concentrate	1.355	67.50	91.45
Pasture, hay equiv.	1.30	25.00	32.50
Daily Cost Per Cow			.60

Use the space provided entitled " My Costs" to compare your costs with those shown in this leaflet.

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3/63 - 350 copies