

ECONOMIC ANALYSIS  
SACRAMENTO COUNTY GRADE "A" DAIRY - MAY 1972

PRODUCTION DATA: 400 cow herd producing 14,000 lbs. of 3.5% milk of which 12,600 lbs. was marketed for Class I usage, 33% replacement, 3% mortality, 95% calf crop.

## INCOME

## Milk Sales

Class I	3,024,000 lbs. @ \$5.90 cwt	\$178,416
Class II	2,016,000 lbs. @ \$5.00/cwt	<u>100,800</u>
	Milk Income	\$279,216

## Stock Sales

Cull Cows	120 @ \$290/head	\$ 34,800
Bull Calves	190 @ \$40/head	7,600
Heifer Calves	54 @ \$60/head	3,240
Heifer Calves transferred for replacement	136 @ \$60/head	<u>8,160</u>
	Stock Income	\$ 53,800
	Total Income	<u>\$333,016</u>

## EXPENSES

## Feed

Alfalfa Hay	1,702 tons @ \$40	\$ 68,080
Concentrate (incl. mineral)	680 tons @ \$70	48,600
Irrigated Pasture	3,633 AUM @ \$5	<u>12,000</u>
	Total Feed Cost	<u>\$128,680</u>

Replacement Heifers	132 @ \$500	66,000
Labor	2 milkers @ \$675/month	16,200
	1 relief-milker & feeder @ \$675/month	8,100
	1 outside man & irrig. @ \$475/month	<u>5,700</u>
	Total Labor	\$ 30,000

## Miscellaneous

Breeding	400 @ \$7	2,800
DHIA, CMT		2,246
Dues & Assessments		2,400
Vet & Medicine		4,000
Utilities		2,800
Supplies		7,700
Repairs		4,000
Equipment		4,058
Milk Hauling		10,500
Cash Overhead & Insurance		2,400
Taxes		<u>2,700</u>
	Total Miscellaneous	\$ 45,604

Total Cash Costs \$270,284

UC Cooperative Extension

Interest & Depreciation \$ 19,963

Management @ 5% of \$333,016 \$ 16,651

TOTAL COSTS \$306,898

## INVESTMENT \*

	Total	Annual Cost		Total
		Depreciation	Interest	
Milk Barn	\$20,000	\$1,000	\$ 600	\$1,600
Pipeline	6,000	600	180	780
Milk Tanks & Refrigeration (3,000 gallon capacity)	10,000	1,000	300	1,300
Heater, Washup	600	60	18	78
Feed Bins & Mangers	10,000	1,000	300	1,300
Hay Storage, Free Stalls, Corrals & Disposal	42,000	2,100	1,260	3,360
Cow Washer	2,500	250	75	325
Well & Pump	2,000	100	60	160
Other	<u>2,000</u>	<u>200</u>	<u>60</u>	<u>260</u>
TOTAL DAIRY EQUIPMENT	\$95,100	\$6,310	\$2,853	\$9,163
Cows - 400 @ \$450	\$180,000		\$10,800	\$10,800
Depreciation & Interest	\$ 19,963			
Management (5% of \$333,016)	\$ 16,651			

## TOTAL COSTS

Feed	\$128,680
Replacements	66,000
Labor	30,000
Management	16,651
Miscellaneous	45,604
Depreciation & Interest	<u>19,963</u>
TOTAL COSTS	\$306,898
TOTAL INCOME	<u>\$333,016</u>
NET PROFIT	\$ 26,118

Investment per cow (exclusive of land)	\$ 688
Annual cost/cow/year	\$ 767
Annual income/cow/year	<u>\$ 833</u>
NET PROFIT/COW/YEAR	\$ 66

\* All land, irrigation systems, housing, fences, farming equipment, and livestock other than the milk cows are charged to other enterprises and not directly to the milking herd.