

MILK PRODUCTION IN KERN COUNTY

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Milk produced on Kern County dairies is of market milk quality, meeting the quality standards for all uses.

One half of the dairies are entirely dependent on purchased feeds, the others grow a portion of the roughage for the herd.

About three-fourths of the herds are located south and west of Bakersfield. The others around the town of McFarland.

About one-third of the milk produced is marketed in Bakersfield. The rest is usually shipped directly to the Metropolitan areas of Southern California.

HERD SIZE

Under 200 cows - - - - -	4 dairies
200 to 400 cows - - - - -	7 dairies
400 to 700 cows - - - - -	14 dairies
700 to 1200 cows - - - - -	8 dairies
Over 1200 cows - - - - -	1 dairy

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COSTS OF PRODUCTION

Sample costs are based on a herd of 550 cows averaging 1400 lbs. each and producing an average of 15,500 lbs. of milk annually containing 560 lbs. of butterfat (3.6%). Cows are fed 20 lbs. of alfalfa hay and 30 lbs. of silage daily, plus an average of 20 lbs. of concentrates daily during lactation. Replacements are purchased at \$600 each, cull cows are sold at \$350 and all calves are considered sold for cash or to the calf raising enterprise. Thirty percent are replaced annually, 28% culled and 2% died. Four employees are required. Two milkers, a feeder and a relief man.

The dairy is a modern facility including a double 10 herringbone barn, covered wash pen, corrals sloped for drainage with concrete feed alleys and adequate shades. Twenty acres are considered necessary for the dairy facility. Other acreage is necessary for waste disposal but would normally be used for forage crop production and not considered as an investment for the dairy enterprise.

Costs of production vary considerably. These costs are intended to be used as educational guides and in no way are to be considered as representing industry averages. It is especially important to note that any financing cost, other than that which might be included as an interest on investment is not included. Neither has any cost for management or family labor been included.

	<u>Each cow</u> per year	<u>Herd cost</u> per year
<u>Cash Costs:</u>		
Feed:		
concentrates - 3 tons per cow @ \$125	\$ 375.00	
alfalfa hay 3.65 tons per cow @ 90	328.50	
silage 5.5 tons per cow @ 17	93.50	
Labor: 2 milkers, 1 laborer, 1 relief	78.50	
Replacements: net cost per cow in herd	82.00	
Breeding costs	10.00	
Taxes and insurance	22.00	
Production testing	7.00	
Dues and assessments	13.00	
Veterinary and medicine	14.00	
Supplies	17.00	
Miscellaneous	50.00	
TOTAL CASH COSTS	<u>\$1090.50</u>	
<u>Depreciation:</u>		
Milking barn, corrals, etc; \$220,000 - 25 yr. life	16.00	
Equipment \$40,000 - 10 yrs. life	7.30	
TOTAL DEPRECIATION	<u>\$ 23.30</u>	
<u>Interest on Investment @ 8%:</u>		
Land - 20 acres at 1200 - 24,000 @ 8%	3.50	
Buildings 110,000 @ 8%	16.00	
Equipment 20,000 @ 8%	2.90	
Cows - based on value of \$545 each	43.60	
TOTAL INTEREST ON INVESTMENT	<u>\$ 66.00</u>	
TOTAL ALL COSTS OF PRODUCTION	\$1179.80	
<u>Less credit for calves and manure sold</u>	<u>-16.00</u>	
NET COST OF PRODUCTION	<u>\$1163.80</u>	
NET COST PER CWT WITH 95% OF TOTAL MILK SOLD		\$7.90