

University of California  
Agricultural Extension Service

Farm and Home Advisors' Office  
Post Office Building, Oroville

DAIRY RANCH - GRADE A

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~~The following data is one of a series that has been compiled on Butte County crops for the use of persons who are contemplating the purchase of a farm and need some sort of measure as to what might be expected in the way of costs and returns from different crops they might raise. These data are based on cost of production studies, crop reporting service price figures, and, in part, on estimates. We believe they are as accurate as can be compiled for a purpose of this kind, but because of all of the variables involved, they must be used only as a basic guide.~~

Size of ranch -----100 cows

INVESTMENT

Real Estate

Land - 100 acres @ \$500 .....	\$50,000	
Irrigation system @ \$125 per acre .....	12,500	
Buildings .....	15,175	
Fences @ \$20 per acre .....	2,000	
Pasture stand 95 acres @ \$35 .....	<u>3,325</u>	
Total real estate (excluding dwelling) .....		\$83,000
Dairy equipment .....		4,000
Other equipment .....		5,000
Dairy stock -- Cows 100 @ \$250 .....	25,000	
Heifers 40 @ \$150 .....	<u>6,000</u>	<u>31,000</u>
TOTAL .....		\$123,000

PRODUCTION

Cows - 10,000 lbs. milk - 400 lbs. B.F. per cow - 90% sold  
Pasture - 10 animal unit months per acre (4 tons hay equivalent)

(204)  
150 c.  
2/60

EXPENSE

<u>Feed</u> - Pasture 950 a.u.m. @ \$7 .....	\$6,650
Hay or equivalent 450 tons @ \$28 .....	12,600
Grain - 40 tons @ \$55 .....	<u>2,200</u>
Total Feed .....	21,450
Labor .....	10,000
Taxes .....	300
Breeding fees - 100 @ \$7.50 .....	750
Veterinary .....	300
Supplies, power, etc. ....	1,000
Depreciation on dairy equipment .....	1,100
Interest on dairy investment .....	<u>2,300</u>
TOTAL COST .....	\$ 37,200
<u>Stock sales</u> - Veal 50 @ \$3 .....	\$150
Heifers 25 @ \$20 .....	500
Cows 20 @ \$100 .....	<u>2,000</u>
Total stock sales .....	<u>2,650</u>
Net cost of milk .....	\$ 34,550

Net Income with 2200 lb. contract (approximately 90% contract)

## Income

Class I sales	B.F. 28,910 lb. @ \$1.00 .....	28,910
	Skim 693,790 lb. @ \$1.90 cwt. ....	13,182
Class II & III	B.F. 3,210 lb. @ \$.70 .....	2,247
	Skim 77,090 lb. @ \$.75 cwt. ....	578
Mfg.	97,000 lb. @ \$3.30 .....	<u>3,201</u>
Total milk sales .....		\$ 48,118
Cost to produce .....		<u>34,550</u>
Net Income .....		\$ 13,568

Net Income with 1800 lb. contract (approximately 75% contract)

## Income

Class I Sales	B.F.	24,450 lb. @ \$1.00	\$24,450
	Skim	586,850 lb. @ 1.90 cwt.	11,150
Class II & III	B.F.	1,828 lb. @ \$.70	1,280
	Skim	43,872 lb. @ \$.75 cwt.	329
Mfg.		243,000 lb. @ \$3.30	<u>8,019</u>
Total milk sales			\$ 45,228
Cost to produce			<u>34,550</u>
Net Income			\$ 10,678

Net Income with 1200 lb. contract (approximately 50% contract)

## Income

Class I sales	B.F.	15,770 lb. @ \$1.00	\$15,770
	Skim	378,430 lb. @ \$1.90 cwt.	7,190
Class II & III	B.F.	2,150 lb. @ \$.70	1,505
	Skim	41,650 lb. @ \$.75 cwt.	312
Mfg.		462,000 lb. @ \$3.30	<u>15,246</u>
Total milk sales			\$ 40,023
Cost to produce			<u>34,550</u>
Net Income			\$ 5,473