

SAMPLE COSTS TO PRODUCE PASTURE FROM

UNIMPROVED SAGEBRUSH RANGE

<u>CASH COSTS</u> (Includes labor)	<u>PER ACRE</u>
Repairs- Fence & water facilities	\$ 0.25
Taxes - \$25/acre market value X 25% @ \$7 rate	0.44
Miscellaneous - Rodent control	<u>0.10</u>
TOTAL CASH COST PER ACRE -	\$ 0.79

INCOME

Assume 10 acres required to carry
one yrlg. steer for 4 mo., &
\$3 per acre pasture rate.

4 mo. @ \$3 per mo. ÷ 10 acres =	1.20
TOTAL INCOME PER ACRE -	1.20
LESS PER ACRE CASH COST -	<u>0.79</u>
PER ACRE INCOME ABOVE CASH COSTS -	\$ <u>0.41</u>

<u>INVESTMENT COSTS</u>	<u>VALUE PER ACRE</u>
Land (Unimproved)	\$ 25.00
Fences	<u>5.00</u> (20 years)
Total -	\$ 30.00
Interest @ 6% (land 1.50, fence 0.15)	1.65
Depreciation (fence 0.25)	<u>.25</u>
TOTAL INVESTMENT COST PER ACRE -	1.90
LESS INCOME ABOVE CASH COST -	<u>.41</u>
NET RETURN PER ACRE -	<u>MINUS \$ 1.49</u>

SAMPLE COSTS TO PRODUCE PASTURE FROM

IMPROVED SAGEBRUSH RANGE

<u>CASH COSTS</u> (Includes labor)	<u>PER ACRE</u>
Repairs- Fence & water facilities	\$ 0.25
Taxes - \$100/acre market value X 25% @ \$7 rate	1.75
Miscellaneous - Rodent control	<u>0.10</u>
TOTAL CASH COST PER ACRE -	\$ 2.10

INCOME

Assume 3 acres required to carry
one yrlg. steer for 4 mo., &
\$3 per acre pasture rate.

4 mo. @ \$3 ÷ 3 acres =	4.00
TOTAL INCOME PER ACRE -	4.00
LESS PER ACRE CASH COST -	<u>2.10</u>
PER ACRE INCOME ABOVE CASH COSTS -	\$ <u>1.90</u>

<u>INVESTMENT COSTS</u>	<u>VALUE PER ACRE</u>
Land (Improved)	\$100.00
Water development	1.00 (20 years)
Fences	<u>5.00</u> (20 years)
Total -	\$106.00
Interest @ 6% (land \$6, water .03, fence .15)	6.18
Depreciation (water .05, fence .25)	<u>.30</u>
TOTAL INVESTMENT COST PER ACRE -	6.48
LESS INCOME ABOVE CASH COST -	<u>1.90</u>
NET RETURN PER ACRE -	<u>MINUS \$ 4.58</u>