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# RANGELAND COSTS

TEHAMA AND SHASTA COUNTIES

AGRICULTURAL EXTENSION SERVICE  
UNIVERSITY OF CALIFORNIA  
TEHAMA COUNTY

SHASTA COUNTY FARM ADVISOR

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# RANGELAND COSTS - TEHAMA AND SHASTA COUNTIES

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The costs of owning and maintaining rangeland, within the same political subdivision, vary with the acreage involved, its productivity level and the number of livestock carried on the range. Current rangeland prices may not necessarily reflect productive value or income producing potential from agricultural use. The location, possible use for subdivision or recreation and/or certain tax advantages prompts individuals and companies other than ranchers to invest in rangeland. The interest on investment charges in this cost study are computed on a no equity basis.

If ranches with the same acreage but different levels of productivity are considered, the investment in buildings, corrals, fences and equipment would be higher per acre for the more productive range since more cattle can be carried. More acres of the lower producing range are required to carry each animal unit, therefore the investment in buildings, corrals, and equipment would be less per acre. Fences, maintenance costs, depreciation and insurance would also be less per acre but higher per animal unit.

The figures presented in this cost study are examples. Each rangeland owner may need to adjust certain costs to fit varying situations.

## Section I

This first section illustrates the basic requirements in acres and the value of fences, buildings, corrals and other equipment to maintain 100 animal units for the normal winter grazing season (November or December through May) for three ranges of different productive capacity. When stock is carried year round the number of acres required per animal unit is greatly increased.

### Productive Level

	<u>High</u>	<u>Medium</u>	<u>Low</u>
Acres per animal unit*	7	15	25
Acres per 100 animal units	700	1,500	2,500
Fence, miles (4 fields)	6.3	9.2	12.0
Fence value @ \$1,200 mile	\$7,500	\$11,040	\$14,400
Buildings, corrals, scales, etc.	\$8,000	\$8,000	\$8,000
Repairs and maintenance per unit	\$300	\$400	\$500

\*One animal unit = one 1,000 pound mature cow. Rule of thumb for sheep is 5 ewes = 1 animal unit.

## Section II

The table below illustrates the yearly costs of owning and maintaining rangeland per acre at the three productive levels stated in section I. No improvement practices are considered. The purchase price per acre in this table includes fences plus barn, other buildings (not including dwelling) and minimum corrals for handling stock.

	Productive Level		
	<u>High</u>	<u>Medium</u>	<u>Low</u>
Investment (including land, fences, corrals, buildings and equipment)	\$100.00	\$60.00	\$35.00
<u>Annual Costs</u>			
Interest on investment @ 6.5%	\$6.50	\$3.90	\$2.28
Taxes (\$7 rate on taxable value)	\$1.75	\$1.05	\$ .61
Depreciation on fences (20 years)	\$ .54	\$ .37	\$ .29
Depreciation on other improvements (20 years)	\$ .57	\$ .27	\$ .16
Repairs and maintenance (fences and roads)	\$ .43	\$ .27	\$ .20
Liability Insurance	\$ .06	\$ .04	\$ .03
Fire insurance on buildings and corrals	<u>\$ .13</u>	<u>\$ .06</u>	<u>\$ .04</u>
Total yearly costs per acre	\$9.98	\$5.96	\$3.61
Total range costs per 100 cow* unit	<u>\$6,986.00</u>	<u>\$8,940.00</u>	<u>\$9,025.00</u>

\*or 500 ewes

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