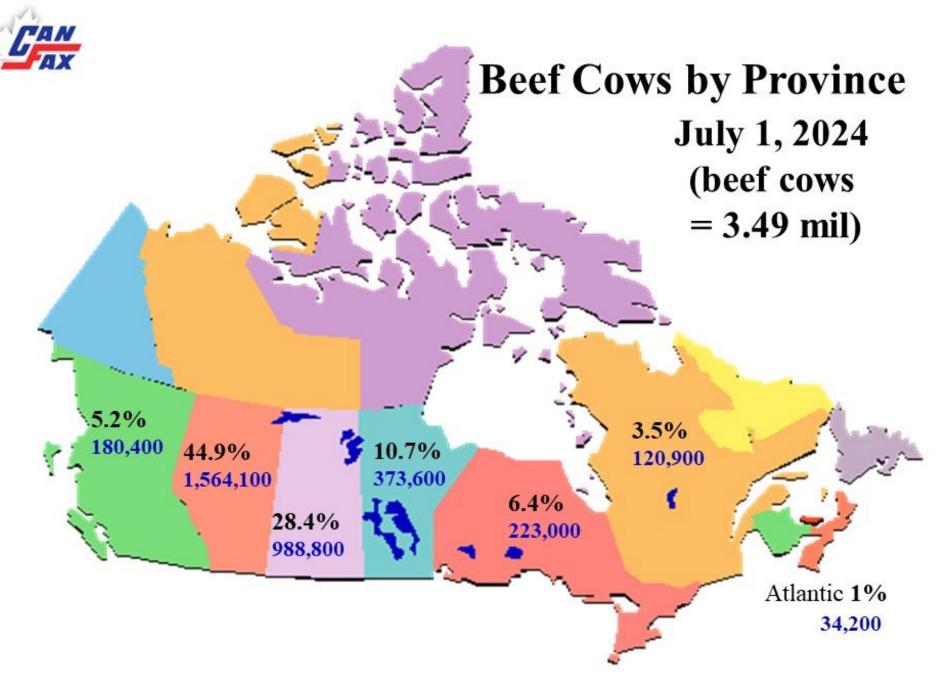
Managing Risk - Forage and Livestock Industry Manitoba



Ben Hamm, P.Ag.
Farm Management Specialist-Livestock
Manitoba Agriculture

October 2024

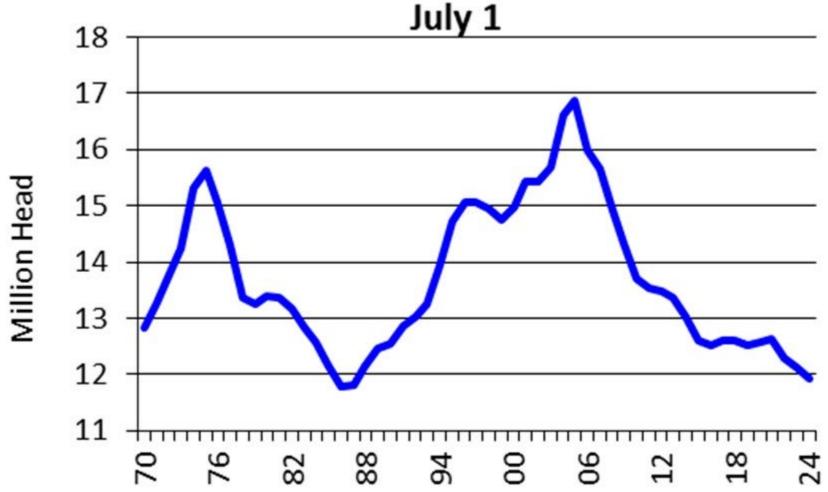




Source: Statistics Canada



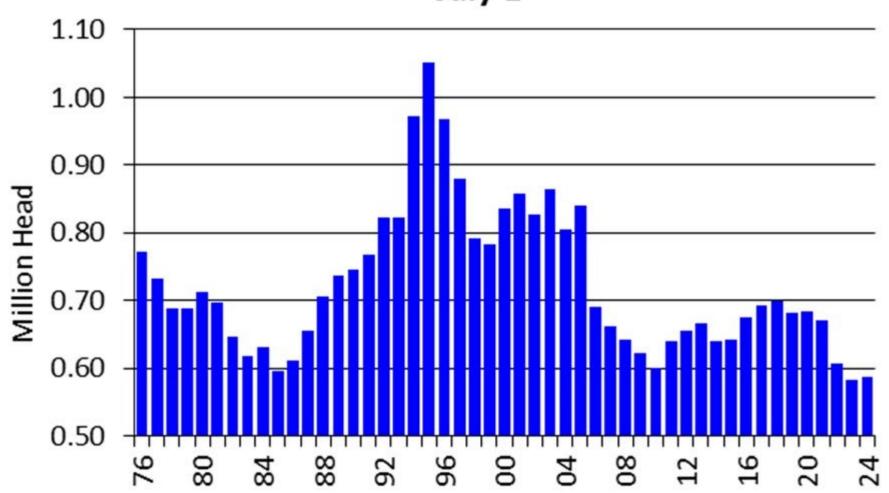
Canadian Total Cattle & Calves



Source: Statistics Canada



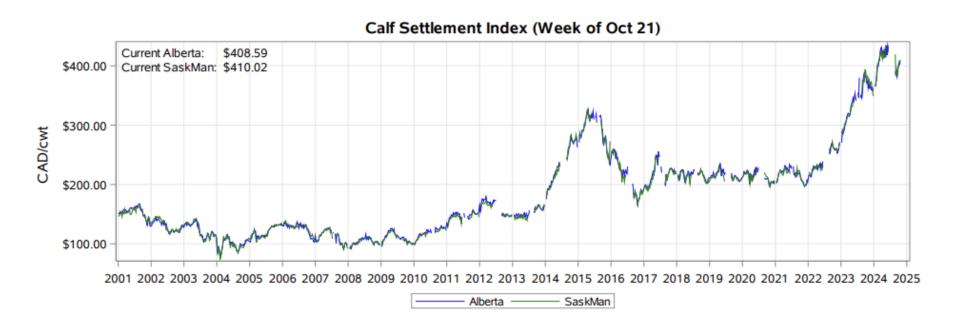
Canadian Beef Heifers (Breeding) July 1



Source: Statistics Canada

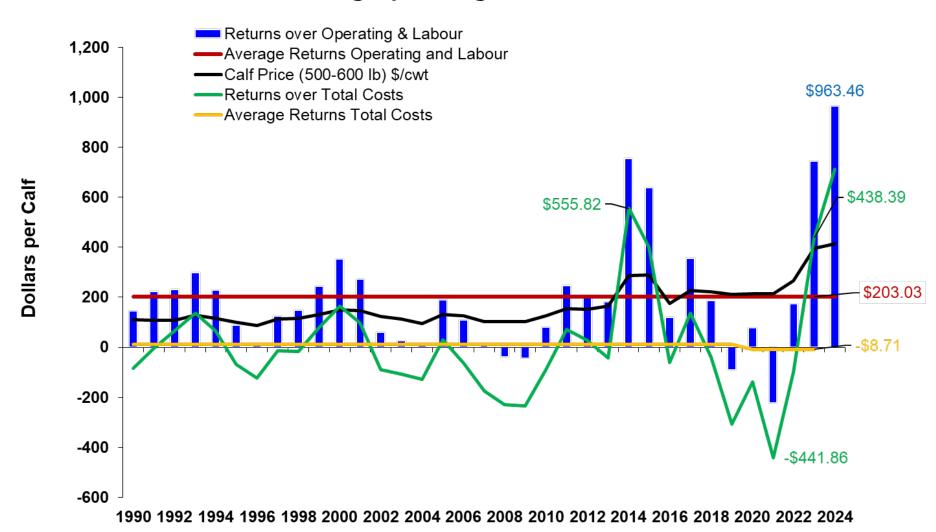


Livestock Price Insurance Settlement Index

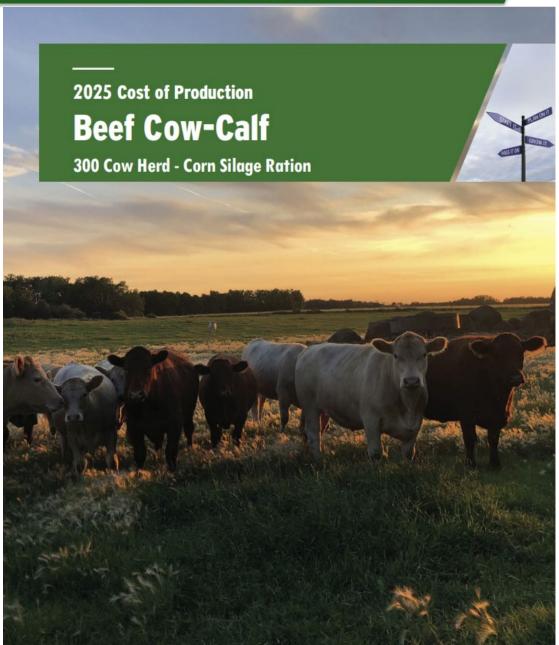




Manitoba Cow-Calf Estimated Returns Covering Operating & Labour, 1990-2024









Cow-Calf Production Costs - September, 2024 Based on a 300 Cow Herd

Cost/Cow	Total Cost	Your Cost
\$83.07	\$24,920	
\$288.78	\$86,634	
\$42.09	\$12,627	
<u>\$41.65</u>	<u>\$12,496</u>	
\$455.59	\$136,677	
	\$83.07 \$288.78 \$42.09 \$41.65	\$83.07 \$24,920 \$288.78 \$86,634 \$42.09 \$12,627 \$41.65 \$12,496



0

0

0

0

0.07

32

0

0.07

\$0.00

\$0.00

\$0.00

\$1.66

\$233.93

\$122.37

6,118

Winter Feed Ration Economics

0.058

0.020

0.025

0.094

0.182

2,000

2,000

2,000

48

\$115.00

\$40.00

\$50.00

\$4.50

\$10.00

Barley Greenfeed

Corn Silage

Barley Silage

Barley Grain

Blue Salt

VV 111	ici i c	c u i	lati			<i>,</i> 011	OII	1163	•				
				F	Pre Cal	ving - (Cows						
		Ration I	Number	#1	#2	#3	#4	#5	#6	#7	#8	#9	Total
		Days o	n Feed	0	0	135	0	0	0	0	0	0	lbs
Feed Type	\$/unit	lbs/Unit	\$/lb	Ra	tion - F	Feed Pe	er Day	(lbs ba	sed on	1400	lb cow	<u> </u>	/cow
Alfalfa Hav	\$155.00	2 000	0.078	0	0	0	0	0	0	0	0	0	(

		Ration N	Number	#1	#2	#3	#4	#5	#6	#7	#8	#9	Total	Total
		Days o	n Feed	0	0	135	0	0	0	0	0	0	lbs	Cost
Feed Type	\$/unit	lbs/Unit	\$/lb	Ra	tion - F	eed Pe	er Day	(lbs ba	sed on	1400	lb cow	')	/cow	/cow ²
Alfalfa I Iav	¢455.00	0.000	0.070	^		•	0			_	0		0	<u></u>

		Days o	n Feed	0	0	135	0	0	0	0	0	0	lbs	Cost
Feed Type	\$/unit	lbs/Unit	\$/lb	Ra	tion - F	eed Pe	r Day	(lbs bas	sed on	1400	lb cow	')	/cow	/cow ²
Alfalfa Hay	\$155.00	2,000	0.078	0	0	0	0	0	0	0	0	0	0	\$0.00
A16.16. O							_	4.0		4.0				40.00

		T	T											•
Feed Type	\$/unit	lbs/Unit	\$/lb	Ra	tion - F	eed Pe	er Day	(lbs ba	sed on	1400	lb cow	')	/cow	/cow ²
Alfalfa Hay	\$155.00	2,000	0.078	0	0	0	0	0	0	0	0	0	0	\$0.00
Alfalfa Grass Hay	\$115.00	2,000	0.058	35	0	0	0	16	0	10	0	0	0	\$0.00
													1	

Alfalfa Hay	\$155.00	2,000	0.078	0	0	0	0	0	0	0	0	0	0	\$0.00
Alfalfa Grass Hay	\$115.00	2,000	0.058	35	0	0	0	16	0	10	0	0	0	\$0.00
Grass Hay	\$95.00	2,000	0.048	0	0	0	0	0	0	0	0	0	0	\$0.00
Barley Straw	\$70.00	2,000	0.035	0	17	19	23	0	23	15	23	0	2,473	\$86.57

48

0

0.07

0 0

0.07

47

11

0.07

\$/head/day \$2.13 \$1.99 \$1.80 \$2.15 \$2.13 \$2.67 \$1.93 \$2.85 \$0.00

19

0

0.07

10

0.07

32% Feedlot Suppl.	\$550	2,205	0.249	0	0.5	0.5	1	0	0	0	0	0	65	\$16.24
32% Liquid Suppl.	\$500	2,205	0.227	0	0	0	0	0	2.9	0	0	0	0	\$0.00
20% Grain Pellets	\$300	2,205	0.136	0	0	0	0	0	0	0	14	0	0	\$0.00
1:1 Mineral	\$50.00	55	0.909	0.12	0	0.00	0	0	0	0	0	0	0	\$0.00
2:1 Mineral	\$50.00	55	0.909	0	0.06	0.06	0.06	0.12	0.2	0.2	0.06	0	8	\$7.10
Limestone	\$20.00	55	0.364	0	0	0.00	0	0	0.2	0	0.2	0	0	\$0.00

0.07



	Extended Cr	azing Option	s Costs —		
	Corn Grazing	Stockpiled Forage	S - Costs Swath Grazing	Crop Residue	
Standing Forage Cost (\$/lb)	n/a	\$0.025	n/a	\$0.015	
Input Costs (\$/acre)					
Seed	\$96.00		\$32.00		
Fertilizer (incl. applic.)	\$147.00		\$81.00		
Herbicide	\$16.00		\$16.00		
Custom tillage	\$12.00		\$12.00		
Custom seeding	\$25.00		\$25.00		
Custom spraying	\$9.00		\$9.00		
Miscellaneous	\$7.75		\$7.75		
Land taxes	\$15.00		\$15.00		
Land Costs	\$75.00		\$75.00		
<u>Labour</u>	\$20.25		\$20.25		
Subtotal	\$423.00	\$50.00	\$293.00	\$7.50	
Fencing Costs					
Estimated miles of fence required	0.350	2.950	0.588	11.550	
Fence Investment Cost/acre	\$1.31	\$1.31	\$1.31	\$1.31	
Fence Depreciation Cost/acre	\$1.64	\$1.64	\$1.64	\$1.64	
Total cost per acre	\$425.95	\$52.95	\$295.95	\$10.45	
Extended (Grazing Opti	ons - Yields &	& Cost Comp	arison	
Grazing Yield (wet tons/acre)	15.00	1.00	7.50	0.25	
% moisture	50	10	40	8	
Yield (tons dry matter/acre)	7.5	0.9	4.5	0.23	
Total # cow grazing days/acre	370.4	44.4	222.2	11.4	
Acres Req'd for Option	28	236	47	924	
Total Extended Grazing Cost	\$11,926.62	\$12,496.41	\$13,909.69	\$9,656.61	
Cost per cow	\$39.76	\$41.65	\$46.37	\$32.19	
Cost/cow/day (based on 35 days)	\$1.14	\$1.19	\$1.32	\$0.92	

Cow-Calf Production Costs - September, 2024 Based on a 300 Cow Herd

Buscu	on a 300 cow rie	I G	
A. Operating Costs	Cost/Cow	<u>Total Cost</u>	Your Cost DO
1. Feed Costs			
Grain and Concentrates	\$83.07	\$24,920	
Forages	\$288.78	\$86,634	
Salt & Minerals	\$42.09	\$12,627	
Extended Grazing Forages	<u>\$41.65</u>	<u>\$12,496</u>	
Total Feed Cost	\$455.59	\$136,677	
2. Other Operating Costs			
Straw	\$70.00	\$21,000	
Veterinary Medicine & Supplies	\$25.34	\$7,603	
Breeding Costs	\$55.70	\$16,710	
Fuel, Maintenance & Repairs	\$34.11	\$10,232	
Utilities	\$9.69	\$2,907	
Marketing & Transportation	\$37.76	\$11,327	
Death Loss	\$32.50	\$9,750	
Manure Removal	\$10.84	\$3,252	
Insurance	\$16.38	\$4,914	
Herd Replacement	\$148.50	\$44,550	
Pasture Rental	\$59.38	\$17,813	
Pasture Operating	\$34.77	\$10,430	
Labour - Hired	\$54.00	\$16,200	
Miscellaneous	<u>\$3.33</u>	<u>\$999</u>	
Subtotal Operating Costs	\$1,047.88	\$314,364	
Operating Interest	<u>\$39.30</u>	<u>\$11,789</u>	
Total Operating Costs	\$1,087.17	\$326,153	
B. Fixed Costs			
Livestock	\$72.37	\$21,710	
Buildings	\$23.00	\$6,899	
Machinery & Equipment	\$92.75	\$27,825	
Pasture Land & Fencing	\$64.40	\$19,321	
Total Fixed Costs	<u>\$252.52</u>	\$75,755	
C. Owners - Labour & Living	<u>\$162.00</u>	<u>\$48,600</u>	
Total Cost of Production	\$1,501.69	\$450,508.00	



Fixed Costs

B. Fixed Costs		
Livestock	\$72.37	\$21,710
Buildings	\$23.00	\$6,899
Machinery & Equipment	\$92.75	\$27,825
Pasture Land & Fencing	<u>\$64.40</u>	<u>\$19,321</u>
Total Fixed Costs	<u>\$252.52</u>	<u>\$75,755</u>
C. Owners - Labour & Living	<u>\$162.00</u>	<u>\$48,600</u>
Total Cost of Production	\$1,501.69	\$450,508.00



Marginal Returns per Acre - \$4.10 Steers and \$3.80 Heifers

Profitability and	d Breakeven Analysi	S	
Estimated Farmgate	Per Cow	<u>Total</u>	Per Acre
Price (\$ per cwt)	\$395.65		
Calf weight (lbs)	575		
Gross Revenue / cow	\$2,161.24	\$648,371	\$452
Operating Expense Ratio	50.3%		
Marginal Returns			
Over Feed Costs	\$1,706	\$511,694	\$356
Over Operating Costs	\$1,074	\$322,219	\$224
Over Operating & Fixed Costs	\$822	\$246,465	\$172
Over Total Costs (Net Profit)	\$660	\$197,865	\$138
	Price		
Breakeven (Lb. weaned calf)	<u>(\$/cwt)</u>		
Over Feed & Operating Costs	\$199		
Over Feed, Operating & Fixed Costs	\$245		
Over Total Costs	\$275		
Estimated Return on Investment (ROI)	43.9%		_
Estimated Return on Asset (ROA)	13.0%		

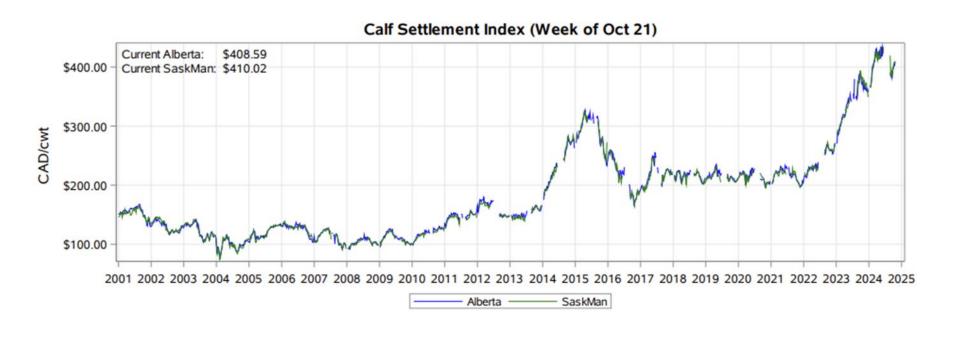


Manage Risk

- Take out the risk with risk management programs
- Agrilnsurance (forage and pasture)
- Livestock Price Insurance
- Agrilnvest
- AgriStability (whole farm)
- Manitoba livestock cash advance (operating interest)



Livestock Price Insurance Settlement Index





		Agr	ilnsuran	ce Analy:	sis				
			<u>M</u>	ASC Foraç	ge Region	<u>Map</u>	MASC Fo	orage Insu	rance
	Forage Region 5				J	Alfalfa Gra	ass Silage	<u></u>	
	Risk Area 12	Barley	Corn	Basic Ha	y option		Select Ha	ay option	
		Silage	Silage	80% Cd	overage	More Than 4	4 Year Stand	4 Years or	Less Stand
	Based on 2024 MASC data	80% Coverage	80% Coverage	Low - \$32/tonne	High - \$53/tonne	70% Coverage	80% Coverage	70% Coverage	80% Coverage
A.	Silage Acres	160	160	160	160	160	160	160	160
Со	verage								
B.	Probable Yield - IC (tons/acre)	4.654	13.158	4.833	4.833	3.361	3.361	4.833	4.833
C.	Premium (\$/Acre)	\$18.17	\$27.38	\$5.52	\$8.97	\$16.86	\$24.46	\$16.86	\$24.46
D.	Premium (Total \$) = A x C	\$2,907	\$4,381	\$883	\$1,435	\$2,698	\$3,914	\$2,698	\$3,914
E.	Premium Cost (% of Insured) = C/H	8.2%	3.2%	4.5%	4.4%	8.2%	10.4%	5.7%	7.2%
Со	verage Calculation								
F.	Coverage (tons/acre) = B x %	3.723	10.526	3.866	3.866	2.353	2.689	3.383	3.866
G.	Coverage (\$/ton)	\$59.62	\$82.00	\$31.84	\$52.91	\$87.44	\$87.44	\$87.44	\$87.44
H.	Coverage (\$/acre) = F x G	\$221.96	\$863.13	\$123.09	\$204.57	\$205.68	\$235.07	\$295.83	\$338.09
1.	Coverage (Total \$) = A x H	\$35,513	\$138,101	\$19,694	\$32,731	\$32,909	\$37,611	\$47,333	\$54,095

	Forage Region 5				Alfalfa Grass Silage								
	Risk Area 12	Barley	Corn	Basic Ha	y option		Select Ha	y option					
		Silage	Silage	80% Co	overage	More Than 4	Year Stand	4 Years or I	Less Stand				
	Based on 2024 MASC data	80% Coverage	80% Coverage	Low - \$32/tonne	High - \$53/tonne	70% Coverage	80% Coverage	70% Coverage	80% Coverage				
Ind	emnity Calculation												
J.	Avg.Silage Yield (tons/acre)	1.7	75										
K.	Avg. Total No. of tons	280	280	280	280	280	280	280	280				
L.	Percent of Probable Yield	38%	13%	36%	36%	52%	52%	36%	36%				
M.	Forage Indemnity (tons/acre) = F - J	1.973	8.776	2.116	2.116	0.603	0.939	1.633	2.116				
N.	Forage Indemnity (% of coverage)	53.0%	83.4%	54.7%	54.7%	25.6%	34.9%	48.3%	54.7%				
O.	Est. Forage Indemnity (\$/acre) = G x M	\$117.63	\$719.63	\$67.37	\$111.96	\$52.73	\$82.11	\$142.79	\$185.02				
P.	Estimated Forage Indemnity = A x O	\$18,820	\$115,141	\$10,780	\$17,913	\$8,436	\$13,137	\$22,846	\$29,604				
Нау	Disaster Benefit Calculation			(more than 2	0% of the pro	oducers insur	ed by Agrilns	urance have l	ess than				
Q.	Significant MB hay yield loss	Ye	es		long-term pro		ou by Agama	aranoo navo					
R.	Est. HDB (\$/acre) = M x \$19.73/ton	n/a	n/a	\$41.75	\$41.75	\$11.90	\$18.53	\$32.22	\$41.75				
S.	Est. Hay Disaster Benefit = A x R	n/a	n/a	\$6,680	\$6,680	\$1,904	\$2,964	\$5,155	\$6,680				
Tot	al Indemnity + HDB												
T.	Est. Indemnity + HDB (\$/acre) = O + R	\$117.63	\$719.63	\$109.12	\$153.71	\$64.62	\$100.63	\$175.01	\$226.77				
U.	Est. Indemnity + HDB = P + S	\$18,820	\$115,141	\$17,460	\$24,593	\$10,340	\$16,101	\$28,001	\$36,283				
Bre	akeven Calculation												
	Est. Breakeven yield (tons/acre)	3.418	10.192	3.693	3.696	2.160	2.409	3.190	3.586				
Cos	sts Not Covered By Agrilnsurance												
	Operating Costs	\$0.00	\$0.00	\$70.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
	Operating & Fixed Costs	\$128.12	\$0.00	\$206.48	\$125.00	\$123.88	\$94.50	\$33.73	\$0.00				
	Total Costs	\$169.49	\$0.00	\$230.96	\$149.48	\$148.37	\$118.99	\$58.22	\$15.96				
Agr	ilnsurance Risk Ratio			(Agrilnsurar	nce Coverage	e / Cost)							
	Operating Costs	104%	232%	64%	106%	106%	122%	153%	175%				
	Total Costs	57%	151%	35%	58%	58%	66%	84%	95%				



				Agrilns	urance A	nalvsis						
				<i>r</i> tgriii e	arairee 7							
							MASC For	age Regio	n Map	MASC F	orage Ins	<u>urance</u>
	Forage Region 5	Basic	Hay	Alf	alfa Grass	- Select H	lay		Alfalfa - S	Select Hay		Greenfeed
	Risk Area 12	80% Co	overage	More Than 4	Year Stand	4 Years or	Less Stand	More Than 4	Year Stand	4 Years or	Less Stand	
	Based on 2024 MASC data	Low - \$71/tonne	High - \$118/tonne	70% Coverage	80% Coverage	70% Coverage	80% Coverage	70% Coverage	80% Coverage	70% Coverage	80% Coverage	80% Coverage
A.	Hay Acres	160	160	160	160	160	160	160	160	160	160	160
Cov	verage											
В.	Probable Yield - IC (tons/acre)	2.389	2.389	1.661	1.661	2.389	2.389	2.266	2.266	3.009	3.009	1.996
C.	Probable Yield (1,500 lb. bales/ac)	3.19	3.19	2.21	2.21	3.19	3.19	3.02	3.02	4.01	4.01	2.66
D.	Prob. Total No. of 1,500 lb. Bales	510	510	354	354	510	510	483	483	642	642	426
E.	Premium (\$/Acre)	\$5.52	\$8.97	\$16.86	\$24.46	\$16.86	\$24.46	\$12.24	\$17.62	\$12.24	\$17.62	\$18.17
F.	Premium (Total \$) = A x C	\$883	\$1,435	\$2,698	\$3,914	\$2,698	\$3,914	\$1,958	\$2,819	\$1,958	\$2,819	\$2,907
G.	Premium Cost (% of Insured) = E/M	4.5%	4.4%	8.2%	10.4%	5.7%	7.2%	3.6%	4.5%	2.7%	3.4%	8.2%
Cov	verage Calculation											
H.	Coverage (tons/acre) = B x %	1.911	1.911	1.163	1.329	1.672	1.911	1.586	1.813	2.106	2.407	1.597
I.	Coverage (\$/ton)	\$64.41	\$107.05	\$176.90	\$176.90	\$176.90	\$176.90	\$214.10	\$214.10	\$214.10	\$214.10	\$139.00
J.	Coverage (1,500 lb. bales/acre)	2.55	2.55	1.55	1.77	2.23	2.55	2.11	2.42	2.81	3.21	2.13
K.	Coverage No. of 1,500 lb. Bales	408	408	248	284	357	408	338	387	449	513	341
L.	Coverage (\$/bale)	\$48.31	\$80.29	\$132.68	\$132.68	\$132.68	\$132.68	\$160.57	\$160.57	\$160.57	\$160.57	\$104.25
M.	Coverage (\$/acre) = H x I	\$123.09	\$204.57	\$205.74	\$235.10	\$295.78	\$338.06	\$339.56	\$388.16	\$450.89	\$515.33	\$221.98
N.	Coverage (Total \$) = A x M	\$19,694	\$32,731	\$32,918	\$37,616	\$47,325	\$54,089	\$54,329	\$62,105	\$72,142	\$82,453	\$35,517



Inde	emnity Calculation											
O.	Avg. Forage Yield (bales/acre)	1.0	0	(0.75 ton	ns/acre)							
P.	Avg. Total No. of 1,500 lb. Bales	160	160	160	160	160	160	160	160	160	160	160
Q.	Percent of Probable Yield	31%	31%	45%	45%	31%	31%	33%	33%	25%	25%	38%
R.	Forage Indemnity (bales/acre) = J - O	1.55	1.55	0.55	0.77	1.23	1.55	1.11	1.42	1.81	2.21	1.13
S.	Forage Indemnity (tons/acre) = H - O	1.161	1.161	0.413	0.579	0.922	1.161	0.836	1.063	1.356	1.657	0.847
T.	Forage Indemnity (% of coverage)	60.8%	60.8%	35.5%	43.6%	55.1%	60.8%	52.7%	58.6%	64.4%	68.8%	53.0%
U.	Est. Forage Indemnity (\$/acre) = I x S	\$74.78	\$124.28	\$73.06	\$102.43	\$163.10	\$205.38	\$178.98	\$227.58	\$290.31	\$354.76	\$117.73
V.	Estimated Forage Indemnity = A x U	\$11,965	\$19,885	\$11,690	\$16,388	\$26,096	\$32,861	\$28,637	\$36,413	\$46,450	\$56,761	\$18,837
Нау	Disaster Benefit Calculation											
X.	Significant MB hay yield loss	Ye	s	(more than 20)% of the pro	ducers insure	d by AgriInsu	ırance have le	ess than 50%	of their long-	term probable	yield)
Y.	Est. HDB (\$/acre) = S x \$39.92/ton	\$46.34	\$46.34	\$16.49	\$23.11	\$36.80	\$46.34	\$33.37	\$42.43	\$54.13	\$66.14	n/a
Z.	Est. Hay Disaster Benefit = A x Y	\$7,415	\$7,415	\$2,638	\$3,698	\$5,888	\$7,415	\$5,339	\$6,789	\$8,660	\$10,583	n/a
Tot	al Indemnity + HDB											
AA.	Est. Indemnity + HDB (\$/acre) = U + Y	\$121.12	\$170.63	\$89.55	\$125.54	\$199.91	\$251.73	\$212.35	\$270.01	\$344.44	\$420.90	\$117.73
AB.	Est. Indemnity + HDB = V + Z	\$19,380	\$27,300	\$14,327	\$20,086	\$31,985	\$40,276	\$33,977	\$43,202	\$55,110	\$67,344	\$18,837
Bre	akeven Calculation											
	Est. Breakeven yield (tons/acre)	1.825	1.827	1.068	1.191	1.577	1.773	1.529	1.731	2.049	2.325	1.466
	Est. Breakeven yield (bales/acre)	2.434	2.436	1.424	1.588	2.102	2.364	2.038	2.308	2.732	3.100	1.955
Cos	its Not Covered By Agrilnsurance											
	Operating Costs	\$65.11	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Operating & Fixed Costs	\$194.05	\$112.57	\$111.40	\$82.03	\$21.36	\$0.00	\$21.06	\$0.00	\$0.00	\$0.00	\$116.84
	Total Costs	\$226.45	\$144.97	\$143.80	\$114.43	\$53.76	\$11.48	\$53.46	\$4.86	\$0.00	\$0.00	\$157.34
Agr	ilnsurance Risk Ratio	(Agrilnsuran	ce Coverage	e / Cost)								
	Operating Costs	65%	109%	109%	125%	157%	180%	147%	168%	195%	222%	106%
	Total Costs	35%	59%	59%	67%	85%	97%	86%	99%	115%	131%	59 %



Forage Coverage Calculation

		Lbs per bale		Lbs per bale
Year	Area Average Tonnes	1400	Individual yield	1400
2013	2.835	4.5	3.19	5.0
2014	2.89	4.6	3.807	6.0
2015	3.378	5.3	3.1	4.9
2016	3.346	5.3	3.361	5.3
2017	2.351	3.7	1.47	2.3
2018	2.574	4.1	1.894	3.0
2019	2.154	3.4	2.149	3.4
2020	2.745	4.3	3.187	5.0
2021	1.631	2.6	2.48	3.9
2022	3.393	5.3	4.279	6.7
Coverage	2.730	4.3	2.892	4.6



Added Benefits

- Producers enrolled in Basic Hay Insurance are also eligible for the Harvest Flood Option for insured coarse hay and Pasture Insurance
- Hay Disaster Benefit
- Forage Restoration Benefit
- Enhanced Quality Option



Pasture Days Insura	nce Calculator						Printed:
*** Enter/select changes to it							
Enter/select enanges to it	Citis in Deal Giny						
<u>Coverage</u>							
	or Individual 10-year average			days	or	4.47	months
Coverage Level of of N			90%				
	on pasture (enter M/DD)		May 15	(cover	age would	last until	September 13
Historical grazing perio	` • · ·		September 26				
0 1	nimal Unit for each AU day		\$2.25				
Premium Rate			4.70%				
Premium share (produ	cer)	<u> </u>	40%				
Pasture Land			1306	acres			
Animal Inventory							
Step #1	Step #2 - Select Category		Number of Head		Animal l	Jnit (AU)	
Cows	Bulls, Bred Cows, Cow/Calf pairs = 1.3 A.U.		312		406		
(Select Animal Type)			0		0		
(Select Animal Type)			0		0		
(Select Animal Type)			0		0		
(Select Animal Type)			0		0		
(Select Animal Type)			0		0		
Tota			312		406		
Coverage Calculation							
Animal Unit Days (406	All x 134 days)		54 404	AU Day	9		
	1,404 x 90% or 121 days)			AU Day			
	rage (48,964 AU Days x \$2.25 per AU)		\$110,168.10				
	/head/season) = (\$110,168 ÷ 312 head)		\$353.10				
	/head/day) = (\$353.1 ÷ 134 days)		\$2.64				
Premium Calculation			·				
	□ umber of Grazing Days x Animal Units x coverage	l eve	al v Insurable Valu	v Prem	ium Rate	0/2	
	X 90% x \$2.25 x 4.7%)	Leve	\$5,177.90		lumitate	/0	
-	remium = (\$5,177.9 x 40%)		\$2,071.16		of insure	٠٩)	
	= (\$2,071.16 ÷ 1306 acres)		\$1.59		o or mound		
	season) = (\$2,071.16 ÷ 312 head)		\$6.64				
	day) = (\$6.64 ÷ 134 days)		\$0.0495				
Indemnity Calculation			·				
	from pasture (enter M/DD)		August 1				
	on pasture before removal		78	days	(43 days	of pastur	e coverage)
Actual Animal Unit Day				AU Day			J ,
Pasture Shortfall (48,9	• • • • • • • • • • • • • • • • • • • •		17,296	AU Day	s		
Estimated Indemnity (1	7,296 AU Days x \$2.25)		\$38,915.10				
) = (\$38,915 ÷ 1306 acres)		\$29.80				
	/season) = (\$38,915 ÷ 312 head)		\$124.73				
Est. Indemnity (\$/head	/day) = (\$124.73 ÷ 43 days)		\$2.90				



Backgrounding Economics(600-900Lbs) 873 lbs Shrunk Weight

Profitability and Breakeven Analysis Per Head Total Stimated Farmgate Gross Revenue @ \$300/cwt market price \$2,619.00 \$1,309,500					
stimated Farmgate Gross Revenue @ \$300/cwt market price					
	Price (\$/cwt) @	Price (\$/cwt) @			
Operating Costs					
	'	· —			
Operating & Fixed Costs	\$414.12	\$291.92			
Total Costs	\$408.72	\$295.01			
	Cost per lb of	Marginal Returns per head			
	gain sold (\$/cwt)	@ \$300/cwt market price			
Feed Costs	\$70.77	\$339.77			
Operating Costs	\$137.88	\$104.71			
Operating Costs & Labour	\$145.12	\$77.71			
Operating & Fixed Costs	\$147.03	\$70.58			
Total Costs	\$154.27	\$43.58			



*** Enter changes to values to items in BLUE only ***

Livestock Price Insurance-Feeders

LPI - Decision Calculator

LPIP (\$ per Head)

Total LPIP (\$ per 500 calves)

\$367

\$183,330

\$192,060

Costs per Head (incl. I PIP Premium) Not Covered By the I PIP Insured Value

\$349

\$174,600

\$332

\$165,870

\$314

\$157,140

Step #1: LPIP Premium Table October Click here to go to User Guide Premium Table as of: 24 \$ / cwt Insured Index (\$/cwt) \$324 \$322 \$320 \$318 \$316 \$314 \$312 \$310 \$308 \$306 \$304 \$302 \$300 \$298 \$296 Premium (\$/cwt) \$5.06 \$4.59 \$4.16 \$3.76 \$3.40 \$3.07 \$2.77 \$2.49 \$2.24 \$2.01 \$1.80 \$1.62 \$1.45 \$1.29 \$1.16 Step#2: LPIP - Insured Feeders on Your Farm Insured Weight 873 lbs Estimated Settlement Price \$280 \$/cwt Number of Calves 500 head Click here to enter your backgrounding production costs 436.500 lbs Total Insured Weight Step#3: LPIP Analysis - Premiums & Insured Value \$40.07 Premium Cost (\$/head @ 873 lbs) \$44.17 \$36.32 \$32.82 \$29.68 \$26.80 \$24.18 \$21.74 \$19.56 \$17.55 \$15.71 \$14.14 \$12.66 \$11.26 \$10.13 \$2,689 \$2,636 Insured Value (\$/head @ 873 lbs) \$2,829 \$2,811 \$2,794 \$2,776 \$2,759 \$2,741 \$2,724 \$2,706 \$2,671 \$2,654 \$2,619 \$2,602 \$2,584 0.80% 0.73% Premium Cost (% of Insured Value 1.56% 1.43% 1.30% 1.18% 1.08% 0.98% 0.89% 0.66% 0.59% 0.54% 0.48% 0.43% 0.39% Total Premium (500 calves) \$22,087 \$20,035 \$18,158 \$16,412 \$14,841 \$13,401 \$12,091 \$10,869 \$9,778 \$8,774 \$7,857 \$7,071 \$6,329 \$5,631 \$5,063 Total Insured Value (500 calves) \$1,414,260 \$1,405,530 \$1,396,800 \$1,388,070 \$1,379,340 \$1,370,610 \$1,361,880 \$1,353,150 \$1,344,420 \$1,335,690 \$1,326,960 \$1,318,230 \$1,309,500 \$1,300,770 \$1,292,040 Incremental Coverage Cost (compared to next lower level) Cost per \$1 of Increased Coverage \$0.20 \$0.18 \$0.17 \$0.15 \$0.14 \$0.13 \$0.12 \$0.11 \$0.09 \$0.09 \$0.08 \$0.07 Step#4: Estimated LPIP Payments & Production Costs Not Covered Analysis LPIP Payment at Estimated Settlement Price = \$280/cwt

\$297

\$279

\$139,680

\$262

\$130,950

\$244

\$122,220

\$227

\$113,490

\$210

\$104,760

\$192

\$96,030

\$175

\$87,300

\$157

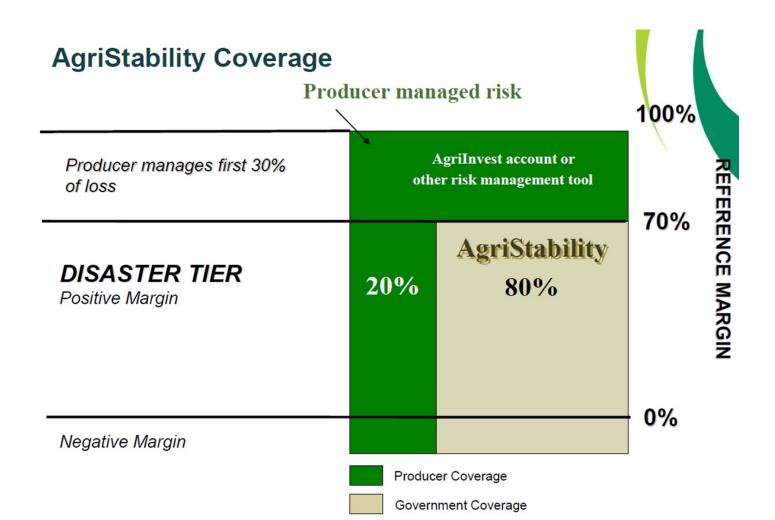
\$78,570

\$140

\$69,840



Agristability





		2023 Sta	tement A				
Identification - Complete a Form T1274 (Statement B) for each additional farming operation. Operation of							
Farm name				Method of accounting			
Sole proprietorship		Partnership		method for tax purposes	and the		
Note: If you indicate you are in a partnership,	complete t	the partnership informat	tion section on page 6.	AgriStability and AgriInve	est programs.		
Fiscal period From: Year Mo	Intership, complete the partnership information section on page 6. Enter Code 2: If you ar method for tax purpose AgriStability and Agriln in any of the following? (Tick all applicable boxes for this operation.) Intry on the form. The codes are listed in the Commodity list and in the Program payment lists including and Agrilnvest Programs Harmonized Guide.						
Was your farming operation involved in any of	the follow	ing? (Tick all applicable	boxes for this operation.)				
a member of a feeder association	[a crop share (landle	ord) a crop sh	are (tenant)			
ncome							
Farming Income and the AgriStability and Agri Round all income amounts to the nearest dolla Commodity sales and	ilnvest Pro ar.	grams Harmonized Gui	ide.		1		
program payments			Other program payments	9540			
			Business risk management (B	RM) and			
			Resales, rebates, GST/HST for	or.			
			non-allowable expenses, and				
			Agricultural contract work				
			• • • • • • • • • • • • • • • • • • • •				
			10	,			
			Other (specify below):	9600			
			Total B. Total	of other farming income	\$		
					Ψ		
			8				
				Total A			
			Grace farming inco	Total B			
				me: Total A plus Total B page 6 of this form and on			
Total A: Total of commodity sales and				of your income tax return)			

Total A: Total of commodity sales and program payments 9950 \$



2023 Statement A

Expenses	Operation 1 of
Enter the applicable code for each entry on the form. The	ne codes are listed in the Commodity list and in the Program payment lists included in Guide RC4408.
Pound all expense amounts to the pearest dollar	

Commodity purchases and repayment of program benefits	Code	Amount	Non-allowable expenses	Line	Amount				
Point of sale adjustments	575		Machinery (repairs, licences, insurance)	9760					
			Machinery lease/rental	9765					
			Advertising and promotion costs	9792					
			Building and fence repairs	9795					
			Land clearing and draining	9796					
			Agricultural contract work	9798					
			Other insurance premiums	9804					
			Interest (real estate, mortgage, other)	9805					
			Memberships/subscription fees	9807					
			Office expenses	9808					
			Legal and accounting fees	9809					
			Property taxes	9810					
			Rent (land, buildings, pastures)	9811					
			Non-arm's length salaries	9816					
			Motor vehicle expenses	9819					
			Small tools	9820					
			Soil testing	9821					
			Licences/permits	9823					
			Telephone	9824					
			Quota rental (tobacco, dairy)	9825					
Total C: Total of commodity purchases			Gravel	9826					
and repayment of program benefits	9960	\$	Purchases of commodities resold	9827					
			Motor vehicle interest and leasing costs	9829					
Allowable expenses	Line	Amount	Capital cost allowance (complete Form T1175)	9936					
Containers and twine	9661		Mandatory inventory adjustments - prior year	9937					
ertilizers and soil supplements	9662		Optional inventory adjustments – prior year	9938					
Pesticides and chemical treatments	9663		Other (specify below):	9896					
nsurance premiums (crop or production)	9665		1						
eterinary fees, medicine, and breeding fees	9713		1						
Minerals and salts	9714		1						
Machinery (gasoline, diesel fuel, oil)	9764	1	1						
lectricity	9799		1						
Freight and shipping	9801		1						
Heating fuel	9802	1	1						
Arm's length salaries	9815 9822		1						
Storage/drying Commissions and levies	9822		1						
	3036		1						
Private insurance premiums for allowable commodities	9953		Total E: Total of non-allowable e	xpenses	\$				
			Summary of expe	Summary of expenses					
				Total C					
				Total D					
				Total E					
			Total expenses: Add Total C, Total D, and	d Total E					
Total D: Total of allowable e	xpenses	\$	(enter on line 9968 or		\$				



Protected B when completed

2023 Statement A

This	page is to be completed by A	AgriSta	bilit	y participa	nts o	only PIN:			\perp				Opera	tion	1 of	
	the productive capacity of this operation		sed d			participated in cr										
progr	am year due to disaster circumstances	?			perat	ion, provide the	Con	tract	or Iden	tification	numbe	ers in t	he follo	wing fi	elds.	
Forc	rops: Yes No			II.			L	1.1		JL	1.1	1.1		1.1	1.1	الب
Forli	vestock: Yes No			[[_	ш		JL	ш	ш		ш		الب
Crop	inventory valuation and productive of	apacity														
Code	Crop/Grade	i	Inits	Acres		Unseedable ac	res	Qu	antity p	roduced	entory	ory End of year price				
		\neg						T								
								Т								
								\Box								
								\perp								
								\perp								
17	Summerfallow acres		_			l										
18	Pasture acres					l										
19	Wasteland acres															
Lives	tock inventory valuation						P	urch	ased in	puts						
Code	Description		Enc	ding inventory	End	of year price \$	С	ode		Des	cription	1	\neg	End of	year am	ount\$
					-		г						\neg			
					т		Г						\neg			
					Т		Г									
							Г									
Lives	tock productive capacity						D	eferr	red inco	me and	receiv	rables				
	Productive animals		U	Inits	\top	Quantity	н						\neg	Ending	receiv	ables
104	Cattle	Number	of o	ws that calve	1	- ,	С	Code Description					an	d incon	ne l	
123	Hogs, farrow to finish	Number o	of sows	s that farrowed	\top		⊢		-					deterri	ed to 2	024 \$
145	Hogs, farrowing	Number o	f sow:	that farrowed	\top		4	020		ted grain syments	s and	oilseed	15			
Code	Number of feeder livestock		U	Inits	\top	Quantity	Н		pac.p	,			\rightarrow			-
105	Feeder cattle (fed up to 900 lbs)	Number	of a	nimals fed			Н		-				\neg			-
106	Finished cattle (fed over 900 lbs)	Number	of a	nimals fed			H						\neg			\neg
125	Hogs, nursery (fed up to 50 lbs)			nimals fed			Н						\neg			-
124	Hogs, feeders (fed over 50 lbs)	Number		nimals fed			Г									
Code	Custom fed livestock		_	Inits		Quantity	Г									
141	Custom fed cattle	_		nimal feed day	_											
142	Custom fed hogs	Number		nimal feed day	5		Δ.	ccou	ints pay	rable			_			=
	11 7 0		_	Inits	+	Quantity	_	ode	liits pa		cription	,	_	End of	year am	S tour
113	Milk quota, milkfat	_	-	butterfat/day	+		F	, coc	_	Des	inplior	_	\rightarrow	Eng or	year am	ount a
108	Chickens, layers, broiler eggs for hatching	_	_	oducing hens	+		Н		-				\rightarrow			-
109	Chickens, layers, eggs for consumption		_	oducing hens	+		Н	_	_				-			-
143	Chickens, broilers Turkeys, broilers	produced produced	+		Н						\rightarrow			-		
Code	Other (specify below)	nits	+	Quantity	Н						\rightarrow			-		
J000	Outer (apocity below)		U	n maa	+	Quartity	Н		-				\rightarrow			-
			+		H						\rightarrow			-		
_		-			+		H						\dashv			\neg
_			+		_						_					



Program Year Calculation Example

2022 Program Year									
Commodity Sales and program Pay	Total commodity sales	\$350,000.00							
, , , , , ,	rebates	1250							
	Agri insurance	\$574							
	Program Payments								
	Total	\$351,824.22							
A. Allowable Expenses									
•	Containers and twine	\$1,345.00							
	Fertilizer	\$23,002.00							
	Pesticide	\$1,709.00							
	Fuel	\$18,000.00							
	Crop Insurance	\$16,000.00							
	Vet Fees	\$8,765.00							
	Minerals and salt	\$6,789.00							
	Labour	\$7,690.00							
	total	\$83,300.00							
		7,2100							
	Program Year Margin	\$268,524.22							
	i rogram rear margin	, \$200,02 HZZ							
	accrural adjusmtments	Starting Q1	Starting price P1	Ending Q 2	Ending Price P2	(Q2xP2)-(C	Q1xP1)		
2	cows	300	1795.83	290	1787.5	-17875	(Q2-Q1)*P	Breeding stock for	mula
	bulls	8	4000	8	4000		(Q2-Q1)*P2		
	Heifers 5-600lbs	30	1050.67	30	998.75	-1557.6			
	Bred Heifers	30	1800	25	1900	-9500	(Q2-Q1)*P2		
	Hav	500	175	600	85				
	Straw	400	35	350	35	-1750			
	Silage	2500	90	2500	40	-125000			
	Ī					-192183			
	Change in Livestock Inventory	-28932.6	**(Q2xP2)-(Q1xP1)						
	Change in Crop Inventory		**(Q2xP2)-(Q1xP1)						
	Change in purchaced inputs		**end of year minus s	art of vear amoun	t				
						rable			
		-2500	**starting accounts na	vable minus end o					
	change in accounts payable		**starting accounts pa				nd deffered i	ncome	
			**starting accounts pa **ending recievables a				nd deffered i	ncome	-
	change in accounts payable change in accounts Receivalbe	2500	**ending recievables a				nd deffered i	ncome	
	change in accounts payable		**ending recievables a				nd deffered i	ncome	



BPU Calculations

- Very important to code commodities correctly
- Acres, Cows that have calved, Backgrounders
- Livestock Inventory
- Used to Calculate structure change



İ													
BPU Calcula	ations												
						,	<u> </u>			′			
		2017	2018	2019	2020	2021	. 2022						
	crop acres	0	0	0	0	0	0	/ <u></u> '					
	Forage acres	320	320	320	320	320	640	·					
	Cattle (cows)	290	280	300	275	310	300	/					
						·							
	Historical BPU					·							
	crop bpu	0	0	0	0	0							
	Forage bpu	306.2	125.58	206.79	479.28	434.84							
	Cattle bpu	480.74	536.13	465.03	272.79	248.68							
	Margins Calculated on	a PROGRAM YE/	AR Production			,							
	crop acres	0	0	0	0	0							
	Forage acres	195968	80371.2	132345.6	306739.2	278297.6							
	Cattle (cows)	144222	160839	139509	81837	74604							
margin on	program yr size	340190	241210.2	271854.6	388576.2	352901.6							
							<u> </u>				1		-
	Margins Calculated on					<u> </u>	<u> </u>	<u> </u>					'
	crop acres	0	-	_				<u> </u>			1		<u> </u>
	Forage acres	97984											
	Cattle (cows)	139414.6											
margin for	reference year	237398.6	190302	205681.8	228386.85	216239.6	<u> </u>	<u> </u>			1		
						·	<u> </u>				1		
Ratio		143%	127%	132%	170%	163%							
						·	<u></u>	<u> </u>			1		
	fore adjustment	\$277,840.22						olympic av				ructure chan	
margin afte	er structure change ad	\$398,142.47	\$344,203.49	\$285,236.29	\$305,386.76	\$451,788.36	<u> </u>	olympic av	/erage	349244.2	after struc	cture change	2
							270/	-1	•			· · · · · · · · · · · · · · · · · · ·	-1 - 400/
	+									change olym			
	+						349244.239	Reference	Marging at	fter structure	e change tn	at will be us	sed
								'					



Available Risk Management Options

	Acres	Co	verage per acre	Tot	al Coverage	Cost	Cost per cow	Value of coverage per cow
Corn Silage Acres	130	\$	863.13	\$	112,207.16	3642.6	12.14	\$ 374.02
Pasture Acres	1302	\$	84.61	\$	110,168.10	2071.16028	6.64	\$ 367.23
Agristability	1432	\$	264.25	\$	378,410.76	\$ 1,191.99	\$ 3.97	\$ 1,261.37
Livestock Price	1432	\$	460.89	\$	660,000.00	12000	40	\$ 2,200.00
Total				\$	1,260,786.02	18905.7542	62.75	\$ 4,202.62
	Income	\$	2,500.00					
	Calves		300.00			Cost to insure all areas		
		\$	750,000.00			2.5%		



Available Risk Management Options

	Acres	Coverage per acre	Total Coverage	Cost	Cost per cow	Value of coverage per cow
Hay acres	420	303.92	127646.4	8291	27.64	425.49
Pasture Acres	1302	84.61	110168.1	2071.16	6.64	367.23
Agristability	1722	236.21	378410.76	1191.99	3.97	1261.37
Livestock Price	1602	411.99	660000	12000	40	2200
Total			1276225.26	23554.15		4254.08
		Income	2500			
		Calves	300		Cost to insure all	lareas
			750000		3.1%	



Operating Interest Rate

LoanPlan - Loan Calculator

*** Enter changes to BLUE numbers only ***

Basic Loan Information

Amount	\$250,000	Annual Interest Rate	8.000%
Start Date of Loan	01-Jan-23	Length of Loan, Years	1
		Payments Per Year	annual
Payment Information			1
Calculated Payment	\$270,000.00	Total Payments	1
Entered Payment	\$0.00		
Summary Information			
Total Paid	\$270,000.00	Accelerated Principle Paid	\$0.00
Interest Paid	\$20,000.00	Interest Saved	\$0.00
		Number of Payments Reduced	0

Pmnt #	Start of Period	Scheduled Balance	Actual Balance	Payment	Interest	Principal	Additional Principal Paid
1	01- Jan-23	\$250,000,00	\$250,000,00	\$270,000,00	00 000 002	\$250,000,00	\$0.00

1 01-Jan-23 \$250,000.00 \$250,000.00 \$270,000.00 \$20,000.00 \$250,000.00 **\$0.00**



Livestock

- Beef 300 Cow-Calf Production Costs (Excel or PDF)
- Beef 150 Cow-Calf Production Cost (Excel or PDF)
- Beef Backgrounding Costs (<u>Excel</u> or <u>PDF</u>)
- Beef Replacement Heifer Costs (<u>Excel</u> or <u>PDF</u>)
- Beef Grassing Costs (<u>Excel</u> or <u>PDF</u>)
- Beef Feedlot Finishing Costs (Excel or PDF)
- FeedPlan Feed Ingredient Cost Calculator (Online, Excel)
- Beef Cow Overwinter Cost Calculator (Online, Excel)
- Managing Low Forage Supplies During Winter (Excel or PDF)
- Calf Creep Feed Calculator (Online, Excel)
- Straw Ammoniation Calculator (Excel)
- Livestock Price Slide Calculator (Online, Excel)
- LPI Calf Decision Calculator (Online, Excel)
- LPI Feeders Decision Calculator (Online, Excel)
- Cow Share Lease Calculator (Excel)
- Bison Cow-Calf Production Costs (Excel or PDF)
- Bison Bull Backgrounding Costs (<u>Excel</u> or <u>PDF</u>)
- Bison Bull Finishing Costs (<u>Excel</u> or <u>PDF</u>)
- Sheep Lamb Production Costs (<u>Excel</u> or <u>PDF</u>)



<u>Forage</u>

- Hay: Round Bale and Silage Production Costs (<u>Excel</u> or <u>PDF</u>)
- Silage Production Costs (<u>Excel</u> or <u>PDF</u>)
- Pasture Production Costs (<u>Excel</u> or <u>PDF</u>)
- **NEW** Pasture Days Insurance Calculator (<u>Excel</u>)
- Standing Hay Costs Calculator (<u>Online</u>, <u>Excel</u>)
- FeedPlan Feed Ingredient Cost Calculator (Online, Excel)
- Forage Purchase Decision Calculator (<u>Excel</u>)
- Forage Price Moisture Conversion Calculator (Online, Excel)
- Forage Yield Moisture Conversion Calculator (Online, Excel)
- Manitoba Agriculture Forage Production



Land, Fence & Buildings

- RentPlan Crop Land Rental Rate Calculator (Online, Excel or PDF)
- Pasture Rental Rate Calculator (Online, Excel)
- FencePlan Cost Calculator (Online, Excel)
- Grain Bin and Farm Building Rental Cost Planner (Online, Excel)
- Crop Share Lease Calculator (<u>Excel</u>)
- Hay Storage Cost Planner (Excel)
- Contracts and Leases
- Agricultural Crown Land
- Manitoba Assessment Property Search
- Manitoba Assessment Property Sales
- Association of Manitoba Community Pastures



MASC Online Calculators

Machinery

· Farm Machinery Custom and Rental Guide

Land, Fence & Buildings

- · RentPlan Cropland Rental Rate Calculator
- Pasture Rental Rate Calculator
- · FencePlan Cost Calculator
- Grain Bin and Farm Building Rental Cost Planner

Forage

- FeedPlan Feed Ingredient Cost Calculator
- · Pasture Rental Rate Calculator
- · Standing Hay Cost Calculator
- · Standing Corn Cost Calculator
- · Standing Greenfeed Cost Calculator
- Straw Cost Calculator
- · Forage Price Moisture Conversion Calculator
- · Forage Yield Moisture Conversion Calculator

Crops

- RentPlan Cropland Rental Rate Calculator
- · Seeding Rate and Cost Calculator
- · FertPlan Fertilizer Cost And Requirement Calculator
- · Crop Reseeding Decision Tool
- Crop Disease Break Even Calculator
- Sclerotinia Treatment Decision Calculator (Canola)
- Sclerotinia Treatment Decision Calculator (Sunflowers)
- · Grain Drying Cost Calculator
- Straw Cost Calculator

Livestock

- Beef Cow Overwinter Cost Calculator
- · FeedPlan Feed Ingredient Cost Calculator
- LPI Decision Calculator (Calf)
- LPI Decision Calculator (Feeder)
- Calf Creep Feed Calculator



Questions?

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https://www.gov.mb.ca/agriculture/farm-management/cost-production/index.html

