
Managing Risk - Forage and Livestock Industry Manitoba



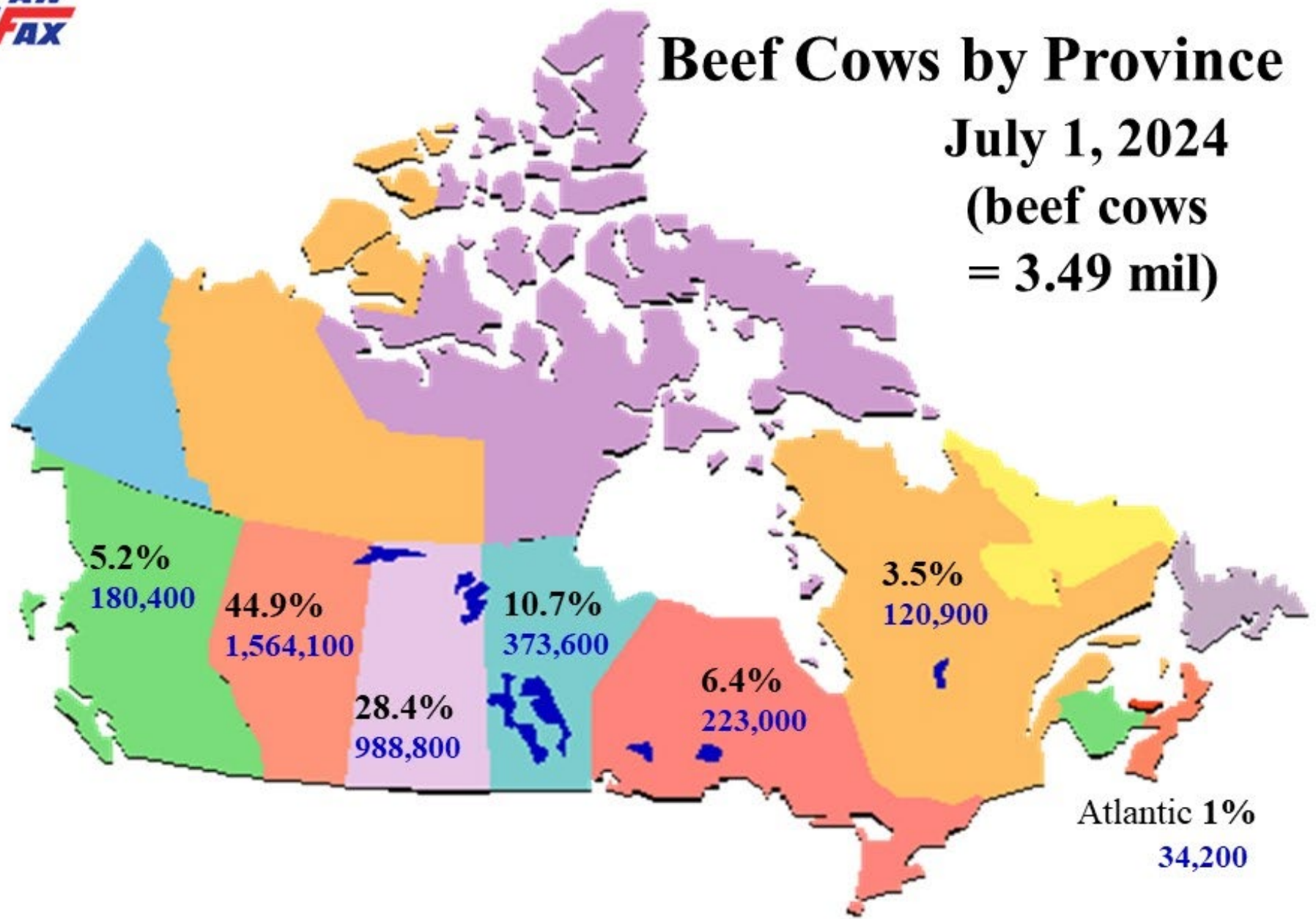
**Ben Hamm, P.Ag.
Farm Management Specialist-Livestock
Manitoba Agriculture**

October 2024



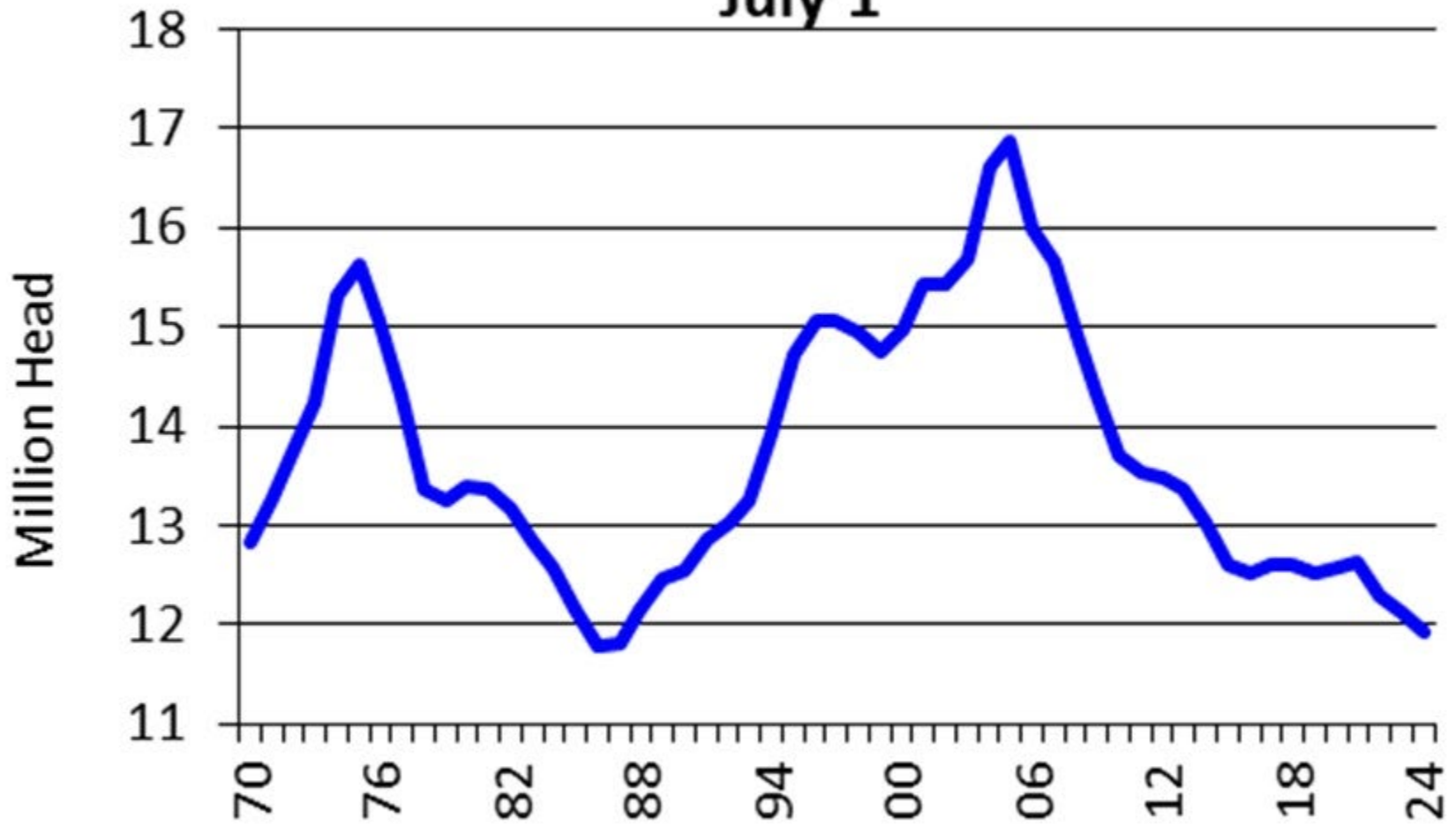
Beef Cows by Province

July 1, 2024
(beef cows = 3.49 mil)





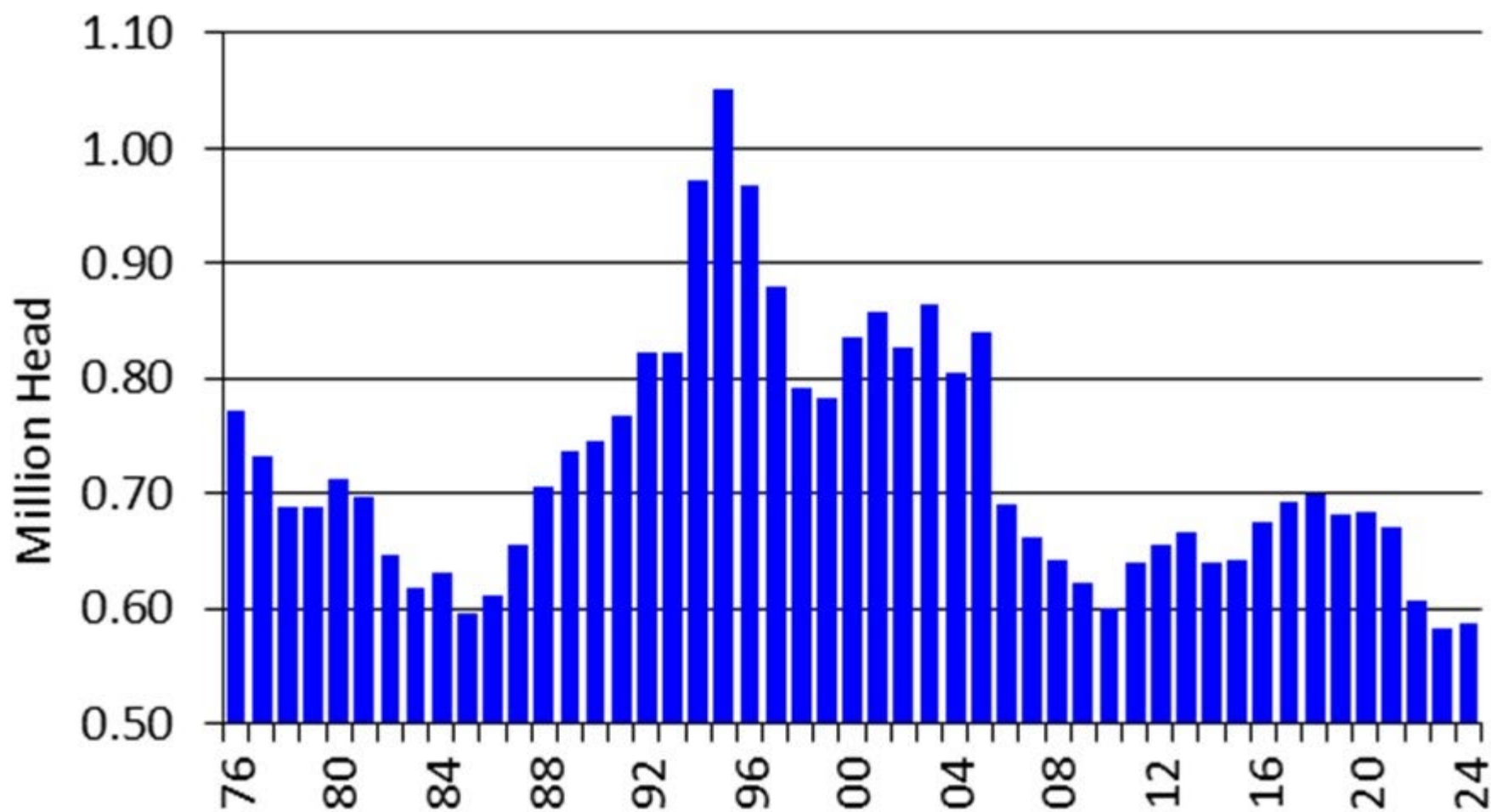
Canadian Total Cattle & Calves July 1



Source: Statistics Canada



Canadian Beef Heifers (Breeding) July 1



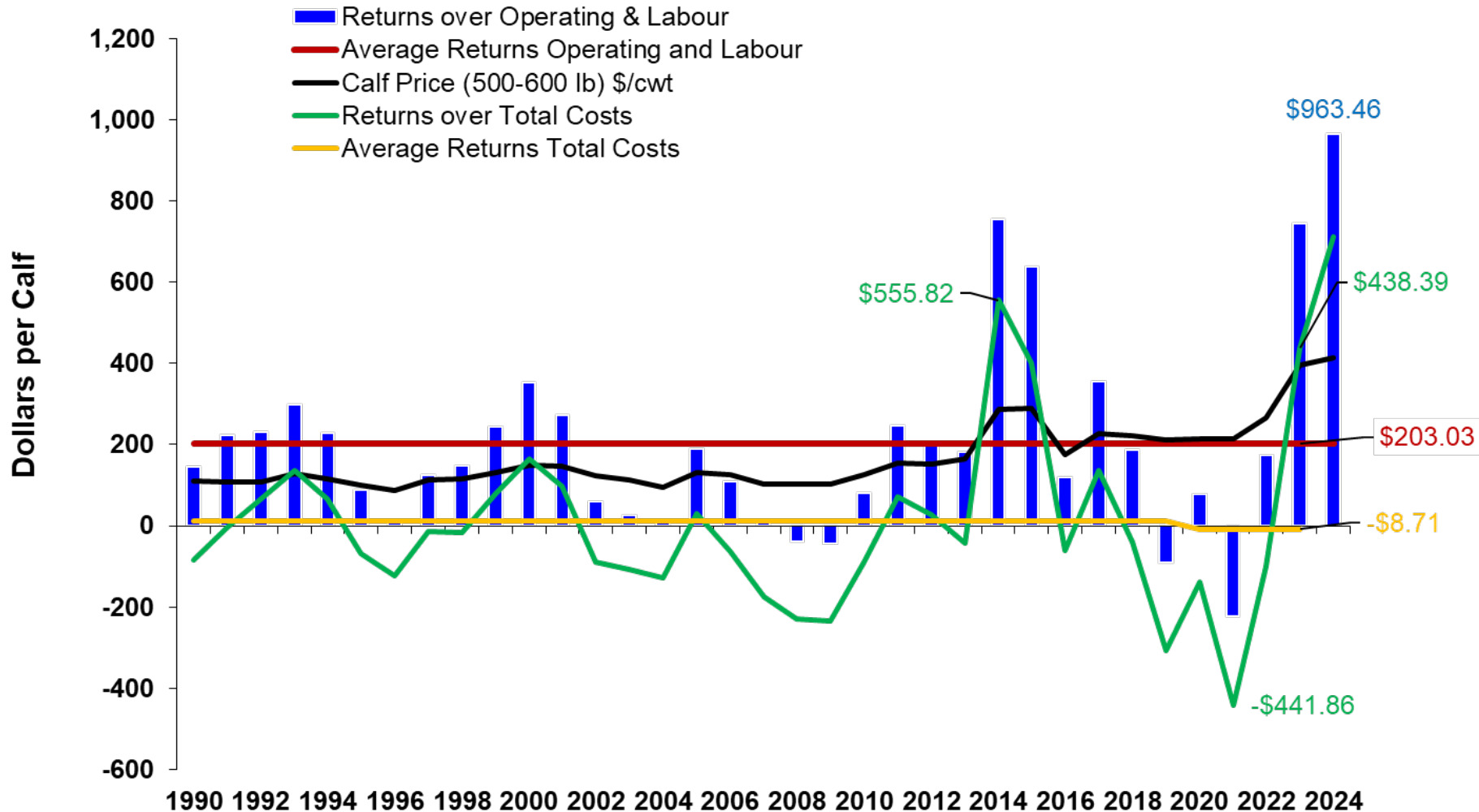
Source: Statistics Canada

Livestock Price Insurance Settlement Index

Calf Settlement Index (Week of Oct 21)



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



2025 Cost of Production

Beef Cow-Calf

300 Cow Herd - Corn Silage Ration



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

A. Operating Costs	<u>Cost/Cow</u>	<u>Total Cost</u>	<u>Your Cost</u>
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	

Winter Feed Ration Economics

Pre Calving - Cows														
	Ration Number			#1	#2	#3	#4	#5	#6	#7	#8	#9	Total lbs /cow	Total Cost /cow ²
	Days on Feed			0	0	135	0	0	0	0	0	0		
Feed Type	\$/unit	lbs/Unit	\$/lb	Ration - Feed Per Day (lbs based on 1400 lb cow)										
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
Barley Greenfeed	\$115.00	2,000	0.058	0	0	0	0	19	0	0	0	0	0	\$0.00
Corn Silage	\$40.00	2,000	0.020	0	0	47	0	0	0	32	0	0	6,118	\$122.37
Barley Silage	\$50.00	2,000	0.025	0	48	0	0	0	0	0	0	0	0	\$0.00
Barley Grain	\$4.50	48	0.094	0	0	0	11	0	10	0	0	0	0	\$0.00
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
Blue Salt	\$10.00	55	0.182	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0	9	\$1.66
			\$/head/day	\$2.13	\$1.99	\$1.80	\$2.15	\$2.13	\$2.67	\$1.93	\$2.85	\$0.00		\$233.93

Extended Grazing Options - Costs					
	<u>Corn</u> <u>Grazing</u>	<u>Stockpiled</u> <u>Forage</u>	<u>Swath</u> <u>Grazing</u>	<u>Crop</u> <u>Residue</u>	
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		
Labour	\$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 Options - Yields & Cost Comparison					
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



A. Operating Costs	<u>Cost/Cow</u>	<u>Total Cost</u>	<u>Your Cost</u>
1. Feed Costs			
Grain and Concentrates	\$83.07	\$24,920	_____
Forages	\$288.78	\$86,634	_____
Salt & Minerals	\$42.09	\$12,627	_____
Extended Grazing Forages	\$41.65	\$12,496	_____
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	\$3.33	\$999	_____
Subtotal Operating Costs	\$1,047.88	\$314,364	_____
Operating Interest	\$39.30	\$11,789	_____
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	\$252.52	\$75,755	_____
C. Owners - Labour & Living	\$162.00	\$48,600	_____
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

Total Cost of Production	\$1,501.69	\$450,508.00
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Marginal Returns per Acre - \$4.10 Steers and \$3.80 Heifers

Profitability and Breakeven Analysis

Estimated Farmgate	<u>Per Cow</u>	<u>Total</u>	<u>Per Acre</u>
Price (\$ per cwt)	\$395.65		
Calf weight (lbs)	575		
Gross Revenue / cow	\$2,161.24	\$648,371	\$452
Operating Expense Ratio	50.3%		
<hr/>			
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		
	<u>(\$/cwt)</u>		
Breakeven (Lb. weaned calf)			
Over Feed & Operating Costs	\$199		
Over Feed, Operating & Fixed Costs	\$245		
Over Total Costs	\$275		
<hr/>			
Estimated Return on Investment (ROI)	43.9%		
Estimated Return on Asset (ROA)	13.0%		

Manage Risk

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

Livestock Price Insurance Settlement Index

Calf Settlement Index (Week of Oct 21)



AgrInsurance Analysis

[MASC Forage Region Map](#)

[MASC Forage Insurance](#)

Forage Region 5

Risk Area 12

Alfalfa Grass Silage

Basic Hay option

Select Hay option

80% Coverage

More Than 4 Year Stand

4 Years or Less Stand

**80%
Coverage**

**80%
Coverage**

**Low -
\$32/tonne**

**High -
\$53/tonne**

**70%
Coverage**

**80%
Coverage**

**70%
Coverage**

**80%
Coverage**

Based on 2024 MASC data

A.	Silage Acres	160	160	160	160	160	160	160	160
Coverage									
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%
Coverage 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
I.	Coverage (Total \$) = A x H	\$35,513	\$138,101	\$19,694	\$32,731	\$32,909	\$37,611	\$47,333	\$54,095

Forage Region 5 Risk Area 12		Alfalfa Grass Silage							
		Barley Silage	Corn Silage	Basic Hay option		Select Hay option			
Based on 2024 MASC data		80% Coverage	80% Coverage	Low - \$32/tonne	High - \$53/tonne	70% Coverage	80% Coverage	70% Coverage	80% Coverage
		80% Coverage		80% Coverage		More Than 4 Year Stand		4 Years or Less Stand	
Indemnity Calculation									
J.	Avg. Silage Yield (tons/acre)	1.75							
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
Hay Disaster Benefit Calculation				(more than 20% of the producers insured by AgrilInsurance have less than 50% of their long-term probable yield)					
Q.	Significant MB hay yield loss	Yes							
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
Total 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
Breakeven Calculation									
	Est. Breakeven yield (tons/acre)	3.418	10.192	3.693	3.696	2.160	2.409	3.190	3.586
Costs Not Covered By AgrilInsurance									
	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
AgrilInsurance Risk Ratio				(AgrilInsurance Coverage / Cost)					
	Operating Costs	104%	232%	64%	106%	106%	122%	153%	175%
	Total Costs	57%	151%	35%	58%	58%	66%	84%	95%

AgrilInsurance Analysis

[MASC Forage Region Map](#)
[MASC Forage Insurance](#)

Forage Region 5 Risk Area 12		Basic Hay		Alfalfa Grass - Select Hay				Alfalfa - Select Hay				Greenfeed
		80% Coverage		More Than 4 Year Stand		4 Years or Less Stand		More Than 4 Year Stand		4 Years or Less Stand		80% Coverage
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
Coverage												
B.	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%
Coverage 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

Indemnity Calculation												
O.	Avg. Forage Yield (bales/acre)	1.00		(0.75 tons/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
Hay Disaster Benefit Calculation												
X.	Significant MB hay yield loss	Yes		(more than 20% of the producers insured by AgrilInsurance have less 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
Total 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
Breakeven 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
Costs Not Covered By AgrilInsurance												
	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
AgrilInsurance Risk Ratio												
		(AgrilInsurance Coverage / 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 Insurance Calculator

Printed:

*** Enter/select changes to items in **BLUE** only ***

Coverage

Historic grazing period or Individual 10-year average	134 days	or	4.47 months
Coverage Level of of Normal AU days	90%		
Date livestock placed on pasture (enter M/DD)	May 15	(coverage would last until	September 13
Historical grazing period end date (134 days)	September 26		
Dollar Coverage per Animal Unit for each AU day	\$2.25		
Premium Rate	4.70%		
Premium share (producer)	40%		

Pasture Land

1306 acres

Animal Inventory

Step #1	Step #2 - Select Category	Number of Head	Animal Unit (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
Total		312	406

Coverage Calculation

Animal Unit Days (406 AU x 134 days)	54,404 AU Days
Pasture Guarantee (54,404 x 90% or 121 days)	48,964 AU Days
Estimated Dollar Coverage (48,964 AU Days x \$2.25 per AU)	\$110,168.10
Est. Avg. Coverage (\$/head/season) = (\$110,168 ÷ 312 head)	\$353.10
Est. Avg. Coverage (\$/head/day) = (\$353.1 ÷ 134 days)	\$2.64

Premium Calculation

Premium = Expected number of Grazing Days x Animal Units x coverage Level x Insurable Value x Premium Rate %	
Premium = (134 x 406 X 90% x \$2.25 x 4.7%)	\$5,177.90
Estimated Producer Premium = (\$5,177.9 x 40%)	\$2,071.16 (1.88 % of insured)
Est. Premium (\$/Acre) = (\$2,071.16 ÷ 1306 acres)	\$1.59
Est. Premium (\$/head/season) = (\$2,071.16 ÷ 312 head)	\$6.64
Est. Premium (\$/head/day) = (\$6.64 ÷ 134 days)	\$0.0495

Indemnity Calculation

Date livestock removed from pasture (enter M/DD)	August 1
Calculated actual days on pasture before removal	78 days (43 days of pasture coverage)
Actual Animal Unit Days (406 AU x 78 days)	31,668 AU Days
Pasture Shortfall (48,964 - 31,668)	17,296 AU Days
Estimated Indemnity (17,296 AU Days x \$2.25)	\$38,915.10
Est. Indemnity (\$/Acre) = (\$38,915 ÷ 1306 acres)	\$29.80
Est. Indemnity (\$/head/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

Estimated Farmgate

Gross Revenue @ \$300/cwt market price

Per Head

\$2,619.00

Total

\$1,309,500

	Breakeven Purchase Price (\$/cwt) @ \$300/cwt market price	Breakeven Selling Price (\$/cwt) @ \$400/cwt feeder price	
Operating Costs	\$420.94	\$288.01	_____
Operating Costs & Labour	\$415.54	\$291.10	_____
Operating & Fixed Costs	\$414.12	\$291.92	_____
Total Costs	\$408.72	\$295.01	_____

	<u>Cost per lb of gain sold (\$/cwt)</u>	<u>Marginal Returns per head @ \$300/cwt market price</u>	
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	_____

Livestock Price Insurance-Feeders

LPI - Decision Calculator

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

Step #1: LPIP Premium Table

[Click here to go to User Guide](#) Premium Table as of: October 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	
Total Insured Weight	436,500 lbs		

Step#3: LPIP Analysis - Premiums & Insured Value

Premium Cost (\$/head @ 873 lbs)	\$44.17	\$40.07	\$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
Insured Value (\$/head @ 873 lbs)	\$2,829	\$2,811	\$2,794	\$2,776	\$2,759	\$2,741	\$2,724	\$2,706	\$2,689	\$2,671	\$2,654	\$2,636	\$2,619	\$2,602	\$2,584
Premium Cost (% of Insured Value)	1.56%	1.43%	1.30%	1.18%	1.08%	0.98%	0.89%	0.80%	0.73%	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	\$0.24	\$0.22	\$0.20	\$0.18	\$0.17	\$0.15	\$0.14	\$0.13	\$0.12	\$0.11	\$0.09	\$0.09	\$0.08	\$0.07	

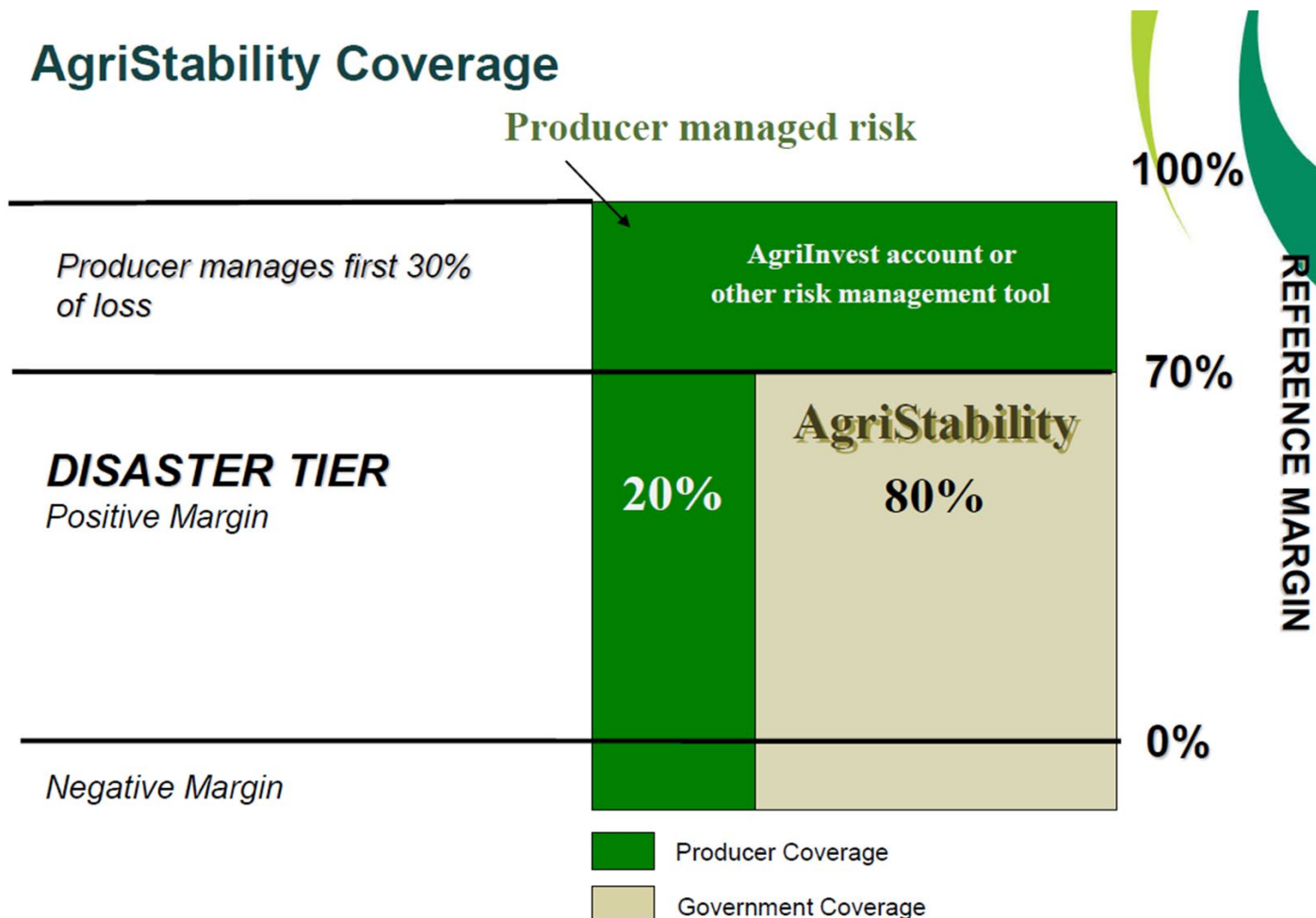
Step#4: Estimated LPIP Payments & Production Costs Not Covered Analysis

LPIP Payment at Estimated Settlement Price = \$280/cwt															
LPIP (\$ per Head)	\$384	\$367	\$349	\$332	\$314	\$297	\$279	\$262	\$244	\$227	\$210	\$192	\$175	\$157	\$140
Total LPIP (\$ per 500 calves)	\$192,060	\$183,330	\$174,600	\$165,870	\$157,140	\$148,410	\$139,680	\$130,950	\$122,220	\$113,490	\$104,760	\$96,030	\$87,300	\$78,570	\$69,840

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

Agristability

AgriStability Coverage



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				
	Program Year Margin	\$268,524.22				
	accrual adjustments	Starting Q1	Starting price P1	Ending Q 2	Ending Price P2	(Q2xP2)-(Q1xP1)
e	cows	300	1795.83	290	1787.5	-17875 (Q2-Q1)*P1 Breeding stock formula
	bulls	8	4000	8	4000	0 (Q2-Q1)*P2
	Heifers 5-600lbs	30	1050.67	30	998.75	-1557.6
	Bred Heifers	30	1800	25	1900	-9500 (Q2-Q1)*P2
	Hay	500	175	600	85	-36500
	Straw	400	35	350	35	-1750
	Silage	2500	90	2500	40	-125000
						-192183
	Change in Livestock Inventory	-28932.6	** (Q2xP2)-(Q1xP1)			
	Change in Crop Inventory	-163250	** (Q2xP2)-(Q1xP1)			
	Change in purchased inputs	4000	**end of year minus start of year amount			
	change in accounts payable	-2500	**starting accounts payable minus end of year accounts payable			
	change in accounts Receivable	2500	**ending recievables and deferred income minus starting receivables and deferred income			
	Program year margin	\$268,524.22				
	accrual adjustments	-188182.6				
	program year after accrual	\$80,341.62				

BPU Calculations

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

Available Risk Management Options

	Acres	Coverage per acre	Total 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 areas	
			750000		3.1%	

Operating Interest Rate

LoanPlan - Loan Calculator

Printed: 2022-12-15

*** 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

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	\$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 ([Excel](#) or [PDF](#))
- Beef Replacement Heifer Costs ([Excel](#) or [PDF](#))
- Beef Grassing Costs ([Excel](#) or [PDF](#))
- 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 ([Excel](#) or [PDF](#))
- Bison Bull Finishing Costs ([Excel](#) or [PDF](#))
- Sheep Lamb Production Costs ([Excel](#) or [PDF](#))

Forage

- Hay: Round Bale and Silage Production Costs ([Excel](#) or [PDF](#))
- Silage Production Costs ([Excel](#) or [PDF](#))
- Pasture Production Costs ([Excel](#) or [PDF](#))
- ****NEW**** Pasture Days Insurance Calculator ([Excel](#))
- Standing Hay Costs Calculator ([Online](#), [Excel](#))
- FeedPlan Feed Ingredient Cost Calculator ([Online](#), [Excel](#))
- Forage Purchase Decision Calculator ([Excel](#))
- 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 ([Excel](#))
- Hay Storage Cost Planner ([Excel](#))
- [Contracts and Leases](#)
- [Agricultural Crown Land](#)
- [Manitoba Assessment Property Search](#)
- [Manitoba Assessment Property Sales](#)
- [Association of Manitoba Community Pastures](#)

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?

Contact me:

Ben Hamm

Farm Management Specialist-Livestock

204-392-9350

benjamin.hamm@gov.mb.ca

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

