

## SK-8a Future Farm Summary

Sell Bred Heifers	
<b>Description</b>	Diversify marketing by selling bred heifers.
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Percentage of female calves transferred to backgrounding down from 68% to 55%</li> <li>26% of heifers between 12-24 months sold as bred heifers after preg check</li> <li>Bred heifer price at \$1,917/head (AB bred heifer price 2021)</li> <li>Heifer open rate at 10%</li> <li>Open heifers sold to finishing at \$156/cwt (900 lb + heifers, SK average)</li> <li>15 hours of family labour added to managing the bred heifer group</li> <li>Add two bulls, price at \$3,500/head</li> <li>Keep culled bull number steady with baseline at 8 head</li> <li>Preg-check at \$5/heifer for 64 heifers</li> <li>Have enough homegrown feed when yield is normal</li> <li>Keep stocking rate steady with baseline, add 198 acres rented grassland</li> </ul>
<b>Trade-Off Considerations</b>	<ul style="list-style-type: none"> <li>There will be tax implications from earning more in year one and earning higher revenue in later years. The model shows pre-tax numbers only</li> <li>Potential death loss between weaned and being sold as bred heifers</li> <li>Potential price discount on calves if not making a full load</li> <li>Increased feed requirement, and reduced ability to restock winter feed in good years in preparation of drought year</li> <li>Risk of market fluctuations with purchased feed</li> </ul>
<b>5-year average vs. baseline year*</b>	
<b>Estimated Change at Whole Farm Level (\$/year)</b>	
Net Income	+\$26,518
Net Cash Farm Income	+\$25,313
<b>Estimated Change at Cow-calf Enterprise (\$/cow)</b>	
Short-term Profits	+\$41
Medium-term Profits	+\$35
Long-term Profits	+\$34

\* Changes in profitability come from the practice change as well as debt servicing  
*Detailed reports available upon request. Email: info@canfax.ca*

