



Betsy Jensen

Minor Changes, Major Improvements

Betsy Jensen Stephen, MN

Spring wheat

Barley

Corn

Soybeans

Pinto Beans

Canola

Sugarbeets

NORTHLAND



Farm Business Management Faculty

FINBIN | The Farm Financial Ma x +

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FINBIN

Generate a Summary Report

WHOLE FARM
CROP
LIVESTOCK

Generate a Benchmark Report

WHOLE FARM
CROP
LIVESTOCK

Compare Your Farm

FINANCIAL RATIOS

Welcome to FINBIN

FINBIN is one of the largest and most accessible sources of farm financial and production benchmark information in the world. FINBIN places detailed reports on whole farm, crop, and livestock financials at your fingertips.

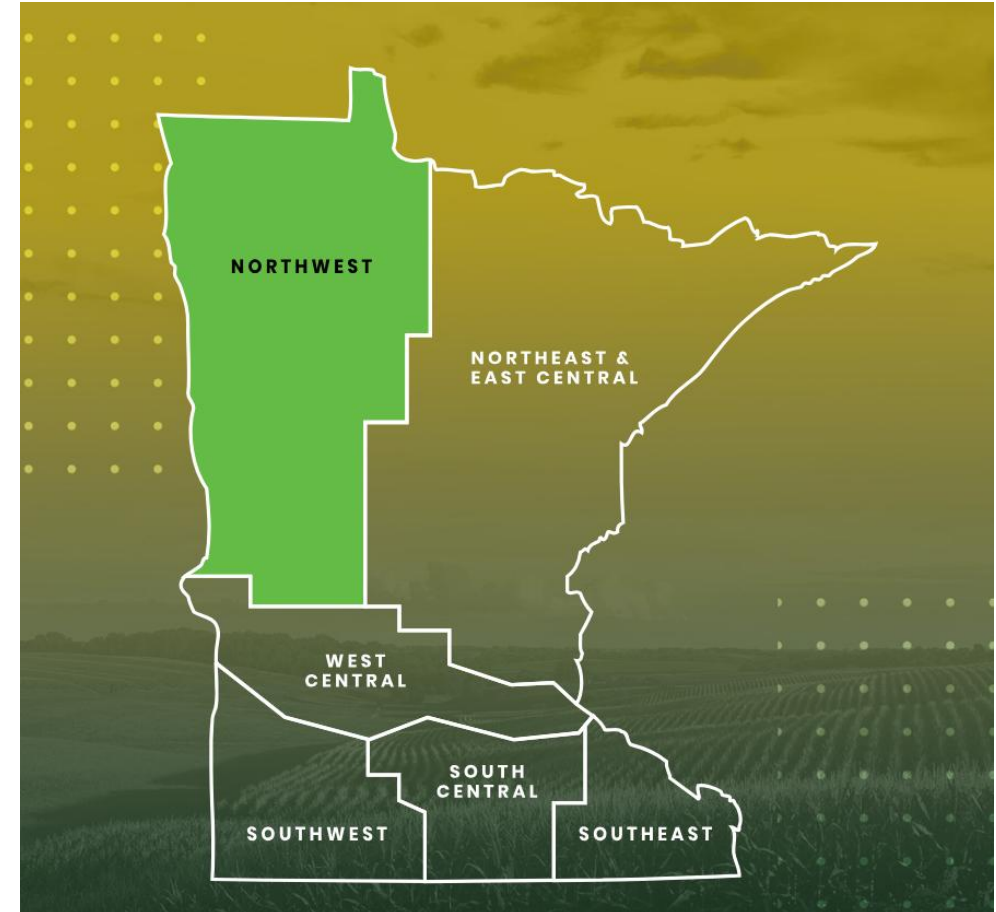
With just a few clicks of the mouse, you can see reports such as:

- [Soybean cost and returns by tillage system](#)
- [Dairy cost and returns by size of herd](#)
- [Farm financial standards measures by type of farm](#)
- [Cover Crop Impact – Corn on Cash Rented Land in Southern Minnesota](#)

The possibilities are endless. Select Whole Farm Reports, Crop Reports, or Livestock Reports to create your own custom report.

2024 Farm Financial Data

The FINBIN database has been updated to include 2024 farm financial reports for several states in the Upper Midwest. Overall, farmers faced another challenging year, with net farm income continuing to decline. Farm profitability has significantly declined since 2022, leaving many farmers in a challenging financial position. The average farm experienced a reduction in working capital, limited net worth growth, and minimal profitability for the year. [Read our full report on Minnesota farm finances to learn more.](#)



Jensen Seed Company



NORTHLAND



BY BETSY JENSEN



Betsy Jensen is a Farm Business Management Instructor at Northland Community and Technical College. Follow her on Twitter at @jensenbetsy.

Undecided

I have reviewed many high school scholarship and award applications. The students list their accomplishments, GPA and future plans. I am typically the odd one on the committee who gives extra consideration to high school students who say "Undecided" for their future plans.

It looks impressive when a student indicates plans to be a nuclear physicist or solve world hunger. I am a bit of a cynic and usually assume that student will change their major to underwater basket weaving.

I appreciate the humility of a student who says "Undecided." The student is 18 years old, has a graduating class of 30 and hasn't left the tri-state area. It is OK to be undecided on future plans.

There is so much pressure to have a life plan. It takes courage to admit you don't know. Join the workforce for a year, take some classes at a local college and appreciate all the options available.

Farmers, it is time for you to admit you don't know where prices are going. You don't know if interest rates will go down. You don't know if fertilizer will be cheaper in the spring. You don't know if we'll have an early spring. You don't know which crop will be the most profitable in 2025. You are undecided

on so many farming decisions.

There are many unknowns in farming, and it is difficult to plan. We switch acres even as we're seeding. Land that you have farmed for thirty years suddenly ends up with a for sale sign on the corner. The crop looks amazing until a hailstorm. Your shop collapses under heavy snow. If you farm long enough you will see it all.

My farmers call when there are significant plan changes. Often it is a land opportunity, for purchase or rent. Sometimes it's a phone call that the cash flow took some hits from major repairs or unexpected increases and decreases in income, such as low-quality 2024 wheat. The plan can change quickly.

Put yourself in the same situation as a high school grad who is undecided. Just because you are undecided doesn't mean you can sit around and do nothing. You cannot disappear into the basement and play video games or watch TikTok. Even if you are undecided, you still need to take action.

It is OK to take action even when undecided. You can sell grain, even if you think there's a good chance prices will go higher. Too often we think being undecided means you cannot do anything. Sometimes you just must

split the difference. Sell something, but not everything.

Once you become comfortable saying "I don't know," the planning gets easier. You can admit you don't know if prices are going up or down. You can admit you don't know if interest rates or land prices will go down. There are no easy answers, and we have to do the best with the information we have.

You know I love numbers and I love to run normal, best- and worst-case scenarios for decisions. I am always a little undecided, but I want to be an educated undecided.

For the high school grads who change colleges, majors or jobs, it's OK. For college graduates who bypass their degree and enter a different career path, that's OK, too. Life isn't supposed to be a straight line. We need to appreciate all the twists and turns that lead to something unexpected.

Farming would be so boring without price rallies, price collapses, bumper crops and hailstorms. There will always be difficult decisions in farming, even selecting the right time and method to retire from farming is difficult. It is OK to be undecided. Do your best to make an educated decision. And embrace those who admit they are undecided. It takes courage to say, "I don't know." 🌾

Different angles and expertise

- Commodity Broker
- Farm Management Instructor
- Farmer

Today's To-Do List

- Marketing Rules
- Tips for beginning farmers (and those looking to improve)

Marketing Plan Goals

- Risk management
- Cash flow alignment, sell when I want to and not because I need cash
- Consider storage capacity and harvest delivery timing
- Tax strategies

**No Birthday
Parties**

**You Must
Understand the
Contract**

2024 Average Pricing Program



Your local CHS team is offering an Average Pricing Program for old and new crop corn and soybeans. Managed locally, this contract will

Program Fees and Pricing

Dec 24 (Z24) new crop corn: 3 cents per bushel fee

Nov 24 (X24) new crop soybeans: 4 cents per bushel fee

July 24 (N24) old crop corn or soybeans: 2 cents per bushel fee*

Stop Listening to the Experts

Does anyone know where prices are going?

Is there anything worse than paying an expert to sell your crop at low prices?

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Current ProPricing Values as of 02/28/2022

The following information is for all currently pricing ProPricing contracts associated with your account.

JOHNSON FAMILY FARMS LLC -
1821713010

Corn

2022 CROP

Dec 2022 - 2 Year



Current ProPricing
Value **\$4.2775**

\$-.1300 Change from
02/14/2022

Pricing Window

12/11/2020-09/21/2022

Bushels Enroll

Percent Priced



71-80%

Corn (ZCY00) O:423-2 H:423-2 L:423-2 C:423-2s ^ +8-2 (+1.99%) 11/26/25 **DELAYED**

Actions ▾

Symbol... Monthly ▾ None ▾ Indicators Compare f(x) 1x1 ▾

Templates ⚙️ ⬆️ 🌙



barchart

× VOL (LikeMain)

1D 5D 1M 2M 3M 6M 9M 1Y 2Y 3Y 5Y 10Y 20Y Max

% log

K.I.S.S.

Does this make sense?

Futures sales targets placed:

5,000 bu @ \$13.95

5,000 bu @ \$14.15

Re-ownership in hedge account:

Bought 2 contracts (10,000 bu) of July '24 \$14.00 calls @ .71

Sold 2 contracts (10,000 bu) of July '24 \$16.00 calls @ \$.20 1/2

**Always risk
management**

How do you know when to sell?

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RISK & COMPLIANCE JOURNAL

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Sam Bankman-Fried ‘Wasn’t Even Trying’ to Manage Risk at FTX, He Says

Founder of crypto exchange discusses his oversight failings in two on-camera appearances in as many days





How to Prepare for a Board Interview

The search for a director rarely focuses on a candidate's fitness to manage a company. So, it's important that potential nominees shed that mindset when

What kinds of risk in farming?

- Weather
- Too many unsold commodities
- Too many sold commodities
- Negative Schedule F income
- Grain buyer stability
- Input supplier stability

Multi-State Grain Merchandiser Files for Bankruptcy: What Farmers Should Know

Earlier this week, Omaha-Nebraska based Hansen-Mueller Co. filed for Chapter 11 bankruptcy.



By **Margy Eckelkamp**

Updated November 20, 2025 07:27 AM



What if I sell too much?

- Crop insurance provides some help
- How often does it happen?

Understand Carrying Charge and Inverse

Quotes and Charts

| [Spreads](#) |

SPRING WHEAT Daily Futures - Wednesday, 5 July
[[Go to Intraday](#)] [[Options Prices](#)] (Click on Contract for Chart)

Contract	Last	Change	Open	High	Low	
Jul '17 (WN17)	810-4	-1-4	800-4	812-6	800-0	
Sep '17 (WU17)	819-6	+3-6	843-0	868-4	774-0	
Dec '17 (WZ17)	803-6	+5-4	818-0	843-0	752-2	
Mar '18 (WH18)	785-6	+6-6	795-2	816-0	745-0	
May '18 (WK18)	771-0	+7-4	788-4	792-6	740-0	
Jul '18 (WN18)	756-6	+7-6	759-0	775-2	732-0	
Sep '18 (WU18)	680-2	+3-2	686-4	689-0	657-2	
Dec '18 (WZ18)	683-4	+3-4	680-0	689-0	660-0	
Mar '19 (WH19)	685-0	+2-4	677-2	685-0	677-2	

\$.73 cent carry!!!!

KCBT Red Wheat

Contract	High	Low	Last	Change	Time		
Dec 25 (KEZ25)	5.2400	5.1800	5.1800	 +0.0025	11/30/25		
Mar 26 (KEH26)	5.3350	5.2275	5.2450	 -0.03	06:55		
May 26 (KEK26)	5.4450	5.3475	5.3625	 -0.0275	06:46		
Jul 26 (KEN26)	5.5650	5.4700	5.4850	 -0.025	06:51		
Sep 26 (KEU26)	5.7050	5.6225	5.6300	 -0.025	06:04		
Dec 26 (KEZ26)	5.8650	5.8100	5.8100	 -0.0275	03:45		
Mar 27 (KEH27)	6.0075	5.9250	5.9750	 -0.0225	11/28/25		

Kansas Wheat Carrying Charge

March 2026

\$5.24

March 2027

\$5.97

\$.65 cent carry still dang good

MIAX Spring Wheat

Contract	High	Low	Last	Change	Time		
Dec 25 (MWZ25)	5.8950	5.7300	5.7925s	 +0.0275	11/28/25		
Mar 26 (MWH26)	5.8275	5.7725	5.7800s	 -0.005	11/28/25		
May 26 (MWK26)	5.9125	5.8500	5.8525s	 -0.0225	11/28/25		
Jul 26 (MWN26)	6.0450	5.9700	5.9725s	 -0.0225	11/28/25		
Sep 26 (MWU26)	6.1950	6.1275	6.1275s	 -0.015	11/28/25		
Dec 26 (MWZ26)	6.3700	6.3125	6.3125s	 -0.01	11/28/25		
Mar 27 (MWH27)			6.4350s		11/29/25		

Minneapolis Wheat Carrying Charge

March 2026

\$5.78

March 2027

\$6.43

If you only remember one thing

Carrying Charge

**Think in multi-
years**

How much is at risk?

- You own 25% of your 2024 winter wheat and 80% of 2025
- You sold out of your 2024 spring wheat but haven't sold anything from 2025
- You own 20% of your 2024 canola and didn't grow any in 2025

Backup Plans

Call some audibles

- You didn't have enough crop to fill the contract
- You have too much and not enough storage
- Your price targets were never hit
- You started flying through your targets and now you've sold too much too fast

How do you know when to sell?

- Risk Management
- Locked input prices
- Crop insurance guarantee
- Spreads
- Basis

What's a reasonable target?

- How much do you own?
- Have you sold any 2026?
- How many inputs have you purchased?

Marketing Plan Goals

- Risk management
- Cash flow alignment, sell when I want to and not because I need cash
- Consider storage capacity and harvest delivery timing
- Tax strategies

Reasons to create a marketing plan

- Most likely adds points to your risk rating at the bank
- Better opportunity to manage taxes
- Cash is king

What I see from successful farms

- They have cash
- They pay taxes
- They know their OWN cost of production

Cash

- Equity means (almost) nothing until you retire
- Balance your chattel purchases with your depreciation schedule
- Make sure you can make your loan payments
- You will need to refinance, and let's hope it's not every other year

Taxes

- Don't make business decisions to avoid paying taxes
- Did you buy machinery in December?
- Family living + principal payments = taxable income, at a minimum
- Anyone calculate their deferred liabilities?

Cost of Production

- Cost vs What you need to cash flow
- I've worked with enough farmers to know there are significant differences in farms

Wheat, Spring	1,600 Acres	72.40	115,837
Soybeans	400. Acres	86.64	34,655
Beans, Dark Red Kidney	140. Acres	-54.73	-7,663
Beans, Navy	760. Acres	-58.17	-44,208
Sugar Beets	683. Acres	202.82	138,528
Total contributions			237,148

Overhead expenses

Custom hire		14,576
Hired labor		40,783
Owner wages & benefits		30,466
Machinery leases		14,048
Real estate taxes		618
Farm insurance		35,302
Utilities		23,524
Interest on interm. debt		30,719
Interest on lng term debt		7,486
Machinery depreciation		119,492
Miscellaneous		31,786
Total overhead expense		348,800

Total return over overhead expe	-111,651
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Final Recommendation

- Please start a retirement account

Recap

- Birthday Parties
- Know the contract
- K.I.S.S.
- Risk management
- Inverse and carry
- Multi-years
- Back up plans
- Cash is king
- Pay taxes
- Cost of Production
- Retirement Account



Minnesota Farm Business Management 68 Instructors at 8 Colleges



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For More Information

- Northland Community and Technical College – to find remaining webinars and instructor contact information
 - <https://www.northlandcollege.edu/programs/management/contact/>
 - Betsy.Jensen@northlandcollege.edu
- Finbin Database at the Center for Farm Financial Management
 - <https://finbin.umn.edu/>