

Financial Statements

Nova Scotia Crop and Livestock Insurance Commission

March 31, 2019

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Management's responsibility for financial reporting

The accompanying financial statements of the Nova Scotia Crop and Livestock Insurance Commission are the responsibility of management and have been approved by Members of the Commission.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgements of management.

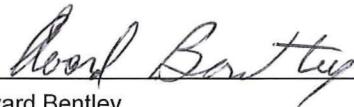
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Members of the Commission are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

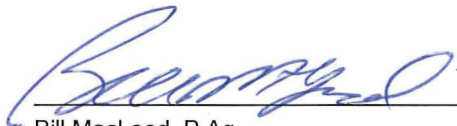
Members of the Commission meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The financial statements have been audited by Grant Thornton LLP in accordance with Canadian generally accepted auditing standards. Grant Thornton LLP has full and free access to the Commission.

On behalf of the Nova Scotia Crop and Livestock Insurance Commission



Avard Bentley
Chair



Bill MacLeod, P.Ag.
CEO

Independent auditor's report

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To the members of [Nova Scotia Crop and Livestock Insurance Commission](#)

Opinion

We have audited the accompanying financial statements of the [Nova Scotia Crop and Livestock Insurance Commission](#) (the "Commission"), which comprise the statement of financial position as at [March 31, 2019](#), the statement of operations and changes in fund balances, statement of changes in net financial assets, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the [Nova Scotia Crop and Livestock Insurance Commission](#) as at [March 31, 2019](#), and the results of operations, changes in its net financial assets and its cash flows for the year then ended in accordance with [Canadian public sector accounting standards](#).

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedules included on Pages 15-16 have been presented for the purposes of additional information and are not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

The financial statements of the [Nova Scotia Crop and Livestock Insurance Commission](#) for the year-ended [March 31, 2018](#) were audited by another firm.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with [Canadian public sector accounting standards](#), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Truro, Canada
June 20, 2019

Chartered Professional Accountants
Licensed Public Accountants

STATEMENT OF FINANCIAL POSITION

2019 2018

Financial Assets

Cash	\$ 240,583	\$ 98,933
Investments (Note 3)	618,676	4,499,154
Trade Receivable (Note 4)	4,169,577	165,346
Accrued interest receivable	<u>1,493</u>	<u>3,292</u>
	<u>5,030,329</u>	<u>4,766,725</u>

Liabilities

Deferred revenue	33,648	42,369
Deposits for insurance	<u>3,430</u>	<u>1,537</u>
	<u>37,078</u>	<u>43,906</u>

Net Financial Assets

	<u>4,993,251</u>	<u>4,722,819</u>
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Non-Financial Assets

Tangible capital assets (Note 5)	<u>7,110</u>	<u>13,525</u>
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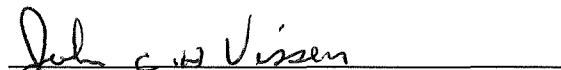
Fund Balances

	<u>\$ 5,000,361</u>	<u>\$ 4,736,344</u>
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On Behalf of the Commission



 Member



 Member

The accompanying notes and schedules are an integral part of these financial statements.

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

	Budget	Funds			Total 2019	Total 2018
		Crop	Livestock	General		
Revenue						
Insurance premiums (Schedule A)	\$ 2,300,000	\$ 1,702,886	\$ 55,467	\$ 118,361	\$ 1,876,714	\$ 2,058,129
Interest income	70,000	36,584	7,125	-	43,709	77,355
Provincial Grant (Note 7)	-	5,068,000	-	-	5,068,000	-
Other revenue (Note 17)	-	(50)	-	-	(50)	192
	<u>2,370,000</u>	<u>6,807,420</u>	<u>62,592</u>	<u>118,361</u>	<u>6,988,373</u>	<u>2,135,676</u>
Expenses						
Indemnity claims (Schedule A)	2,150,000	6,519,215	110,991	118,361	6,748,567	2,028,126
Bad debt (recovery) expense	5,000	(30,626)	-	-	(30,626)	29,721
Administrative expenses (Note 9) (Schedule B)	1,119,000	1,063,425	22,030	16,046	1,101,501	1,024,758
Amortization expense	-	6,415	-	-	6,415	7,919
	<u>3,274,000</u>	<u>7,558,429</u>	<u>133,021</u>	<u>134,407</u>	<u>7,825,857</u>	<u>3,090,524</u>
Surplus (deficit) before government contributions	(904,000)	(751,009)	(70,429)	(16,046)	(837,484)	(954,848)
Government contributions (Note 7)	<u>1,119,000</u>	<u>1,063,425</u>	<u>22,030</u>	<u>16,046</u>	<u>1,101,501</u>	<u>1,024,758</u>
Net operating surplus	<u>\$ 215,000</u>	<u>312,416</u>	<u>(48,399)</u>	<u>-</u>	<u>264,017</u>	<u>69,910</u>
Fund balances, beginning of year	<u>\$ 4,765,000</u>	<u>3,670,891</u>	<u>1,065,453</u>	<u>-</u>	<u>4,736,344</u>	<u>4,666,434</u>
Fund balances, end of year (Note 6)	<u>\$ 4,980,000</u>	<u>\$ 3,983,307</u>	<u>\$ 1,017,054</u>	<u>\$ -</u>	<u>\$ 5,000,361</u>	<u>\$ 4,736,344</u>

The accompanying notes and schedules are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

	Budget	2019	2018
Net Financial Assets, beginning of year	<u>\$ 4,765,000</u>	<u>\$ 4,722,819</u>	<u>\$ 4,644,990</u>
Changes in the year			
Net operating surplus	\$ 215,000	264,017	69,910
Amortization	<u> -</u>	<u> 6,415</u>	<u> 7,919</u>
 Total changes in the year	 <u> 215,000</u>	 <u> 270,432</u>	 <u> 77,829</u>
 Net Financial Assets, end of year	 <u>\$4,980,000</u>	 <u>\$ 4,993,251</u>	 <u>\$ 4,722,819</u>

The Commission does not budget for certain non-cash items such as amortization.

The accompanying notes and schedules are an integral part of these financial statements

STATEMENT OF CASH FLOWS

	2019	2018
Operating Activities		
Net operating surplus	\$ 264,017	\$ 69,910
Amortization of tangible capital assets	6,415	7,919
Net change in non-cash working capital balances related to operations (Note 10)	(4,009,260)	85,371
Change in accrued interest on investments	<u>76,361</u>	<u>(45,959)</u>
Cash provided by operating activities	<u>(3,662,467)</u>	<u>117,241</u>
Investing Activities		
Acquisition of investments	-	(3,181,726)
Proceeds from disposal of investments	<u>3,804,117</u>	<u>3,062,355</u>
Cash (used in) investing activities	<u>3,804,117</u>	<u>(119,371)</u>
Increase (decrease) in cash during year	141,650	(2,130)
Cash, beginning of year	<u>98,933</u>	<u>101,063</u>
Cash, end of year	<u>\$ 240,583</u>	<u>\$ 98,933</u>

The accompanying notes and schedules are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. Authority

The Nova Scotia Crop and Livestock Insurance Commission was established pursuant to Section 3(1) of the Nova Scotia Crop and Livestock Insurance Act (Act). Section 8(1) of the Act establishes Funds which are in the custody and control of the Commission to be used to administer crop and livestock insurance plans, as well as wildlife compensation, and conduct programs relating to these plans.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

The Public Sector Accounting Board (PSAB) issued new accounting standards effective for fiscal years beginning on or after April 1, 2017.

The Commission adopted the new accounting standards for related party disclosures (PS 2200), inter-entity transactions (PS 3420), assets (PS 3210), contractual rights (PS 3380) and contingent assets (PS 3320). These new accounting standards only impact note disclosures. The adoption of PS 2200, PS 3420, PS 3210, PS 3380 and PS 3320 did not result in a significant impact in the disclosures included in the Commission's financial statements.

These financial statements are prepared using the following significant accounting policies:

Tangible capital assets

Tangible capital assets are recorded at cost, net of accumulated amortization. Amortization is provided on a straight-line basis over the assets estimated useful life, which for office furniture and equipment is five years and for computer hardware and software is two years. The Commission expenses tangible capital assets under \$1,500.

Revenue

Revenue is recorded on an accrual basis. The main components of revenue are insurance premiums, interest income, government grants, and government grants for insurance premiums and administrative expenses. Insurance premium revenue is recognized when certificates for insurance are issued. Premium revenue relating to coverage subsequent to year end is deferred. Government grants for insurance premiums, government grants and administrative expenses are recognized as revenue in the period during which the grants are authorized and eligibility criteria are met, except when and to the extent the transfer includes stipulations that give rise to an obligation that meets the definition of a liability. The Commission receives contributions from the Province of Nova Scotia for the purchase of assets, which is recognized in revenue upon acquisition.

Indemnity claims

Expenses for indemnity claims are recorded when the loss incurred by the producer is verified and authorized.

Financial Instruments

The Commission's financial instruments consist of investments in promissory notes, accounts receivable, deferred revenue, cash and deposits for insurance. The Commission measures its financial instruments at cost or amortized cost.

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Use of Estimates and measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Key estimates for the Commission include the allowance for doubtful accounts. Any Provincial write off affecting the allowance for doubtful accounts may impact the fund surplus in future years.

3. Investments

The Commission invests with the Province excess funds to be used to pay future indemnity claims. At March 31, 2019, these funds were invested in a promissory note maturing in fiscal year 2022 with an annual yield of 2.18%.

Investments as of March 31

Date issued	Maturity date	# of days	Interest rate	2019	2018
				Total including accrued interest	Total including accrued interest
Nov. 30, 2015	Nov. 30, 2020	1,827	1.75%	\$ -	\$ 1,793,466
Sep. 15, 2017	Sep. 15, 2020	1096	2.05%	-	518,480
Sep. 15, 2017	Sep. 15, 2020	1096	2.05%	-	531,630
Oct. 6, 2017	Oct. 4, 2018	363	1.57%		507,302
Oct. 27, 2017	Oct. 27, 2022	1826	2.18%	618,676	605,542
Nov. 22, 2017	Nov. 22, 2019	730	1.64%		542,734
				-	
				\$ 618,676	\$ 4,499,154

4. Trade Receivables

	Current	Past due 31 - 90 days	Past due > 90 days	Total 2019	Total 2018
Province of Nova Scotia	\$4,004,509	\$-	\$5,234	\$4,009,743	\$42,492
Federal Government	\$6,735	\$-	\$165,010	\$171,745	\$147,904
Producer	\$3,135	\$-	\$11,629	\$14,764	\$38,650
	\$4,014,379	\$-	\$181,873	\$4,196,252	\$229,046
Allowance for doubtful accounts	\$ -	\$-	\$26,675	\$26,675	\$63,700
Total Receivables	\$4,014,379	\$-	\$155,198	\$4,169,577	\$165,346

NOTES TO THE FINANCIAL STATEMENTS

5. Tangible capital assets

	2019	2018
Cost of Equipment		
Opening cost	\$ 39,955	\$ 39,955
Additions	-	-
Disposals	-	-
Closing cost	<u>39,955</u>	<u>39,955</u>
Accumulated amortization		
Opening balance	13,525	18,511
Disposals	-	-
Amortization expense	<u>6,415</u>	<u>7,919</u>
Closing balance	<u>-</u>	<u>26,430</u>
Net book value	<u>\$ 7,110</u>	<u>\$ 13,525</u>

6. Fund balances

The Livestock Fund balance consists of dairy livestock insurance of \$766,419 (2018 - \$838,625) and poultry insurance of \$250,635 (2018 - \$226,828). A claim for indemnity under either the Dairy Livestock Insurance Plan or the Poultry Insurance Plan is limited to the extent of the assets in the Livestock Insurance Fund balance held by the Commission.

The General Fund includes wildlife compensation.

7. Government contributions

Insurance premiums

Under the crop insurance programs, producers pay 40% of the insurance premiums and the Federal and Provincial governments pay 36% and 24% respectively for the comprehensive portion of the insurance premiums. If an insurance premium contains a high-cost portion, the Federal and Provincial governments pay a reduced proportion of the high-cost portion of the insurance premium. The proportion of the insurance premium that is high-cost varies by plan and coverage level depending on the base rate for that particular plan. Neither the Federal nor Provincial governments cost share in the insurance premiums of the livestock and poultry insurance programs or in non-refundable deposits.

In 2018 the Province paid an additional producer cost related to the high cost portion for the lowbush blueberry plan to reduce premium impacts related to a unit price penalty under the CAP agreement. The total support from this initiative to the lowbush blueberry clients was \$764.25

7. Government contributions (Continued)

Administrative expenses

The financial statements include the total cost of administrative expenses which are initially paid by the Provincial government, and then subsequently reimbursed by the Federal government for their contribution. For the 2018-19 fiscal year, the Federal government contributed 60%, (2018 - 60%) of the total administrative expenses for the crop insurance program, with the Provincial government funding the remainder. The Provincial government funds all the administrative costs of the livestock and poultry insurance programs.

Capital Assets

Capital assets are cost-shared, (60% Federal Government, 40% Provincial Government) administrative expenses. The Commission expenses capital assets under \$1,500 and capitalizes those over \$1,500.

Wildlife program

The compensation payments and administrative expenses of the wildlife compensation program are funded 60% by the Federal government and 40% by the Provincial government.

Additional Provincial Allocations in 2018-19

The Province of Nova Scotia allocated non-repayable funds to the Commission to cover indemnity payments during the 2018 crop year in the amount of \$1,068,000.00. An additional non-repayable appropriation from the Province was received in April 2019 in the amount of \$4,000,000.00 to offset losses in the crop insurance fund related to indemnity payments in 2018.

8. Indemnity claims

Winter Grain

Winter Grain is planted in the fall, but not harvested until the following fall. Crop yields can fluctuate dramatically depending on factors such as weather conditions during the growing and harvesting seasons. As a result, the occurrence and amount of losses relating to the crop planted in the current year, if any, have not been incurred until well after the fiscal year end. Indemnity expenses for Winter Grain and related payables will be recorded in the year that the loss of yield, if any, is incurred.

Maple Syrup

In certain cases, indemnity expenses for Maple Syrup production losses related to premiums collected in the current fiscal year will not be incurred until after year end. Maple Syrup yields will fluctuate based on weather conditions. Indemnity expenses and related payables for Maple Syrup will be recorded in the year that the loss of yield, if any, is incurred.

NOTES TO THE FINANCIAL STATEMENTS

9. Administrative expenses

The Commission offers three types of insurance plans: crop, dairy livestock and poultry, and a wildlife compensation program. The administrative expenses associated with offering these programs are detailed in Schedule B. The administrative expenses are allocated to the livestock and poultry plan at 2% of the total administrative expenses incurred by the Commission. The administrative expenses of the wildlife compensation program are allocated based upon direct travel and staffing costs associated with investigating and adjusting wildlife claims, as well as an additional 25% of these costs for other fixed administrative costs of this plan. The remaining administrative costs, after deducting those attributable to the livestock and poultry plans, and wildlife compensation program, are allocated to the crop insurance plan.

10. Net change in non-cash working capital balances related to operations

	2019	2018
Increase (decrease) in cash from changes in:		
Receivables	\$ (4,004,231)	\$ 95,921
Accrued interest receivable	1,799	(1,298)
Deferred revenue	(8,721)	(2,255)
Deposits for insurance	1,893	(997)
Indemnities payable	<u>-</u>	<u>(6,000)</u>
	<u>\$ (4,009,260)</u>	<u>\$ 85,371</u>

11. Financial instruments

The Commission is exposed to credit risk on the accounts receivable from its clients. In order to reduce its credit risk, the Commission has adopted credit policies which include the analysis of the financial position of its clients and the regular review of their credit limits. The Commission does not have a significant exposure to any individual client. It is management's opinion that the Commission is not exposed to any significant market or liquidity risks.

There have been no changes compared to previous years with respect to the exposures to risk and how they arise, the Commission's objectives, policies and processes for managing the risks and the methods used to measure the risks.

12. Related party transactions

The Commission is related in terms of common ownership to all Province of Nova Scotia created departments, agencies, boards and commissions. The Commission enters into transactions with these entities in the normal course of business measured at the exchange amount. Related parties also include key management personnel having the authority and responsibility for planning, directing and controlling the activities of the Commission. This includes Senior Executives, and members of the Commission and their close family members. The following disclosure is in addition to the related party disclosure provided elsewhere in these financial statements.

Administrative expenses include \$30,000 (2018 - \$30,000) for rent and \$44,240 (2018 - \$44,240) for miscellaneous professional services that were charged to the Commission by the Nova Scotia Department of Agriculture.

13. Economic dependence

The Commission is economically dependent upon the ongoing and future funding from the Province of Nova Scotia and the Government of Canada.

14. Insurance coverage

The Commission's insurance coverage is based on actuarially sound premium rate methodologies as required by its Act and the Canadian Agricultural Partnership (CAP) cost sharing agreement. All premium rates include a self-sustainability factor to ensure premiums calculated are adequate to cover expected liabilities.

The total insurance coverage issued during the 2018-19 fiscal year was \$187,524,434 (2018 - \$191,443,248), comprised of crop insurance of \$48,096,738 (2018 - \$47,898,589), livestock insurance of \$36,269,641 (2018 - \$38,189,863) and poultry insurance of \$103,158,055 (2018 - \$105,354,796). This represents the maximum potential exposure of the Commission for all certificates issued under its insurance plans and is provided for information purposes.

15. Pension and post-retirement benefits

All full-time employees of the Commission are entitled to receive pension benefits pursuant to the provisions of a pension plan established under the Public Service Superannuation Act. The plan is funded by equal employee and employer contributions. The employer's contributions are included in the Commission's operating expenses. The Commission is not responsible for any unfunded liability or other obligations related to the pension. The pension expense incurred in the current year was \$64,396 (2018 - \$72,291).

Full-time employees of the Commission are eligible to receive a long service award as well as ongoing health and dental benefits upon retirement, as outlined in the collective agreement. Payments for this award, and these benefits, are the responsibility of the Province. The Commission is not responsible for any unfunded liability, payments, expenses or other obligations related to these benefits. The Province offered a long service award payout to civil servants in 2018-19. The total paid out by the Province to Commission staff was \$108,123.29.

NOTES TO THE FINANCIAL STATEMENTS

16. Public Sector Compensation Disclosure Act

Under the Public Sector's Compensation Disclosure Act, all organizations which, are part of the Government Reporting Entity must disclose all compensation paid to any person that is greater than \$100,000. All employees of the Commission are disclosed under Volume 3 – Supplementary Information of the Public Accounts.

For 2018-19 the following board members, officers and employees received compensation for \$100,000.00 or more:

George Macintosh - \$108,795.86

17. Deposits held by the Commission

The Commission discovered a credit owed to a producer in 2018. The current amount is a refund back to a client's account from the Commission's surplus.

PREMIUM REVENUE AND INDEMNITY CLAIMS

SCHEDULE A

	Premium Revenue				Indemnity Claims		
	Producer	Federal	Provincial	2019	2018	2019	2018
Crop Insurance							
Spring Grain	\$ 12,907	\$ 8,116	\$ 5,411	\$ 26,434	\$ 26,205	\$ 3,917	\$ 216
Winter Grain	7,753	6,065	4,044	17,862	30,817	6,911	27,870
Tree Fruit	396,562	369,681	246,454	1,012,697	879,276	5,924,123	1,544,768
Corn	50,728	45,639	30,426	126,793	159,577	55,081	24,836
Weather Derivative	45,369	40,832	27,222	113,423	144,341	-	-
Blueberries	71,574	62,044	42,636	176,254	348,951	253,523	25,668
Strawberries & Raspberries	10,188	5,822	3,881	19,891	18,766	48,742	46,314
Maple	8,355	7,289	4,859	20,503	18,865	-	17,850
Forage	458	413	275	1,146	986	-	8,243
Soybeans	22,050	19,845	13,230	55,125	82,481	67,838	76,755
Vegetables	1,408	1,268	845	3,521	9,066	16,849	-
Acreage Loss	42,484	32,644	21,763	96,891	125,381	43,555	86,037
Grapes	9,319	8,387	5,591	23,297	18,555	73,935	-
Potato	<u>3,619</u>	<u>3,258</u>	<u>2,172</u>	<u>9,049</u>	<u>2,766</u>	<u>24,741</u>	<u>-</u>
	<u>682,774</u>	<u>611,303</u>	<u>408,809</u>	<u>1,702,886</u>	<u>1,866,033</u>	<u>6,519,215</u>	<u>1,858,557</u>
Livestock Insurance							
Livestock	32,055	-	-	32,055	32,364	110,991	33,666
Poultry	<u>23,412</u>	<u>-</u>	<u>-</u>	<u>23,412</u>	<u>23,829</u>	<u>-</u>	<u>-</u>
	<u>55,467</u>	<u>-</u>	<u>-</u>	<u>55,467</u>	<u>56,193</u>	<u>110,991</u>	<u>33,666</u>
Wildlife Compensation	<u>-</u>	<u>71,017</u>	<u>47,344</u>	<u>118,361</u>	<u>135,903</u>	<u>118,361</u>	<u>135,903</u>
Total	<u>\$ 738,241</u>	<u>\$ 682,320</u>	<u>\$ 456,153</u>	<u>\$ 1,876,714</u>	<u>\$ 2,058,129</u>	<u>\$ 6,748,567</u>	<u>\$ 2,028,126</u>

EXPENSES

SCHEDULE B

	Insurance			Totals	
	Crop	Livestock	Wildlife/General	2019	2018
Operations – Insurance Processing	\$100,129	\$ 2,111	\$ 3,296	\$ 105,536	\$ 105,092
Operations - Adjusting	188,995	3,929	3,509	196,433	198,636
Audit (Field)	163,885	3,402	2,806	170,093	171,815
Policy Administration	99,844	2,067	1,457	103,368	133,275
Finance	105,219	2,169	1,043	108,431	104,236
Research, Development/Underwriting	211,442	4,341	1,259	217,042	113,749
Program Sales and Promotion	5,855	125	284	6,264	6,392
Human Resources	55,588	1,149	728	57,465	55,102
Systems Maintenance and Support	103,029	2,128	1,244	106,401	105,973
Accommodations	29,439	609	420	30,468	30,488
Capital	-	-	-	-	-
Total Expenses funded by Government (Note 9)	<u>1,063,425</u>	<u>22,030</u>	<u>16,046</u>	<u>1,101,501</u>	<u>1,024,758</u>
Administrative expenses related to tangible capital assets	-	-	-	-	-
Administrative Expenses	<u>1,063,425</u>	<u>22,030</u>	<u>16,046</u>	<u>1,101,501</u>	<u>1,024,758</u>
Indemnity claims – Schedule A	6,519,215	110,991	118,361	6,748,567	2,028,126
Bad debts	(30,626)	-	-	(30,626)	29,721
Amortization	<u>6,415</u>	-	-	<u>6,415</u>	<u>7,919</u>
	<u>6,495,004</u>	<u>110,991</u>	<u>118,361</u>	<u>6,724,356</u>	<u>2,065,766</u>
TOTAL EXPENSES	<u>\$ 7,558,429</u>	<u>\$ 133,021</u>	<u>\$ 134,407</u>	<u>\$ 7,825,857</u>	<u>\$ 3,090,524</u>