



Financial Statements

Nova Scotia Crop and Livestock Insurance Commission

March 31, 2020

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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



Rachael Cheverie

Vice Chair



Bill MacLeod, P.Ag.

GEO

June 26, 2020

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, 2020, 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, 2020, 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 14-15 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.

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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Truro, Canada
June 26, 2020

Chartered Professional Accountants

STATEMENT OF FINANCIAL POSITION

	2020	2019
Financial Assets		
Cash	\$2,291,682	\$ 240,583
Investments (Note 3)	632,208	618,676
Trade Receivable (Note 4)	1,366,276	4,169,577
Accrued interest receivable	<u>1,451</u>	<u>1,493</u>
	<u>4,291,617</u>	<u>5,030,329</u>
Liabilities		
Deferred revenue	37,926	33,648
Deposits for insurance	<u>10,133</u>	<u>3,430</u>
	<u>48,059</u>	<u>37,078</u>
Net Financial Assets	<u>4,243,558</u>	<u>4,993,251</u>
Non-Financial Assets		
Tangible capital assets (Note 5)	<u>3,555</u>	<u>7,110</u>
Fund Balances	<u>\$ 4,247,113</u>	<u>\$ 5,000,361</u>

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 2020	Total 2019
		Crop	Livestock	General		
Revenue						
Insurance premiums (Schedule A)	\$ 2,300,000	\$ 2,139,875	\$ 55,539	\$ 38,999	\$ 2,234,413	\$ 1,876,714
Interest income	5,000	60,002	12,557	-	72,559	43,709
Provincial Grant (Note 7)	-	3,303,074	-	-	3,303,074	5,068,000
Other revenue	-	-	-	-	-	(50)
	<u>2,305,000</u>	<u>5,502,951</u>	<u>68,096</u>	<u>38,999</u>	<u>5,610,046</u>	<u>6,988,373</u>
Expenses						
Indemnity claims (Schedule A)	3,250,000	6,309,589	11,200	38,999	6,359,788	6,748,567
Bad debt recovery	5,000	(49)	-	-	(49)	(30,626)
Administrative expenses (Note 9) (Schedule B)	1,053,000	987,653	20,360	9,995	1,018,008	1,101,501
Amortization expense	-	3,555	-	-	3,555	6,415
	<u>4,308,000</u>	<u>7,300,748</u>	<u>31,560</u>	<u>48,994</u>	<u>7,381,302</u>	<u>7,825,857</u>
Deficit before government contributions	(2,003,000)	(1,797,797)	36,536	(9,995)	(1,771,256)	(837,484)
Government contributions (Note 7)	<u>1,053,000</u>	<u>987,653</u>	<u>20,360</u>	<u>9,995</u>	<u>1,018,008</u>	<u>1,101,501</u>
Net operating (deficit) surplus	\$ (950,000)	(810,144)	56,896	-	(753,248)	264,017
Fund balances, beginning of year	<u>\$ 5,000,000</u>	<u>3,983,307</u>	<u>1,017,054</u>	<u>-</u>	<u>5,000,361</u>	<u>4,736,344</u>
Fund balances, end of year (Note 6)	<u>\$ 4,050,000</u>	<u>\$ 3,173,163</u>	<u>\$ 1,073,950</u>	<u>\$ -</u>	<u>\$ 4,247,113</u>	<u>\$ 5,000,361</u>

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

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

	Budget	2020	2019
Net Financial Assets, beginning of year	<u>\$ 5,000,000</u>	<u>\$ 4,993,251</u>	<u>\$ 4,722,819</u>
Changes in the year			
Net operating (deficit) surplus	(950,000)	(753,248)	264,017
Amortization	<u>-</u>	<u>3,555</u>	<u>6,415</u>
Total changes in the year	<u>(950,000)</u>	<u>(749,693)</u>	<u>270,432</u>
Net Financial Assets, end of year	<u>\$ 4,050,000</u>	<u>\$ 4,243,558</u>	<u>\$ 4,993,251</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

	2020	2019
Operating Activities		
Net operating (deficit) surplus	\$ (753,248)	\$ 264,017
Amortization of tangible capital assets	3,555	6,415
Net change in non-cash working capital balances related to operations (Note 10)	2,814,324	(4,009,260)
Change in accrued interest on investments	<u>(13,532)</u>	<u>76,361</u>
Cash provided (used) by operating activities	<u>2,051,099</u>	<u>(3,662,467)</u>
Investing Activities		
Proceeds from disposal of investments	<u>-</u>	<u>3,804,117</u>
Cash provided by investing activities	<u>-</u>	<u>3,804,117</u>
Increase in cash during year	2,051,099	141,650
Cash, beginning of year	<u>240,583</u>	<u>98,933</u>
Cash, end of year	<u>\$ 2,291,682</u>	<u>\$ 240,583</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.

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, 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 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.

Budget Figures

The budget figures contained in these financial statements were approved by the Province in its original fiscal plan. The budgeted figures presented are consistent with Public Sector Accounting Standards ("PSAS").

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.

NOTES TO THE FINANCIAL STATEMENTS

3. Investments

The Commission invests with the Province excess funds to be used to pay future indemnity claims. At March 31, 2020, 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	2020		2019	
				Total including accrued interest		Total including accrued interest	
Oct 27, 2017	Oct 27, 2022	1826	2.18%	\$ 632,208	\$	618,676	\$
				<u>\$ 632,208</u>	<u>\$</u>	<u>618,676</u>	<u>\$</u>

4. Trade Receivables

	Current	Past due 31 - 90 days	Past due > 90 days	Total 2020	Total 2019
Province of Nova Scotia	\$1,228,486	\$-	\$5,234	\$1,233,720	\$4,009,743
Federal Government	\$25,600	\$875	\$114,674	\$141,149	\$171,745
Producer	\$5,945	\$-	\$11,282	\$17,227	\$14,764
	<u>\$1,260,031</u>	<u>\$875</u>	<u>\$131,190</u>	<u>\$1,392,096</u>	<u>\$4,196,252</u>
Allowance for doubtful accounts	\$-	\$-	\$25,820	\$25,820	\$26,675
Total Receivables	<u>\$1,260,031</u>	<u>\$875</u>	<u>\$105,370</u>	<u>\$1,366,276</u>	<u>\$4,169,577</u>

5. Tangible capital assets

	2020	2019
Cost of Equipment		
Opening cost	\$ 39,955	\$ 39,955
Additions	-	-
Disposals	<u>(13,889)</u>	<u>-</u>
Closing cost	<u>26,066</u>	<u>39,955</u>
Accumulated amortization		
Opening balance	32,845	26,430
Disposals	(13,889)	-
Amortization expense	<u>3,555</u>	<u>6,415</u>
Closing balance	<u>22,511</u>	<u>32,845</u>
Net book value	<u>\$ 3,555</u>	<u>\$ 7,110</u>

6. Fund balances

The Livestock Fund balance consists of dairy livestock insurance of \$797,772 (2019 - \$766,419) and poultry insurance of \$276,178 (2019 - \$250,635). 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.

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 2019-20 fiscal year, the Federal government contributed 60%, (2019 - 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 2019-20

The Province of Nova Scotia allocated non-repayable funds to the Commission to offset losses in the crop insurance fund related to indemnity payments during the 2019 crop year in the amount of \$2,080,000.00 (2018 - \$1,068,000.00). An additional non-repayable appropriation from the Province was received in April 2020 in the amount of \$1,223,074.00 (2018 - \$4,000,000.00) to offset losses in the crop insurance fund related to indemnity payments in 2019.

NOTES TO THE FINANCIAL STATEMENTS

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.

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

	2020	2019
Increase (decrease) in cash from changes in:		
Receivables	\$ 2,803,301	\$ (4,004,231)
Accrued interest receivable	42	1,799
Deferred revenue	4,278	(8,721)
Deposits for insurance	<u>6,703</u>	<u>1,893</u>
	<u>\$ 2,814,324</u>	<u>\$ (4,009,260)</u>

NOTES TO THE FINANCIAL STATEMENTS

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 (2019 - \$30,000) for rent and \$44,240 (2019 - \$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 2019-20 fiscal year was \$191,469,696 (2019 - \$187,524,434), comprised of crop insurance of \$50,056,153 (2019 - \$48,096,738), livestock insurance of \$28,950,621 (2019 - \$36,269,641) and poultry insurance of \$112,462,922 (2019 - \$103,158,055). 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 \$52,247 (2019 - \$59,006).

NOTES TO THE FINANCIAL STATEMENTS

15. Pension and post-retirement benefits (continued)

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 total long service award paid out by the Province to Commission staff in fiscal 2020 was \$nil (2019 - \$108,123).

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 2019-20 there are no amounts to disclose under this Act.

17. Impacts of COVID-19

The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. The COVID-19 pandemic is not expected to have any significant impacts on the Commission's 2019-20 financial statements. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Commission in future periods. The pandemic is expected to have significant and broad impacts on farm incomes in 2020. While the full extent of the impact on the Commission's programs are unknown at this time, it is expected that premium revenues and claims expense could be affected.

PREMIUM REVENUE AND INDEMNITY CLAIMS

SCHEDULE A

	Premium Revenue			Total Premium		Indemnity Claims	
	Producer	Federal	Provincial	2020	2019	2020	2019
Crop Insurance							
Spring Grain	\$ 18,324	\$ 13,779	\$ 9,186	\$ 41,289	\$ 26,434	\$ 24,928	\$ 3,917
Winter Grain	7,420	6,122	4,082	17,624	17,862	20,802	6,911
Tree Fruit	504,449	469,811	313,208	1,287,468	1,012,697	3,689,304	5,924,123
Corn	56,422	50,779	33,853	141,054	126,793	949,849	55,081
Weather Derivative	39,090	35,181	23,454	97,725	113,423	-	-
Blueberries	110,333	99,272	66,181	275,786	176,254	1,213,916	253,523
Strawberries & Raspberries	7,118	4,193	2,795	14,106	19,891	3,592	48,742
Maple	9,887	8,899	5,932	24,718	20,503	-	-
Forage	907	817	544	2,268	1,146	-	-
Soybeans	18,695	16,826	11,217	46,738	55,125	173,091	67,838
Vegetables	6,289	5,660	3,773	15,722	3,521	4,610	16,849
Acreage Loss	41,024	36,921	24,614	102,559	96,891	178,309	43,555
Grapes	27,806	22,266	14,845	64,917	23,297	51,188	73,935
Potato	<u>3,344</u>	<u>2,734</u>	<u>1,823</u>	<u>7,901</u>	<u>9,049</u>	<u>-</u>	<u>24,741</u>
	<u>851,108</u>	<u>773,260</u>	<u>515,507</u>	<u>2,139,875</u>	<u>1,702,886</u>	<u>6,309,589</u>	<u>6,519,215</u>
Livestock Insurance							
Livestock	30,695	-	-	30,695	32,055	11,200	110,991
Poultry	<u>24,844</u>	<u>-</u>	<u>-</u>	<u>24,844</u>	<u>23,412</u>	<u>-</u>	<u>-</u>
	<u>55,539</u>	<u>-</u>	<u>-</u>	<u>55,539</u>	<u>55,467</u>	<u>11,200</u>	<u>110,991</u>
Wildlife Compensation	<u>-</u>	<u>23,399</u>	<u>15,600</u>	<u>38,999</u>	<u>118,361</u>	<u>38,999</u>	<u>118,361</u>
Total	<u>\$ 906,647</u>	<u>\$ 796,659</u>	<u>\$ 531,107</u>	<u>\$2,234,413</u>	<u>\$1,876,714</u>	<u>\$ 6,359,788</u>	<u>\$ 6,748,567</u>

EXPENSES

SCHEDULE B

	Insurance			Totals	
	Crop	Livestock	Wildlife/General	2020	2019
Operations – Insurance Processing	\$ 95,848	\$ 1,992	\$ 1,761	\$ 99,601	\$ 105,536
Operations - Adjusting	179,440	3,705	2,104	185,249	196,433
Audit (Field)	155,493	3,208	1,706	160,407	170,093
Policy Administration	92,773	1,916	1,135	95,824	103,368
Finance	100,229	2,056	520	102,805	108,431
Research, Development/Underwriting	180,901	3,724	1,563	186,188	217,042
Program Sales and Promotion	6,636	138	130	6,904	6,264
Human Resources	50,938	1,046	321	52,305	57,465
Systems Maintenance and Support	95,889	1,972	755	98,616	106,401
Accommodations	29,506	603	-	30,109	30,468
Total Expenses funded by Government (Note 9)	<u>987,653</u>	<u>20,360</u>	<u>9,995</u>	<u>1,018,008</u>	<u>1,101,501</u>
Indemnity claims – Schedule A	6,309,589	11,200	38,999	6,359,788	6,748,567
Bad debts	(49)	-	-	(49)	(30,626)
Amortization	3,555	-	-	3,555	6,415
	<u>6,313,095</u>	<u>11,200</u>	<u>38,999</u>	<u>6,363,294</u>	<u>6,724,356</u>
TOTAL EXPENSES	<u>\$ 7,300,748</u>	<u>\$ 31,560</u>	<u>\$ 48,994</u>	<u>\$ 7,381,302</u>	<u>\$ 7,825,857</u>