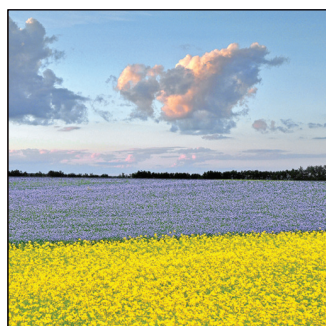


Saskatchewan Crop Insurance Corporation



Annual Report for 2013-14

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Letters of Transmittal



June 27, 2014

Her Honour, the Honourable Vaughn Solomon Schofield,
Lieutenant Governor of Saskatchewan

May it please your Honour:

The Saskatchewan Crop Insurance Corporation continues to work together with producers and industry groups to build a stronger agriculture industry for the province. The Corporation remains committed to providing quality service through the business risk management programs it delivers: Crop Insurance, AgriStability, Wildlife Damage Compensation and the Western Livestock Price Insurance Programs. It will continue to work towards enhancing these programs to support the challenges and changing needs of Saskatchewan's farmers and ranchers.

I have the honour of submitting the Saskatchewan Crop Insurance Corporation annual report and financial statements for the year ended March 31, 2014.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'L. Stewart'.

Lyle Stewart
Minister of Agriculture



June 27, 2014

The Honourable Lyle Stewart
Minister of Agriculture

Sir:

I wish to present the 2013-2014 Saskatchewan Crop Insurance Corporation annual report for the year ended March 31, 2014.

This report outlines the actions undertaken and results achieved in the delivery of the Crop Insurance, AgriStability, Wildlife Damage Compensation and the Western Livestock Price Insurance Programs as part of a business risk management suite that helps support Saskatchewan farmers and ranchers.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Alanna Koch', written over a horizontal line.

Alanna Koch
Chair of the Board
Saskatchewan Crop Insurance Corporation

Introduction

This annual report for the Saskatchewan Crop Insurance Corporation presents the results on activities and outcomes for the fiscal year ending March 31, 2014. It reports to the public and elected officials on public commitments made and other key accomplishments.

The Saskatchewan Crop Insurance Corporation followed the Public Performance Reporting Guidelines when reporting on the results of the 2013-2014 crop year. These guidelines provide an accountability framework for the Corporation's strategic plan and summarize the results achieved against those plans.

The 2013-2014 strategic plan results have been reported against the objectives and performance indicators established in 2012-2013. Complete information can be found on pages 9 through 11.

The annual report demonstrates the Corporation's commitment to effective public performance reporting, transparency and accountability to the public.

This annual report is also available in electronic format at **www.saskcropinsurance.com**.

Alignment with Government's Direction

Saskatchewan Crop Insurance Corporation's activities in 2013-14 align with the Government's vision and four goals:

Our Government's Vision

A strong and growing Saskatchewan, the best place in Canada - to live, to work, to start a business, to get an education, to raise a family and to build a life.

Government's Goals

- Sustaining growth and opportunities for Saskatchewan people.
- Improving quality of life.
- Making life affordable.
- Delivering responsive and responsible government.

Together, all ministries and agencies support the achievement of Government's four goals and work towards a secure and prosperous Saskatchewan.

The Government of Saskatchewan continues to maintain an attractive business climate for the agriculture industry and establishing the infrastructure that will support crop and livestock development. Saskatchewan Crop Insurance Corporation is an effective and responsive administrator of business risk management programs that support these goals.

Saskatchewan Crop Insurance Corporation

Role within the Saskatchewan Ministry of Agriculture

The Saskatchewan Crop Insurance Corporation (SCIC) is a provincial Treasury Board Crown Corporation under the portfolio of the Minister of Agriculture.

The mandate of the Saskatchewan Ministry of Agriculture is to foster a commercially viable self-sufficient and sustainable agriculture and food sector. The Ministry encourages farmers, ranchers and communities to develop higher value-added production and processing and promotes sustainable economic development in rural Saskatchewan through better risk management.

The Saskatchewan Crop Insurance Corporation has developed strategic themes that correspond to the goals and direction of the Government of Saskatchewan. Where the government aims for economic growth, accountability and support of Saskatchewan families, SCIC will focus on producers, accountability and leadership.

The *Growing Forward 2* federal-provincial agreement provides the structure and guiding principles for the programs SCIC delivers. Growing Forward 2 features a business risk management suite consisting of four key components:

- Crop Insurance (AgriInsurance): an existing production insurance program and other insurance products, which may expand to include other commodities;
- AgriStability: a margin-based program that provides income support when a producer experiences larger income losses;
- AgriInvest: a savings account for producers that provides flexible coverage for small income declines and supports investments to mitigate risks or improve market income; and
- AgriRecovery: a disaster relief framework that allows governments to provide rapid assistance to fill gaps not covered by existing government programs.

Governing Authorities

The Saskatchewan Crop Insurance Corporation is a provincial Crown corporation established by an Act of the Legislature. As joint federal-provincial programs, Crop Insurance and AgriStability are subject to the following acts, regulations and agreements:

- *Growing Forward 2: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy*
- *Farm Income Protection Act* (federal)
- *Saskatchewan Crop Insurance Corporation Act* (provincial)
- *Canada Production Insurance Regulations* (federal)
- *Saskatchewan Crop Insurance Corporation Regulations* (provincial)
- *Federal/Provincial AgriInsurance Agreement*
- Operational document related to the *Federal/Provincial AgriInsurance Agreement*
- *Income Tax Act* (federal)
- *Financial Administration Act* (federal)
- *AgriStability Program Guidelines* (federal)

The Saskatchewan Crop Insurance Corporation also administers payments under the Wildlife Damage Compensation and Livestock Predation Prevention Program – more commonly referred to as the Wildlife Damage Compensation Program – governed under the provincial *Farm Financial Stability Act* and the Wildlife Damage and Livestock Predation Regulations.

The Saskatchewan Crop Insurance Corporation has complied with the provisions of these authorities.

Board of Directors

Under the *Saskatchewan Crop Insurance Corporation Act*, the Board of Directors is responsible for the overall direction and development of the Crop Insurance and AgriStability programs and is authorized to conduct the affairs of the Corporation. Decisions with major financial and policy implications are developed in consultation with industry and must be approved by the provincial and federal governments.

As of March 31, 2014, the Board members were Alanna Koch, chair and Deputy Minister of the Saskatchewan Ministry of Agriculture, Nithi Govindasamy, vice-chair, Glen Clarke and Doug Gattinger. All members are either involved in farm operations or have an agricultural background.

Appeals

The Saskatchewan Crop Insurance Corporation's Provincial Appeal Panel and AgriStability Appeals Committee were established to provide fair and efficient resolution to issues where a dispute between a customer or participant and the Corporation exists regarding the Crop Insurance, Wildlife Damage Compensation or AgriStability Programs. The panel/committee is comprised of producers, appointed by the Board of Directors, to consider and make recommendations on customer/participant concerns. A voluntary process, informal hearings are held on a regular basis with customers, participants and/or their contact person presenting concerns. SCIC staff also provide information about their decisions and rationale. Following the hearing the panel/committee makes a recommendation to the Board of Directors for a final decision.

Provincial Appeal Panel

As of March 31, 2014, members of the Provincial Appeal Panel were David Weiss (Langenburg), chair; Les Anderson (Parkside), vice-chair; Lee Egland (Eastend); Dwight Thesen (Arborfield); Megan Rumbold (Wadena); and Kevin Elmy (Saltcoats).

The Panel heard 42 appeals between April 1, 2013, and March 31, 2014. Of these appeals, 11 were approved in whole, 30 were denied and one was partially allowed. An additional five were registered and later withdrawn.

AgriStability Appeals Committee

As of March 31, 2014, the members of the AgriStability Appeals Committee were: Allan Beblow (Yorkton), chair; Neal Hardy (Hudson Bay), chair; Sherri Grant (Val Marie); William Lanfermann (Paradise Hill); Wayne Bacon (Kinistino); Keith Carleton (Neville); Jim Hallick (Sturgis); Dave Kirby (Scout Lake); Tom Hewson (Langbank); Ray Orb (Cupar); Glenn Blakley (Tantallon); and Brent Gessell (Delisle). There must be a minimum of three and a maximum of five appeal panel members at a hearing.

Between April 1, 2013, and March 31, 2014, the Committee heard eight appeals. Of those appeals five were denied and three were granted.

Staff

Saskatchewan Crop Insurance Corporation's head office is located in Melville with 21 customer service offices in communities throughout the province. As of March 31, 2014, SCIC employed 548 individuals, including permanent, temporary and casual positions. Of that number, 244 worked out of head office and 304 worked out of the customer service offices.

2013-2014 Year in Review

The Saskatchewan Crop Insurance Corporation (SCIC) plays a significant role in the delivery of business risk management programs on behalf of the Saskatchewan Ministry of Agriculture.

AgriStability

AgriStability is designed to provide support to producers who experience large income losses. Since taking over administration of AgriStability in 2010, SCIC has been working to provide tools and support in an effort to make the program easier to use by both producers and accountants.

SCIC introduced AgConnect in 2012, a web-based application for reviewing historical program information, as well as completing and submitting forms electronically. The response to this platform from producers, accountants and form preparers has been excellent. As of March 31, 2014, the number of participants represented through AgConnect is 20,816. For the 2012 program year, SCIC received 10,531 AgriStability applications through AgConnect, which is 50 per cent of all applications submitted.

Due to changes agreed to in the Growing Forward 2 framework agreement, several modifications were made in the 2013 program year. Changes to the program included 70 per cent margin coverage, harmonized compensation rates and limited reference margins.

SCIC is committed to providing producers the resources they require to effectively access and manage the program. Program Advisors are available through the 21 customer service offices across the province. Their knowledge of Saskatchewan's farming and ranching sector, combined with their comprehensive understanding of the AgriStability Program, makes them a great resource for participants and accountants.

SCIC's AgriStability Call Centre has provided exceptional service to Saskatchewan producers. As of March 31, 2014, the Call Centre had received more than 24,000 calls from producers and the average time to answer those calls was seven seconds.

As of March 31, 2014, SCIC had completed processing 16,047 applications for the 2012 program year. Of the applications processed, 3,666 have received a benefit payment for a total value of \$157.5 million for 2012 program payments.

Crop Insurance

In February, the Minister of Agriculture announced the 2013 Crop Insurance Program, which included record provincial funding and record coverage levels.

New in 2013, hard red spring wheat and oats were made available for yield trending. Yield trending recognizes the agronomic advancements and increases a producer's historical yields, which improves the coverage on these crops. Previous years' enhancements were continued and producers had the option to supplement the Unseeded Acreage Benefit of \$70 per eligible acre by purchasing either \$15 or \$30 per acre in additional coverage. In addition, the Unseeded Acreage Benefit calculation was simplified.

In 2013 establishment benefit values increased from \$50 to \$60 per acre for canola and IP canola and from \$35 to \$40 per acre for field peas.

In 2013, insurable areas for soybeans and corn were expanded. The insurable area of soybeans was expanded by 184 per cent with 55 per cent of land in the province eligible for coverage. The Corn Heat Unit Insurance Program is a weather-based program that provides coverage against a lack of corn heat units over a growing season. In 2013, four weather stations were added to the program located near Estevan, Swift Current, Yorkton and Virden, Manitoba. As a result, over 95 per cent of corn acres seeded in Saskatchewan 2013, were eligible for the Corn Heat Unit Program.

Based on a recommendation from the 2008 Crop Insurance Review, private reinsurance was purchased for the Crop Insurance Program for the first time in 2013. Private reinsurance provides greater stability to premiums for producers.

Approximately 22,811 producers insured 26.9 million acres across the province. Crop Insurance insured 76 per cent of the seeded grain acres in the province and was responsible for a record \$5.4 billion in liability, collecting \$700 million in premiums.

In total, SCIC paid \$132 million on 9,510 claims in the multi-peril Crop Insurance Program. The Crop Insurance and federal and provincial reinsurance funds maintain a surplus of approximately \$1.3 billion, an increase from 2013 due to premiums exceeding claims.

Wildlife Damage Compensation Program

The Wildlife Damage Compensation Program consists of three components: crop damage compensation, predation compensation and prevention. While SCIC administers this Program, financial reporting is included in the financial statements of the Agricultural Stabilization Fund under the Saskatchewan Ministry of Agriculture.

Compensation paid to producers for big game and waterfowl damaged decreased in 2013-14 largely due to lower crop prices and good harvest conditions. There have been fewer predation claims in 2013-14 and compensation

paid has been similar to 2012-13 due to higher livestock values. Available prevention measures include predation specialists, lure crops, waterfowl feeding stations, scare cannons and compensation for guard dogs and fencing. Prevention compensation in 2013-14 was similar to 2012-13.

The Wildlife Damage Compensation Program provided approximately \$6.44 million in compensation to producers. In 2013, an additional \$607,407 was spent on prevention.

The Western Livestock Price Insurance Program

On January 24, 2014, the Western Canadian provincial agriculture ministers along with the federal agriculture minister announced livestock price insurance would be available for hog and cattle producers in British Columbia, Alberta, Manitoba and Saskatchewan.

The Western Livestock Price Insurance Program (WLPIP) is an online risk management tool that allows producers to purchase market price protection on cattle and hogs. WLPIP enables livestock producers to protect themselves against unexpected price declines, by allowing them to purchase price insurance protection for their cattle and hogs while still being able to take advantage of favourable market conditions, if livestock prices should rise.

Western Livestock Price Insurance is available through SCIC where producers can learn how price insurance works, how to sign up for the Program and how to purchase insurance policies.

Saskatchewan Crop Insurance Corporation

2013-2014 Corporate Plan and Results

Strategic Theme: Focus on the Producer		
Goal	Objectives	Indicators/Performance Measures
Enhance customer service	<p>Increase program awareness and understanding to enable producers to make informed decisions</p> <p>Focus on core business to ensure the delivery model meets the needs of Saskatchewan's farmers and ranchers</p> <p>Develop, review and implement electronic delivery strategies</p>	<p>Customer satisfaction surveys</p> <p>Response: A survey was completed in February 2014; the results are as follows:</p> <p>On average, 90 per cent of respondents who had contact with customer service staff regarding the AgriStability Program were very satisfied or somewhat satisfied. This compares to 92 per cent in 2012.</p> <p>Of those respondents who had a claim adjusted by SCIC, 70 per cent rated their satisfaction as a three out of five (five being satisfied). This compares to four out of five in 2012.</p> <p>On average, respondents rated satisfaction with SCIC as a four out of five (five being completely satisfied). This compares to 4.08 out of five in 2012.</p>
		<p>Turnaround time for Crop Insurance claims (defined as the average time between a post-harvest claim registered from the time the inspections were completed and an indemnity paid)</p> <p>Response: The average time between a post-harvest claim being registered at a customer service office to the time the inspection was completed and an indemnity paid was 24 days. This compares to 35 days in 2012-2013.</p>
		<p>Call Centre Statistics</p> <p>Response: From April 1, 2013, to March 31, 2014, the AgriStability call centre received 24,164 calls. Ninety-seven per cent of those calls were answered within seven seconds.</p>
		<p>CropConnect and AgConnect statistics</p> <p>Response: As of March 31, 2014, the number of participants represented through AgConnect is 20,816 or over 90 per cent of all participants enrolled in the AgriStability Program. For the 2012 program year, 10,531 applications were submitted through AgConnect, which is 50 per cent of all program files submitted.</p> <p>For the 2013 crop year, 3,309 customers had a CropConnect password, which represents 14.4 per cent of active Crop Insurance customers.</p>
Assess and understand producer needs to develop responsive programs	Identify and review key policies, programs and procedures	<p>Survey of program awareness and responsiveness to programs</p> <p>Response: A survey was completed in March, 2014; the results were as follows:</p> <p>Ninety-three per cent of surveyed respondents are familiar with SCIC's programs and services. This compares to 90 per cent in 2012.</p> <p>Ninety-two per cent of respondents are aware of SCIC's customer service offices. This compares to 91 per cent in 2012.</p>

Strategic Theme: Accountability																																		
Goal	Objectives	Performance Measures and Indicators																																
Provide effective and efficient program and resource management	Develop sustainable crop insurance programs	<p>Long-term sustainable loss ratio (indemnity/premium)</p> <p>Response: The average long-term loss ratio for the 20 year period 1993 to 2012 was 84 per cent.</p>																																
	Ensure program claims and benefits are paid within tolerance levels.	<p>Percentage of compliance audits and the number of recommendations made for policy and/or procedural changes</p> <p>Response: The Compliance unit completed 1,413 audits that identified \$1.8 million dollars in indemnity differences when claims were adjusted and benefit payments authorized. Based on its findings, the unit has made recommendations that three policy and processes be reviewed. This compares to the previous year when 1,982 audits were completed for a difference of \$1.6 million.</p>																																
	Optimize the allocation of resources (i.e. human, financial and capital)	<p>Ratios comparing Crop Insurance administration expenses to liability, premiums, acres and contracts, as compared to Canada average</p> <p>Response: average</p> <table border="1"> <thead> <tr> <th></th><th>Saskatchewan</th><th>Canada</th></tr> </thead> <tbody> <tr> <td>Admin Expenditures</td><td>\$32,727,438</td><td>\$117,402,826</td></tr> <tr> <td>Liability</td><td>\$5,424,719,883</td><td>\$17,588,676,222</td></tr> <tr> <td>Premium</td><td>\$699,804,008</td><td>\$1,938,435,139</td></tr> <tr> <td>Acres</td><td>27,749,990</td><td>69,933,947</td></tr> <tr> <td>Contracts</td><td>23,057</td><td>76,816</td></tr> <tr> <td></td><td></td><td></td></tr> <tr> <td>Admin\$/Liab \$</td><td>0.58%</td><td>0.67%</td></tr> <tr> <td>Admin\$/Prem\$</td><td>4.51%</td><td>6.06%</td></tr> <tr> <td>Admin\$/Acre</td><td>\$ 1.14</td><td>\$ 1.68</td></tr> <tr> <td>Admin\$/Contract</td><td>\$1,376</td><td>\$1,528</td></tr> </tbody> </table> <p>AgriStability Administrative cost per file</p> <p>Response: The AgriStability cost per file was \$989. This compares to previous year of \$811. The increase in cost is due to a downturn in applications, which is a trend consistent throughout the country.</p>		Saskatchewan	Canada	Admin Expenditures	\$32,727,438	\$117,402,826	Liability	\$5,424,719,883	\$17,588,676,222	Premium	\$699,804,008	\$1,938,435,139	Acres	27,749,990	69,933,947	Contracts	23,057	76,816				Admin\$/Liab \$	0.58%	0.67%	Admin\$/Prem\$	4.51%	6.06%	Admin\$/Acre	\$ 1.14	\$ 1.68	Admin\$/Contract	\$1,376
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Strategic Theme: Leadership														
Goal	Objectives	Indicators/Performance Measures												
Build a values based organizational culture with highly skilled and knowledgeable employees	Integrate the Corporation's values in all aspects of the organization	<p>Recruitment and retention statistics</p> <p>Response: Staff turns as of March 31, 2014 are as follows: out-of-scope permanent 3.8 per cent, in-scope permanent five per cent, adjusters nine per cent and in-scope temporary 25 per cent. This compared the following at the end of March 31, 2013: out-of-scope permanent 6.6 per cent, in-scope permanent 4.9 per cent, adjusters 18.3 per cent and in-scope temporary 27.9 per cent.</p>												
A national leader in timely service delivery and program	Sustain program participation and improved turnaround time for claims and benefits.	<p>Acres insured in the Crop Insurance Program, measured by the:</p> <ul style="list-style-type: none"> percentage of insured acres compared to seeded acres for annual crops and long-term trends <p>Response: In 2013 the percentage of annual crops insured under the Saskatchewan Crop Insurance Program was 76.2 per cent. The comparable 20 year average (1993 to 2012) percentage was 68.1 per cent.</p> <ul style="list-style-type: none"> percentage of insured acres in the forage program, Forage Rainfall Insurance Program and Corn Heat Unit Program as compared to long-term trends. <p>Response: Percentages for other programs in comparison to the relevant five-year average are shown in the following table:</p> <table border="1"> <thead> <tr> <th>Percentage:</th><th>2013</th><th>Average 2008-2012</th></tr> </thead> <tbody> <tr> <td>Forage</td><td>3.9%</td><td>6.3%</td></tr> <tr> <td>Forage Rainfall Insurance Program</td><td>3.8%</td><td>4.2%</td></tr> <tr> <td>Corn Heat Unit Insurance Program</td><td>62.8%</td><td>10.9%</td></tr> </tbody> </table> <p>Crop Insurance claim turnaround time relative to national levels (defined as the average time from when an inspection has been completed to an indemnity paid) (federal measure: claims processed within a turn-around time of 30 days, target is 80 per cent)</p> <p>Response: Eighty per cent of claims were processed in 15 days. This compares to 80 per cent within 14 days in the previous year.</p> <p>AgriStability file turnaround time relative to national levels (federal measure: 75% of files completed in 75 days)</p> <p>Response: AgriStability processing time relative to the national standard is 75 per cent. This compares to 83.4 per cent in the previous year.</p>	Percentage:	2013	Average 2008-2012	Forage	3.9%	6.3%	Forage Rainfall Insurance Program	3.8%	4.2%	Corn Heat Unit Insurance Program	62.8%	10.9%
Percentage:	2013	Average 2008-2012												
Forage	3.9%	6.3%												
Forage Rainfall Insurance Program	3.8%	4.2%												
Corn Heat Unit Insurance Program	62.8%	10.9%												

2013-2014 Financial Results

The 2013-14 financial statements begin on page 16 of this report and the following provides an explanation of the variances between the budget and actual results.

	(in thousands of dollars)				Notes
	2012-13 Actual	2013-14 Budget	2013-14 Actual	2013 -14 Variance	
Crop Insurance (AgrilInsurance)					
Premiums	\$ 605,053	\$ 670,965	\$ 699,804	\$ 28,839	¹
Reinsurance Premiums	(105,647)	(102,618)	(124,166)	(21,548)	²
Indemnities	(403,896)	(491,199)	(132,477)	358,722	³
Other	4,615	2,000	2,734	734	⁴
Excess of revenue over expenses from insurance operations	\$ 100,125	\$ 79,418	\$ 445,895	\$ 366,747	
AgriStability					
Contribution from Government of Saskatchewan - Ministry of Agriculture	\$ 140,120	\$ 25,918	\$ 21,971	\$ (3,947)	⁵
Contribution from Government of Canada	210,181	38,878	32,959	(5,919)	⁵
Fees and other income	14,029	6,904	12,536	5,632	⁶
Indemnities	(364,330)	(71,700)	(67,466)	4,234	⁵
	\$ -	\$ -	\$ -	\$ -	
Program Delivery - administration expenses net of other administration revenue					
Crop Insurance	\$ 30,272	\$ 29,798	\$ 30,947	\$ 1,149	⁷
AgriStability	\$ 21,457	\$ 23,965	\$ 20,817	\$ (3,148)	⁸
Western Livestock Price Insurance Program	\$ -	\$ 971	\$ 1,594	\$ 623	⁹

Notes:

1. The premiums were over budget due to actual insured acres of 27.7 million compared to the projected 26.9 million acres. There was an unanticipated uptake on the unseeded acre buy-up option that was \$25 million higher than budgeted.
2. Reinsurance premiums increased due to the purchase of private reinsurance of \$19.5 million. The other reinsurance premiums ceding rates were higher than budget.
3. Indemnities were lower than budget due to a low claim year for the province. This is a result of a successful harvest and above average yields.
4. Other income higher than budget due to increased interest earned.
5. The budget for AgriStability indemnities is expected to decrease as a result of the change in methodology used to calculate benefits under Growing Forward 2. With lower expected benefits, the funding required from the Province and Canada will be correspondingly lower.
6. The actual fees were higher than the budget as a higher volume of enrolment fees were collected than anticipated.
7. AgrilInsurance program delivery costs were higher than the budget due to:
 - Adjusting and grain grading wages and expenses under budget by \$617 thousand. This is due to lower than expected claims being processed this year.
 - Salaries and benefits are \$3.3 million higher. This is due to bargaining increases, reclassifications of staff and a non-permanent employee pension settlement.
 - Other administration revenue was \$228 thousand higher than budget as a result of increased reimbursement from the Wildlife Damage Compensation program. This reimbursement covers SCIC's costs of predation specialists and other prevention costs paid out to the producers.
 - Advertising costs were lower than budget by \$519 thousand. This is due to efficiencies in print publications and alternative mediums for advertising.
 - Office supplies were lower than budget by \$186 thousand. Stationery prices used in the budget were much higher than actual costs incurred and less stationery required due to alternate methods of correspondence and filing.

- Other expenses were lower than budget by \$196 thousand. The equipment purchases, rental, and repairs and maintenance were all less than budget.
 - Travel costs were lower than budget by \$200 thousand. This is mainly due to reduced Central Vehicle Agency (CVA) usage by \$106 thousand and a reduction of in-province and out-of-province travel. Less travel is required by utilizing new technologies as means of communication across the Corporation.
8. The AgriStability Program delivery costs were lower than budget due to:
- Reallocation of staff and reduction of overtime were the main contributor to a salaries and benefits variance of \$1.3 million below budget.
 - Travel costs were \$135 thousand below budget primarily due to less in-province travel. Travel costs have been reduced with more efficient technology available for communication.
 - Program advertising was \$579 thousand less than budget due to efficiencies in print publications and alternative mediums for advertising.
- Professional fees was \$773 thousand less than budget due to less reliance on outside consulting for projects.
 - Other revenue collected was \$188 thousand less than budget. There were less ACS fees collected on behalf of the AgriStability Program.
 - Office supplies were lower than budget by \$129 thousand. Stationery prices used in the budget were much higher than actual costs incurred and less stationery was required due to alternate methods of correspondence and filing.
 - Other expenses were lower than budget by \$107 thousand. The equipment purchases, rental, and repairs and maintenance were all less than budget.
9. The Western Livestock Price Insurance Program consists of implementation costs. Operations are commencing in April 2014.
- Alberta's actual program costs were higher than budget as the budget only included the Provincial share. It did not include the Federal portion of these costs.

Saskatchewan Crop Insurance Corporation

2014-2018 Corporate Plan

Summary of Plan

The Saskatchewan Crop Insurance Corporation's Corporate Plan outlines a strategy to achieve success as leaders in developing and providing responsive business risk management programs. SCIC is guided by three strategic themes: Focus on the producer, Accountability and Leadership. These three themes align with the Saskatchewan Ministry of Agriculture's strategic themes: enhanced client service; enhanced long-term competitiveness and sustainability of the industry; improved public perception of agriculture; enhanced trade advocacy; and a high-performance organization.

Vision Statement

To be leaders in developing and providing innovative and responsive business risk management programs.

Mission Statement

Work in partnership with industry and the Ministry of Agriculture to provide producers with responsive agricultural business risk management programs and services.

Values

We value innovative thinking; teamwork and community; and accountability to ourselves and others.

Corporate Plan

Strategic Theme: Focus on the Producer		
Goal	Objectives	Performance Measures and Indicators
Enhance customer service	<p>Increase program awareness and understanding</p> <p>Focus on core business to ensure the delivery model meets the needs of Saskatchewan's farmers and ranchers</p> <p>Develop, review and implement electronic delivery strategies</p>	<p>Customer satisfaction surveys</p> <p>Turnaround time for Crop Insurance claims (defined as the average time between a post-harvest claim registered to the time the inspection was completed and an indemnity paid)</p> <p>CropConnect and AgConnect statistics</p> <p>AgConnect target: 65 per cent of applications are submitted using AgConnect</p> <p>CropConnect target: 25 per cent participation of Crop Insurance contracts</p>
To provide effective business risk management programming that meets the needs of producers and industry	Identify and review key policies, programs and procedures	Survey of program awareness and responsiveness to programs

Strategic Theme: Accountability		
Goal	Objectives	Indicators/Performance Measures
Provide effective and efficient program and resource management	Develop sustainable crop insurance programs	Long-term sustainable loss ratio (indemnity/premium)
	Ensure program claims and benefits are paid according to corporate policy and Program guidelines	Compliance audits will be completed on 10 per cent of Crop Insurance claims paid and targeted risk-based audits will be conducted on two per cent of AgriStability payment files
	Optimize the allocation of resources (i.e. human, financial and capital)	Ratios comparing Crop Insurance administration expenses to liability, premiums, acres and contracts, as compared to Canada average

Strategic Theme: Leadership		
Goal	Objectives	Indicators/Performance Measures
Build a values-based organizational culture with highly skilled and knowledgeable employees	Integrate the Corporation's values in all aspects of the organization	Recruitment and retention statistics
A national leader in timely service delivery and program development	Sustain program participation and improved turnaround time for claims and benefits.	<p>Acres insured in the Crop Insurance program, measured by the percentage of insured acres compared to seeded acres for annual crops and long-term trends.</p> <p>Crop Insurance claim turnaround time relative to national levels (defined as the average time from when an inspection has been completed to an indemnity paid) (federal measure: claims processed within a turn-around time of 30 days, target is 80 per cent)</p> <p>AgriStability file turnaround time relative to national levels (federal measure: 75% of files completed in 75 days)</p>

Management's Report

Responsibility for Financial Statements

The financial statements of the Saskatchewan Crop Insurance Corporation are the responsibility of management and are prepared in accordance with Canadian public sector accounting standards applied on the basis consistent with that of the preceding year. Management has applied its best judgment where estimates are required using all information available to May 26, 2014. Other financial information in the annual report is consistent with that provided in these financial statements.

The Saskatchewan Crop Insurance Corporation's accounting system and systems of internal control are maintained to provide reasonable assurance that transactions are properly authorized and recorded, that assets are properly safeguarded and that the financial information is relevant and reliable.

The Saskatchewan Crop Insurance Corporation's external auditor, KPMG LLP, has audited these financial statements and conducted a review of internal accounting policies and procedures to the extent required to enable them to express an opinion on these financial statements.

The Board of Directors of the Saskatchewan Crop Insurance Corporation is responsible for overseeing management's performance of its financial responsibilities and has reviewed and approved these financial statements.



Shawn Jaques
President and Chief Executive Officer



Janie Kuntz
Vice President, Finance

May 26, 2014

Auditors' Report

To the Members of the Legislative Assembly of the Province of Saskatchewan

We have audited the accompanying financial statements of the Saskatchewan Crop Insurance Corporation, which comprise the statements of financial position as at March 31, 2014, and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conduct our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements,

whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Crop Insurance Corporation as at March 31, 2014, and the results of its operations and changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Accountants
Regina, Canada

May 26, 2014

Saskatchewan Crop Insurance Corporation

Statement of Financial Position


March 31, 2014, with comparative figures for 2013

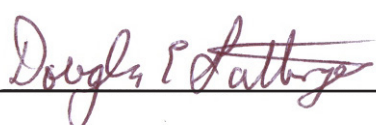
(in thousands of dollars)

	2014	2013
Financial Assets		
Cash	\$ 123	\$ 252
Investments (note 3)	108,826	11,895
Due from the Province of Saskatchewan General Revenue Fund (note 2)	740,953	409,597
Accrued interest and other receivables	3,141	2,925
Due from producers	25,841	13,809
Due from the Province of Saskatchewan - Ministry of Agriculture	64,321	99,423
Due from Government of Canada	86,565	156,527
	1,029,770	694,428
Liabilities		
Accounts payable and accrued liabilities	11,199	4,194
Deferred indemnities payable	449	1,025
Indemnities payable (note 6)	124,749	250,488
Reinsurance premium payable to Crop Reinsurance Fund of Saskatchewan	5,671	3,094
	142,068	258,801
Net financial assets	887,702	435,627
Non-financial assets		
Tangible capital assets (note 5)	7,877	11,338
Prepaid expenses	1,106	815
	8,983	12,153
Accumulated Surplus	\$ 896,685	\$ 447,780

Contractual obligations and contingencies (note 10).
See accompanying notes to financial statements.

On behalf of the Board:


 _____ Chairperson


 _____ Director

Saskatchewan Crop Insurance Corporation

Statement of Operations and Accumulated Surplus

March 31, 2014, with comparative figures for 2013

(in thousands of dollars)

	2014	2013
Revenue		
Premiums from producers	\$ 281,466	\$ 242,076
Fees	12,277	13,867
Government transfers		
Contribution from Government of Saskatchewan - Ministry of Agriculture	189,572	285,072
Contribution from Government of Canada	283,696	428,206
Interest income	7,404	5,072
	<u>774,415</u>	<u>974,293</u>
Expenses		
Indemnities	199,923	768,226
Reinsurance premiums		
Private Reinsurance expense (Note 11)	19,539	-
Crop Reinsurance Fund of Canada for Saskatchewan	62,786	66,378
Crop Reinsurance Fund of Saskatchewan	41,841	39,269
Bad debts	4,431	295
	<u>328,520</u>	<u>874,168</u>
Income from insurance operations, before administration revenue and expenses	445,895	100,125
Administration revenue		
Province of Saskatchewan operating grant	55,720	50,015
Government of Canada funding - Western Livestock Price Insurance Program	648	-
Other administration revenue	2,067	2,527
	<u>58,435</u>	<u>52,542</u>
Administration expenses (Schedule 2)	55,425	54,256
Annual surplus	448,905	98,411
Accumulated surplus, beginning of year	447,780	349,369
Accumulated surplus, end of year	\$ 896,685	\$ 447,780

See Statement of Program Operations and Accumulated Surplus (Schedule 1)

See accompanying notes to financial statements

Saskatchewan Crop Insurance Corporation

Statement of Change in Net Financial Assets

March 31, 2014, with comparative figures for 2013

(in thousands of dollars)

	Budget	2014	2013
Annual surplus	\$ 78,255	\$ 448,905	\$ 98,411
Acquisition of tangible capital assets	(1,989)	(1,496)	(1,266)
Amortization of tangible capital assets	5,125	4,957	4,903
	81,391	452,366	102,048
Acquisition of prepaid expenses	-	(1,106)	(815)
Use of prepaid expenses	-	815	757
Change in net financial assets	81,391	452,075	101,990
Net financial assets, beginning of year	435,627	435,627	333,637
Net financial assets, end of year	\$ 517,018	\$ 887,702	\$ 435,627

See accompanying notes to financial statements.

Saskatchewan Crop Insurance Corporation

Statement of Cash Flows

March 31, 2014, with comparative figures for 2013

(in thousands of dollars)

	2014	2013
Cash Provided by (used in)		
Operating Activities:		
Annual surplus	\$ 448,905	\$ 98,411
Items not affecting cash:		
Amortization	4,957	4,903
Change in non-cash operating items:		
Accrued interest and other receivables	(216)	(817)
Due from producers	(12,032)	(618)
Due from the Province of Saskatchewan - Ministry of Agriculture	35,102	(43,701)
Due from the Government of Canada	69,962	(75,169)
Prepaid expenses	(291)	(58)
Accounts payable and accrued liabilities	7,005	(394)
Deferred indemnities payable	(576)	(125)
Indemnities payable	(125,739)	120,677
Reinsurance premium payable to Crop Reinsurance Fund of Saskatchewan	2,577	676
	\$ 429,654	\$ 103,785
Capital Activities:		
Purchase of tangible assets	(1,496)	(1,266)
Increase in cash and cash equivalents	428,158	102,519
Cash and cash equivalents, beginning of year	421,744	319,225
Cash and cash equivalents, end of year	\$ 849,902	\$ 421,744
Represented by:		
Cash	\$ 123	\$ 252
Investments	108,826	11,895
Due from Province of Saskatchewan General Revenue Fund	740,953	409,597
	\$ 849,902	\$ 421,744
Supplemental cash flow information:		
Cash interest income received	\$ 5,755	\$ 4,006

See accompanying notes to financial statements.

Saskatchewan Crop Insurance Corporation

Program Operations and Accumulated Surplus (Schedule 1)

March 31, 2014, with comparative figures for 2013 (in thousands of dollars)		Crop Insurance (AgriInsurance)		
	Budget	2014	2013	
Revenue				
Premiums from producers	\$ 268,376	\$ 281,466	\$ 242,076	
Fees	-	-	-	
Government transfers				
Contribution from Government of Saskatchewan - Ministry of Agriculture	161,050	167,601	144,952	
Contribution from Government of Canada	241,539	250,737	218,025	
Interest income	3,000	7,145	4,910	
	673,965	706,949	609,963	
Expenses				
Indemnities	491,199	132,477	403,896	
Reinsurance premiums				
Private Reinsurance expense (Note 11)	18,750	19,539	-	
Crop Reinsurance Fund of Canada for Saskatchewan	46,966	62,786	66,378	
Crop Reinsurance Fund of Saskatchewan	36,902	41,841	39,269	
Bad debts	1,000	4,411	295	
	594,817	261,054	509,838	
Income from insurance operations, before administration revenue and expenses	79,148	445,895	100,125	
Administration revenue				
Province of Saskatchewan operating grant	29,785	31,664	29,510	
Other administration revenue	552	780	1,047	
Government of Canada funding	-	-	-	
	30,337	32,444	30,557	
Administration expenses (Schedule 2)	30,350	31,727	31,319	
Annual surplus	79,135	446,612	99,363	
Accumulated surplus, beginning of year	434,798	434,798	335,435	
Accumulated surplus, end of year	\$ 513,933	\$ 881,410	\$ 434,798	

See accompanying notes to financial statements.

AgriStability			Western Livestock Price Insurance Program			Total		
Budget	2014	2013	Budget	2014	2013	Budget	2014	2013
\$ - 6,744	\$ - 12,277	\$ - 13,867	\$ - -	\$ - -	\$ - -	268,376 6,744	\$ 281,466 12,277	\$ 242,076 13,867
25,918	21,971	140,120	-	-	-	186,968	189,572	285,072
38,878	32,959	210,181	-	-	-	280,417	283,696	428,206
160	259	162	-	-	-	3,160	7,404	5,072
71,700	67,466	364,330	-	-	-	745,665	774,415	974,293
71,700	67,446	364,330	-	-	-	562,899	199,923	768,226
-	-	-	-	-	-	18,750	19,539	-
-	-	-	-	-	-	46,966	62,786	66,378
-	-	-	-	-	-	36,902	41,841	39,269
-	20	-	-	-	-	1,000	4,431	295
71,700	67,466	364,330	-	-	-	666,517	328,520	874,168
-	-	-	-	-	-	79,148	445,895	100,125
23,085	23,085	20,505	971	971	-	53,841	55,720	50,015
1,475	1,287	1,480	-	-	-	2,027	2,067	2,527
-	-	-	-	648	-	-	648	-
24,560	24,372	21,985	971	1,619	-	55,868	58,435	52,542
25,440	22,104	22,937	971	1,594	-	56,761	55,425	54,256
(880)	2,268	(952)	-	25	-	78,255	448,905	98,411
12,982	12,982	13,934	-	-	-	447,780	447,780	349,369
\$ 12,102	\$ 15,250	\$ 12,982	\$ -	\$ 25	\$ -	\$ 526,035	\$ 896,685	\$ 447,780

Saskatchewan Crop Insurance Corporation

Program Administration Expenditures (Schedule 2)

March 31, 2014, with comparative figures for 2013 (in thousands of dollars)		Crop Insurance (AgriInsurance)		
	Budget		2014	2013
Adjusting wages and expenses	\$ 9,090	\$ 8,473	\$ 9,651	
Advertising	971	452	612	
Amortization	1,769	1,697	1,651	
Appeal Panel and Board of Directors meetings	73	43	38	
Computer	2,281	2,403	2,640	
Office rental	1,732	1,664	1,713	
Office supplies and duplicating	382	196	206	
Other	442	246	242	
Postage	338	273	365	
Professional fees	1,009	905	902	
Salaries and benefits	11,179	14,520	12,206	
Share of Agriculture Financial Services Corporation costs	-	-	-	
Share of Federal Government Transition Costs	-	-	-	
Telephone	258	230	280	
Travel and Sustenance	826	625	813	
	\$ 30,350	\$ 31,727	\$ 31,319	

See accompanying notes to financial statements.

AgriStability			Western Livestock Price Insurance Program			Total		
Budget	2014	2013	Budget	2014	2013	Budget	2014	2013
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,090	\$ 8,473	\$ 9,651
757	178	441	119	6	-	1,847	636	1,053
3,357	3,260	3,252	-	-	-	5,126	4,957	4,903
38	4	23	-	-	-	111	47	61
4,277	4,197	5,169	2	26	-	6,560	6,626	7,809
1,666	1,609	1,528	-	-	-	3,398	3,273	3,241
270	141	129	-	-	-	652	337	335
209	102	93	-	-	-	651	348	335
222	197	118	-	-	-	560	470	483
1,219	446	211	11	152	-	2,239	1,503	1,113
12,952	11,688	11,690	246	171	-	24,377	26,379	23,896
-	-	-	544	1,224	-	544	1,224	-
40	17	18	-	-	-	40	17	18
146	113	90	1	-	-	405	343	370
287	152	175	48	15	-	1,161	792	988
\$ 25,440	\$ 22,104	\$ 22,937	\$ 971	\$ 1,594	\$ -	\$ 56,761	\$ 55,425	\$ 54,256

Saskatchewan Crop Insurance Corporation

Notes to Financial Statements

March 31, 2014

The Saskatchewan Crop Insurance Corporation (the "Corporation"), a provincial Crown Corporation, was established under *The Crown Corporations Act* and continued under *The Saskatchewan Crop Insurance Corporation Act*. Within this Act, the Corporation is to administer the Saskatchewan Crop Insurance Fund and the Agricultural Income Stabilization Fund ("AgriStability") and provides information on the individual funds in the Schedules within these financial statements.

AgriStability was established under the *Growing Forward: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy* as a continuation of the Canadian Agricultural Income Stabilization (CAIS) program. The Corporation began administering this program for Saskatchewan as of January 1, 2010. This program provides agricultural producers with protection against declines in Production Margin (as defined in the AgriStability Program Guidelines). Participants must enroll in the program and pay administration and enrolment fees based on a reference margin based on the individual participant's Production Margin for specified prior years. A program benefit is paid to the participant when the participant's current Production Margin falls below the set reference margin. AgriStability provides coverage for Production Margin declines greater than 30 percent. The Federal and Saskatchewan governments share the AgriStability program costs on the basis of 60 percent and 40 percent respectively.

Saskatchewan Crop Insurance delivers the Western Livestock Price Insurance Program (WLPIP) for Saskatchewan producers. The initial development and training for the program began in 2013 in preparation for the delivery. Producers will be able to purchase price insurance options for their calves, fed cattle, feeder cattle and hogs beginning in April 2014. Alberta's Agriculture Financial Services Corporation (AFSC) is the central administering agency of the program providing premium calculations, establishing forward prices, collecting market data to settle claims and providing technological support for the operating system. SCIC will be providing all customer support for the program.

Growing Forward 2: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy, which replaced *Growing Forward: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy* requires that reinsurance funds be established by the Government

of Canada and the Government of Saskatchewan. These reinsurance funds receive reinsurance premiums from the Corporation and, under certain circumstances, pay reinsurance benefits to the Corporation.

Crop Insurance rates and reinsurance premiums are set such that the Crop Insurance Program is actuarially sound over the long term. Any indemnities receivable, in excess of assets of the Crop Reinsurance Fund of Saskatchewan, will be recovered through future reinsurance premiums paid by the Corporation. If these future reinsurance premiums are insufficient to pay reinsurance benefits and repay this receivable, the Province of Saskatchewan General Revenue Fund is required to fund any deficiency.

The Crop Reinsurance Fund of Saskatchewan is administered by the Corporation. The operations, assets and liabilities of this reinsurance fund are reported in separate financial statements as required by the *Growing Forward 2: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy*.

In addition, on behalf of the Ministry of Agriculture and the Saskatchewan Agricultural Stabilization Fund, the Corporation administers the Wildlife Damage Compensation, and Canada Saskatchewan Assistance accounts. The financial results of the Saskatchewan Agricultural Stabilization Fund are reported separately.

As a crown entity, the Corporation is not subject to federal or provincial income tax, or federal goods and services tax.

1. Significant Accounting Policies:

The financial statements of Saskatchewan Crop Insurance Corporation (the "Corporation") have been prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") and published by Chartered Professional Accountants Canada. Significant accounting policies adopted by the Corporation are as follows:

(a) Basis of accounting:

The Corporation follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(b) Government transfers:

Government transfers are without stipulations restricting their use and are recognized in the financial statements as revenues in the period in which the transfers are authorized, any eligibility criteria met, and reasonable estimates of the amounts can be made.

(c) Financial assets and liabilities:

Financial assets and liabilities of the Corporation include cash, investments, due from the Province of Saskatchewan General Revenue Fund, accrued interest and other receivables, due from producers, due from the Province of Saskatchewan - Ministry of Agriculture, due from the Government of Canada, accounts payable and accrued liabilities, deferred indemnities payable, indemnities payable and reinsurance premium payable to Crop Reinsurance Fund of Saskatchewan.

Cash and investments are recorded by the Corporation at fair value. All other financial assets and liabilities are recorded at amortized cost.

(d) Investments:

Investments consist of bankers' acceptances and corporate promissory notes and are recorded at fair value. The fair value of investments is based on cost, which approximates fair value due to the immediate or short-term nature of these financial instruments.

(e) Investment earnings:

The Corporation recognizes interest as earned and investment gains and losses when realized.

Realized gains and losses represent the difference between the amounts received through the sale of investments and their respective cost base. Interest is generally receivable on a semi-annual basis.

(f) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(g) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value of the assets, excluding land, is amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Equipment	5
Leasehold improvements	5
Computer equipment	3
Software	3

(h) Indemnities payable:

Indemnities payable represents estimates of the total cost of outstanding claims at the year-end date. Measurement of the indemnities payable is uncertain as all of the necessary information for reported claims is not always available as of the year-end and therefore estimates are made as to the value of these claims. As a result, indemnities payable are selected from a range of possible outcomes and actual results may differ materially from those estimates.

(i) Premium revenue recognition:

Crop Insurance is a cost-shared program. Premium payments are cost-shared for 2014 and 2013 as follows:

	Producers %	Federal Govt %	Provincial Govt %
Comprehensive Coverage	40.0	36.0	24.0
Weather derivatives	40.0	36.0	24.0
Enhanced Irrigation Pilot	40.0	20.0	40.0

Premiums, including the producer and federal and provincial governments' contributions, are recognized as revenue when invoiced to producers.

(j) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include the determination of indemnities payable, the corresponding contributions and receivables from the Province of Saskatchewan - Ministry of Agriculture and Government of Canada and the allowance for doubtful premiums receivable. Actual results could differ materially from these estimates.

(k) Budget figures:

The budget results and budget amounts have been derived from the budget approved by the Board on May 3, 2013.

2. Due from the Province of Saskatchewan General Revenue Fund:

The Corporation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of the Province of Saskatchewan. Interest is earned on these funds at the government's thirty-day borrowing rate, and is based on the Corporation's average daily account balance. Interest is paid by the Province of Saskatchewan General Revenue Fund to the Corporation on a quarterly basis. During the current year, the average rate was 1.02 per cent (2013 - 1.09 per cent).

3. Investments:

The Corporation's investments are in bankers' acceptances and corporate promissory notes maturing within 16 days of March 31, 2014 with an average effective interest rate of 1.07 per cent (2013 – within 5 days of March 31, 2013 and 1.12 per cent, respectively).

4. Determination of fair value:

Fair value is best evidenced by an independent quoted market price for the same instrument in an active market. An active market is one where quoted prices are readily available, representing regularly occurring transactions. The determination of fair value requires judgment and is based on market information where available and appropriate. Fair value measurements are categorized into levels within a fair

value hierarchy based on the nature of the inputs used in the valuation.

Level 1 – Where quoted prices are readily available from an active market.

Level 2 – Valuation model not using quoted prices, but still using predominantly observable market inputs such as market interest rates.

Level 3 – Models using inputs that are not based on observable market data.

The Corporation's investments are all measured at fair value using predominantly observable market inputs such as market interest rates, which is considered level 2. During the year no investments were transferred between levels.

(in thousands of dollars)					
5. Tangible capital assets:	Equipment	Leasehold Improvements	Computer Software	Computer Equipment	Total
2014					
Cost					
Balance, beginning of year	\$ 2,184	\$ 9,095	\$ 10,432	\$ 7,830	\$ 29,541
Additions	3	8	1,230	255	1,496
Disposals	(1)	-	-	(966)	(967)
Balance end of year	\$ 2,186	\$ 9,103	\$ 11,662	\$ 7,119	\$ 30,070
Accumulated Amortization					
Balance, beginning of year	\$ 1,165	\$ 4,650	\$ 6,384	\$ 6,004	\$ 18,203
Disposals	(1)	-	-	(966)	(967)
Amortization expenses	319	1,555	2,191	892	4,957
Balance end of year	\$ 1,483	\$ 6,205	\$ 8,575	\$ 5,930	\$ 22,193
Net book value, end of year	\$ 703	\$ 2,898	\$ 3,087	\$ 1,189	\$ 7,877
2013					
Cost					
Balance, beginning of year	\$ 4,703	\$ 8,863	\$ 12,422	\$ 15,666	\$ 41,654
Additions	59	232	867	108	1,266
Disposals	(2,578)	-	(2,857)	(7,944)	(13,379)
Balance, end of year	\$ 2,184	\$ 9,095	\$ 10,432	\$ 7,830	\$ 29,541
Accumulated Amortization					
Balance, beginning of year	\$ 3,339	\$ 3,023	\$ 7,399	\$ 12,918	\$ 26,679
Disposals	(2,578)	-	(2,857)	(7,944)	(13,379)
Amortization expenses	404	1,627	1,842	1,030	4,903
Balance end of year	\$ 1,165	\$ 4,650	\$ 6,384	\$ 6,004	\$ 18,203
Net book value, end of year	\$ 1,019	\$ 4,445	\$ 4,048	\$ 1,826	\$ 11,338

The write-down of tangible capital assets during the year was \$nil (2013 \$nil).

6. Indemnities Payable:

The following is a reconciliation of the AgriStability and Crop Insurance indemnities payable:

	(in thousands of dollars)	
	2014	2013
AgriStability		
Balance, beginning of the year	\$ 247,260	\$ 128,032
Provision for current year claims	56,946	197,500
Benefits paid during the current year	(191,933)	(245,100)
Prior years' claim cost experience higher than expected	10,500	166,828
Balance, end of year	\$ 122,773	\$ 247,260
Crop Insurance (AgriInsurance)		
Balance, beginning of year	\$ 3,228	1,779
Provision for current year claims	129,224	404,286
Benefits paid during the current year	(133,280)	(402,447)
Prior years' claim cost experience higher (lower) than expected	2,804	(390)
Balance, end of year	\$ 1,976	\$ 3,228
Total Indemnities Payable	\$ 124,749	\$ 250,488

AgriStability indemnities payable have been estimated using economic models which consider the number of program participants, estimated reference margins, estimated claim year margins based on projected forecast commodity prices, crop yields, inventory changes and forecast changes in eligible income and expenses on an aggregate basis for different sectors of the agricultural industry. These models are updated as more current information becomes known for individual crop years.

Crop Insurance indemnities payable have been estimated based on the number of claims outstanding at March 31, 2014. The number of claims are then multiplied by an average rate based on the crop type and acres outstanding.

As the assumptions used to estimate AgriStability and Crop Insurance indemnities payable may change over time, it is possible that such changes could cause a material change to these payables and the corresponding contributions and receivables from the Province of Saskatchewan - Ministry of Agriculture and Government of Canada.

7. Financial Risk Management:

The nature of the Corporation's operations results in a statement of financial position that consists primarily of financial instruments. The risks that arise are credit risk, market risk (consisting of interest rate risk, foreign exchange risk and equity price risk) and liquidity risk.

Significant financial risks are related to the Corporation's

investments. These financial risks are managed by investing in short-term investments which reduce the risk of market fluctuations.

Credit risk:

The Corporation's credit risk arises primarily from two distinct sources: accounts receivable (from its customers and reinsurers) and certain investments. The maximum credit risk to which it is exposed at March 31, 2014 is limited to the carrying value of the financial assets summarized as follows:

	(in thousands of dollars)	
	2014	2013
Cash	\$ 123	\$ 252
Investments	108,826	11,895
Accrued interest and other receivables	3,141	2,925
Due from producers	25,841	13,809
Due from the Province of Saskatchewan - Ministry of Agriculture	64,321	99,423
Due from the Government of Canada	86,565	156,527
Total	\$ 288,817	\$ 284,831

The breakdown of due from producers is as follows:

	(in thousands of dollars)	
	2014	2013
Less than one year	\$ 26,500	\$ 10,232
Greater than one year	11,187	11,152
Subtotal	37,687	21,384
Allowance for doubtful accounts	(11,847)	(7,575)
Total	\$ 25,841	\$ 13,809

Provisions for credit losses are maintained in an allowance account and regularly reviewed by the Corporation. Amounts are written off once reasonable collection efforts have been exhausted. Details of the allowance account are as follows:

	(in thousands of dollars)	
	2014	2013
Allowance for doubtful accounts, opening balance	\$ 7,575	\$ 7,485
Accounts written off	(139)	\$ (205)
Current period provision	4,411	\$ 295
Allowance for doubtful accounts, ending balance	\$ 11,847	\$ 7,575

Market risk:

Market risk represents the potential for loss from changes in the value of financial instruments. Value can be affected by changes in interest rates, foreign exchange rates and equity prices. Market risk primarily impacts the value of investments.

Interest rate risk is managed by investing primarily in short-term investments. The Corporation is not subject to risks related to foreign exchange or equity prices.

Liquidity risk:

Liquidity risk is the risk that the Corporation is unable to meet its financial obligations as they become due. Cash resources are managed on a daily basis based on anticipated cash flows. The majority of financial liabilities, excluding certain unpaid claims liabilities, are short-term in nature, due within one year. The Corporation generally maintains positive overall cash flows through cash generated from operations, as well as cash generated from its investing activities.

8. Pension plans:

The Corporation's employees participate in the Public Service Superannuation Plan, a multi-employer defined benefit pension plan, or the Public Employee's Pension Plan, a multi-employer defined contribution pension plan. Pension costs of \$1,744,223 (2013 - \$1,746,590) are included in salaries and benefits and comprise the cost of employer contributions for current service of employees during the year.

The Corporation's liability is limited to the required contributions.

9. Related party transactions:

Included in these financial statements are transactions with various Saskatchewan crown corporations, ministries and agencies related to the Corporation by virtue of common control exercised by the Government of the Province of Saskatchewan.

Routine operating transactions with related parties are measured at agreed upon exchange rates under normal trade terms. These financial statements include the following balances from and transactions with related parties:

	(in thousands of dollars)	
	2014	2013
Accounts payable	222	331
Administration expenses	10,959	11,418
Administration revenue	605	768

Other related party transactions are disclosed elsewhere in these financial statements.

10. Contractual obligations and contingencies:

Contractual obligations:

The Corporation is committed to the Ministry of Government Services, a related crown entity, for several leases for office space with annual payments of \$3,421,571. The leases are currently renewable on an annual basis.

The Corporation is also committed to other corporations for the purchase of weather data and the lease of equipment for weather stations around Saskatchewan. Minimum payments are \$450,649 for 2014-2015.

The Corporation has completed the settlement process regarding a non-permanent employee pension lawsuit. The total cost of the pension settlement is \$3,428,901. The amount outstanding at the end of the year is \$2,837,573.

Contingencies:

Pursuant to the *Growing Forward 2: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy*, in the event the agreement is terminated and no new agreement is entered into, all tangible capital assets funded by the agreement shall be disposed of and the proceeds shall be shared by the Government of the Province of Saskatchewan - Ministry of Agriculture and the Government of Canada. As of March 31, 2014, all tangible capital assets owned by the Corporation had been funded by this agreement.

Various legal actions for additional crop insurance indemnity payments have been initiated against the Corporation. Presently, the Corporation is actively defending these cases. While the outcome of these claims cannot be determined, management is of the opinion that the result of these actions will not have a material impact on the Corporation's financial position.

11. Private reinsurance

In addition to the financial protection provided by the federal-provincial reinsurance, SCIC entered into a one year agreement with private sector reinsurers for 2013-14. The reinsurance package purchased by SCIC covered the provincial share of losses (25 percent) in the range of 21.8 percent to 43 percent of liability. The total coverage under the reinsurance contract for 2013-14 is \$287.5M based on \$5.4B of liability. The total premium cost is \$19.5M shared as follows:

•	Producer	40%	\$7.80M
•	Federal government	36%	\$7.02M
•	Provincial government	24%	\$4.68M

Crop Reinsurance Fund of Saskatchewan Auditors Report

To the Members of the Legislative Assembly
of the Province of Saskatchewan

We have audited the accompanying financial statements of Crop Reinsurance Fund of Saskatchewan, which comprise the statement of financial position as at March 31, 2014, and the statement of operations and changes in accumulated surplus for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements,

whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Crop Reinsurance Fund of Saskatchewan as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Accountants
Regina, Canada

May 26, 2014

Crop Reinsurance Fund of Saskatchewan Statement of Financial Position

March 31, 2014, with comparative figures for 2013

(in thousands of dollars)

	2014	2013
Financial Assets		
Due from the Province of Saskatchewan General Revenue Fund (note 2)	\$ 159,627	\$ 120,363
Reinsurance premium receivable from Saskatchewan Crop Insurance Corporation	5,671	3,094
	<u>\$ 165,298</u>	<u>\$ 123,457</u>
Liabilities and Accumulated Surplus		
Accumulated Surplus	\$ 165,298	\$ 123,457

See accompanying notes to financial statements.

On behalf of the Board:



Chairperson



Director

Crop Reinsurance Fund of Saskatchewan Statement of Operations and Changes in Accumulated Surplus

March 31, 2014, with comparative figures for 2013

(in thousands of dollars)

	2014	2013
Revenue		
Reinsurance premium ceded from the Saskatchewan Crop Insurance Corporation, representing excess of revenue over expenditures	\$ 41,841	\$ 39,269
Accumulated Surplus, beginning of year	123,457	84,188
Accumulated Surplus, end of year	<u>\$ 165,298</u>	<u>\$ 123,457</u>

See accompanying notes to financial statements.

Crop Reinsurance Fund of Saskatchewan

Notes to Financial Statements

March 31, 2014

Growing Forward 2: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy replaced *Growing Forward: A Federal-Provincial-Territorial Framework Agreement on Agriculture, Agri-Food and Agri-Based Products Policy* and provides for the establishment of two reinsurance funds:

- a) The Crop Reinsurance Fund of Saskatchewan (the Fund) which is administered by the Government of the Province of Saskatchewan, and
- b) The Crop Reinsurance Fund of Canada for Saskatchewan which is administered by the Government of Canada.

1. Significant accounting policies:

The financial statements of the Crop Reinsurance Fund of Saskatchewan have been prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") and published by the Chartered Professional Accountants Canada.

Reinsurance premium ceded from the Saskatchewan Crop Insurance Corporation:

Under the terms of the agreement referred to above, the Saskatchewan Crop Insurance Corporation is required to pay reinsurance premiums to the reinsurance funds based on premiums received during the insurance year.

Liability for claim payments from the reinsurance funds:

Under the terms of the agreement referred to above, payments are required from the reinsurance funds if indemnities which were required to be paid in an insurance year exceeded the aggregate of:

- a) the premium receipts for the year less reinsurance premiums ceded, and
- b) the net assets of the Saskatchewan Crop Insurance Corporation's Crop Insurance Fund.

To the extent that payments are required out of the reinsurance funds, the Crop Reinsurance Fund of Saskatchewan is responsible for an amount not exceeding 2.50 per cent (2013 - 2.50 per cent) of the total liability under policies in force in the insurance year. However, the Crop Reinsurance Fund of Saskatchewan is not required to pay this amount if it has made a payment in previous years and the payment that has not yet been recovered from its operations exceeds 16.67 per cent of the total liability of

the policies in force for the current year.

The balance of indemnities that exceed the net assets in the Saskatchewan Crop Insurance Corporation are shared 75 per cent by the Reinsurance Fund of Canada for Saskatchewan and 25 per cent by the Reinsurance Fund of Saskatchewan.

Crop insurance rates and reinsurance premiums are set such that the Crop Insurance Program is actuarially sound over the long term. Any indemnities payable to the Saskatchewan Crop Insurance Corporation, in excess of assets within the Crop Reinsurance Fund of Saskatchewan, will be recovered through future reinsurance premiums paid by the Saskatchewan Crop Insurance Corporation. If these future reinsurance premiums are insufficient to allow the Crop Reinsurance Fund of Saskatchewan to repay this payable, the Government of Saskatchewan is required to fund any deficiency.

Indemnities payable to Saskatchewan Crop Insurance Corporation:

This includes estimates of the total cost of outstanding claims at the year-end date. Measurement of the indemnities payable is uncertain as all of the necessary information for reported claims is not always available as of the year-end and therefore estimates are made as to the value of these claims.

As a result, indemnities payable are selected from a range of possible outcomes and actual results may differ materially from the estimate.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ materially from those estimated.

2. Due from Province of Saskatchewan General Revenue Fund:

The Crop Reinsurance Fund bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of the Province of Saskatchewan.

Interest earned on these funds is not allocated to the Crop Reinsurance Fund.

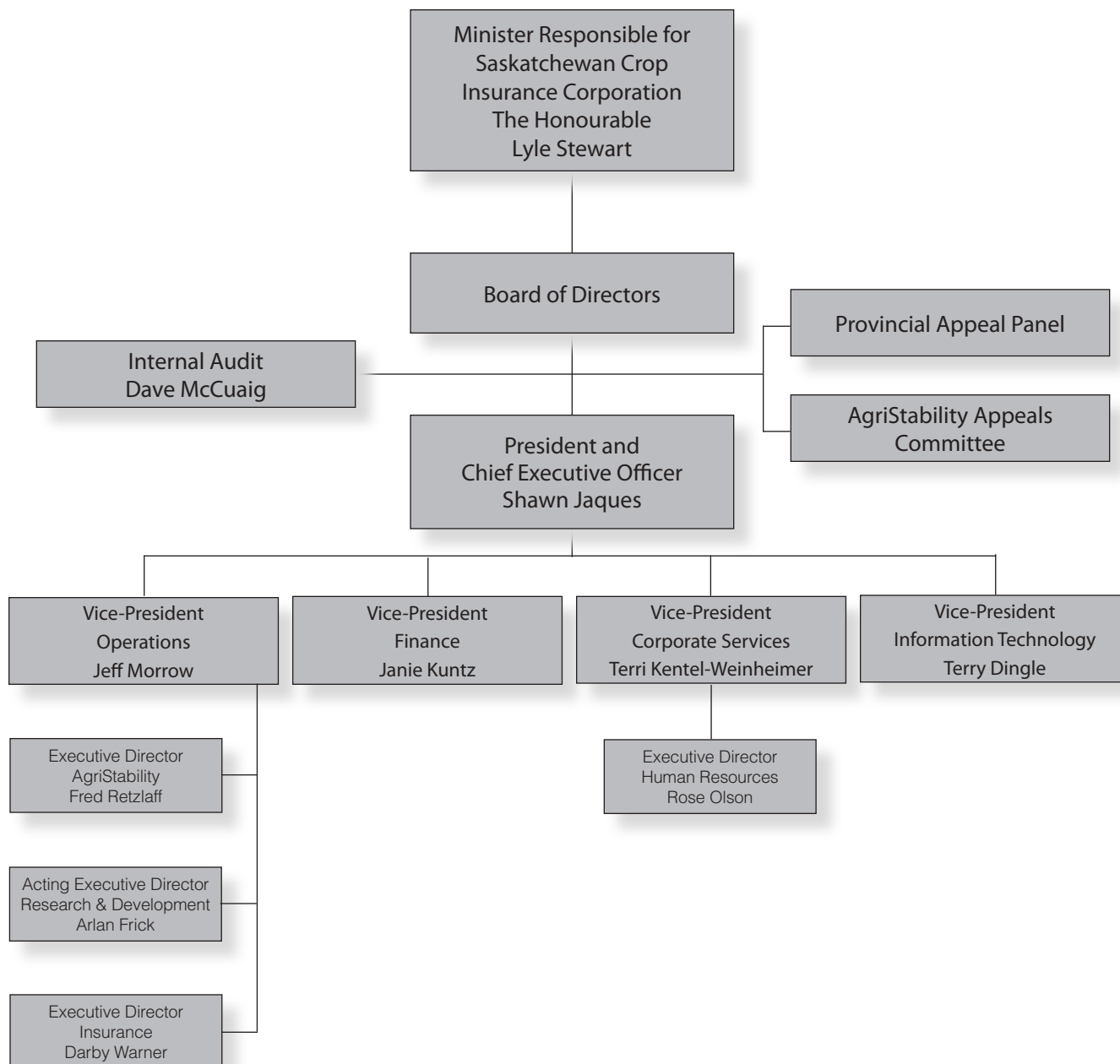
3. Statement of cash flows:

A statement of cash flows has not been prepared as a separate statement would not provide additional, useful information.

4. Fair value of financial assets:

The fair value of the due from Province of Saskatchewan General Revenue Fund and the reinsurance premium receivable from Saskatchewan Crop Insurance Corporation approximate their carrying values due to their short-term nature.

Appendix 1: Organizational Chart as of March 31, 2014



Appendix 2: AgriStability Program

Statistical Highlights

As of March 31, 2014¹

	2012	2011	2010	2009
Financial				
Total Payments	\$ 157.5 M	\$ 214.6 M	\$ 274.5 M	\$ 142.1 M
Total Fees Received	\$ 14.5 M	\$ 13.2 M	\$ 10.3 M	\$ 7.2 M
Applications				
Applications Received	19,453	20,603	23,546	24,560
Applications Processed	16,047	20,602	23,546	24,560
Applications Receiving Payment	3,666	4,481	7,075	5,414
Participants				
Total Paying Program Fees	22,250	23,437	25,884	25,016
Percentage of AgriStability participants by farm taxfilers ²	57.0%	62.0%	61.3%	60.5%
Percentage of AgriStability participants enrolled in the Crop Insurance Program	60.0%	76.0%	75.1%	71.3%

¹The statistics presented do not represent final values for each program year.

²AgriStability participants are those that have submitted their application and supplementary forms to the Canada Revenue Agency (CRA), paid the program fee and have been processed. Participants with gross operating revenues of less than \$10,000 have been excluded.

Appendix 3: Crop Insurance Program

Statistical Highlights

	2013	2012	2011	2010	2009
Financial					
Total Premium (P)	\$ 700.0M	\$ 605.0 M	\$ 500.5 M	\$ 363.1 M	\$ 443.7 M
Total Indemnities (I)	\$ 132.0M	\$ 403.9 M	\$ 472.8 M	\$ 459.8 M	\$ 77.2 M
Net Loss Ratio (I/P)	0.19	0.67	0.94	1.27	0.17
Liability					
Total Insured Value	\$ 5.4 B	\$ 4.6 B	\$ 4.0 B	\$ 2.7 B	\$ 3.3 B
Insured Acres					
Annual Grain Crops					
• Multi-Peril Insurance	26.9M	26.7M	22.6 M	20.2 M	24.7 M
• Ratio of Insured to Seeded Acres*	76%	77%	76%	68%	73%
Perennial Forage Crops					
• Multi-Peril Insurance	0.2 M	0.2 M	0.2 M	0.3 M	0.4 M
• Forage Rainfall Insurance Program	0.7 M	0.7 M	0.6 M	0.9 M	0.8 M
• Corn Heat Unit Program	25,898	6,004	2,291	2,060	1,800
Insured Contracts					
All Programs	22,811	23,467	24,067	23,602	24,561
Distribution of Acres by Coverage Level (expressed as a per cent of average yield)					
50% and Winterkill	16%	17%	16%	14%	16%
60%	9%	10%	10%	10%	11%
70%	39%	39%	38%	40%	42%
80%	36%	34%	36%	36%	31%
Weighted Average	69%	69%	69%	70%	69%
Claims Registered*					
Unseeded Acreage	7,209	10,343	13,926	12,775	382
Establishment	1,658	3,743	4,142	9,531	2,609
Pre-Harvest	1,461	1,883	1,678	2,470	3,818
Post-Harvest	2,932	14,081	7,706	14,422	5,527
Wildlife - Waterfowl**	803	823	337	1,521	1,583
Wildlife - Big Game**	1,462	1,771	1,118	1,919	2,415
Total Claims Registered	15,525	32,644	28,907	42,638	16,334

*Not all registered claims result in an inspection and/or payable loss.

**Wildlife Claims include all claim types.

Crop Insurance Overview

The Crop Insurance Program assists farmers and ranchers in managing their operation's production risk against natural hazards over the crop year. The multi-peril Crop Insurance Program guarantees customers a minimum crop yield and quality, while additional program options allow producers to tailor coverage to their operation. The following is a summary of the Crop Insurance Program that was available to producers from April 1, 2012, to March 31, 2013.

Establishment Benefit

The Establishment Benefit is a component of the core multi-peril contract of insurance. It covers crops that fail to adequately establish or suffer significant damage due to insurable causes before June 20.

Establishment Benefit		
Crop Year	# of Claims Paid	Indemnity Paid
2004	4,540	\$ 8,498,000
2005	2,181	\$ 3,167,670
2006	1,976	\$ 3,833,040
2007	1,303	\$ 3,148,210
2008	841	\$ 3,055,125
2009	1,227	\$ 9,559,530
2010	4,517	\$ 13,907,805
2011	2,245	\$ 11,024,645
2012	2,172	\$ 9,079,660
2013	899	\$ 3,550,940

* This is for the grains program only.

Gopher Damage Feature

During the establishment period, customers have two options for acres damaged by gophers: an Establishment Benefit or the Gopher Damage Feature. This feature provides \$50 per acre for crop acres destroyed by gophers until June 20.

Gopher Damage Feature		
Crop Year	# of Claims Paid	Indemnity Paid
2007	425	\$ 1,005,350
2008	357	\$ 687,600
2009	127	\$ 214,000
2010	111	\$ 159,350
2011	36	\$ 38,150
2012	40	\$ 30,400
2013	2	\$ 1,150

Unseeded Acreage

The Unseeded Acreage feature compensates producers for acres that are too wet to seed by June 20. The calculation to determine eligible acres includes seeding intensities and a deductible. The seeding intensity is a four-year average comparing seeded acres to cultivated acres to determine the acres normally seeded. A five per cent deductible of the acres normally seeded is also applied.

Unseeded Acreage		
Crop Year	# of Claims Paid	Indemnity Paid
2004	2,967	\$ 31,579,950
2005	2,327	\$ 15,242,850
2006	5,920	\$ 62,581,750
2007	6,241	\$ 33,677,350
2008	39	\$ 33,600
2009	230	\$ 458,713
2010	12,049	\$ 222,155,750
2011	13,479	\$ 332,004,610
2012	9,863	\$ 99,393,643
2013	6,204	\$ 57,694,004

Unseeded Acreage Buy-up Option

The Unseeded Acreage Buy-Up option was introduced in 2012, allowing producers the option to buy additional unseeded acreage coverage for \$15 or \$30 per eligible acre. The additional payment is made on the same acres eligible for the unseeded acreage benefit.

Unseeded Acreage Buy-up Option		
Crop Year	# of Claims Paid*	Indemnity Paid
2012	1,731	\$ 12,774,045
2013	3,611	\$ 17,836,890

* These claims were also paid under the Unseeded Acreage feature.

Irrigation Coverage

Coverage is higher and premium rates are lower for irrigated crops than for dryland crops, reflecting the higher average yields and reduced risk.

The Enhanced Irrigation Pilot Program was introduced in 2008 to provide a separate guarantee for irrigated and dryland acres of the same crop; indemnities on one land use will not affect production of the same crop on the other land use.

Irrigation Option Historical Participation			
Year	Insured Acres	Year	Insured Acres
2004	40,734	2009	37,653
2005	47,492	2010	39,839
2006	36,583	2011	45,983
2007	35,355	2012	46,228
2008	37,606	2013	49,983

Diversification Option

The Diversification Option is available for crops and varieties not insurable under the core multi-peril insurance program. A producer must have acres enrolled in the regular grains program as coverage, premium and claims are averaged.

Diversification Option Historical Participation			
Year	Insured Acres	Year	Insured Acres
2004	8,906	2009	12,106
2005	8,500	2010	4,862
2006	13,200	2011	6,623
2007	9,612	2012	17,890
2008	9,263	2013	19,322

Pedigreed Seed Option

The Pedigreed Seed Option provides a higher price option for insurable crops and a quality adjustment if the germination for the seed produced is below certified seed standards.

Pedigreed Crop Option Historical Participation			
Year	Insured Acres	Year	Insured Acres
2004	157,720	2009	154,615
2005	155,988	2010	124,635
2006	131,147	2011	116,469
2007	118,485	2012	132,577
2008	137,286	2013	152,690

Organic Option

Organic coverage for production losses is available for certified organic producers. Organic prices are set higher than commercial crops based on markets; yields are reduced and premium rates are higher to reflect increased risk.

Organic Crop Option Historical Participation			
Year	Insured Acres	Year	Insured Acres
2004	167,247	2009	220,249
2005	204,679	2010	142,662
2006	179,641	2011	160,068
2007	185,941	2012	210,155
2008	219,522	2013	182,622

Vegetable Insurance Program

Vegetable insurance is an acreage loss insurance program; individual production is not measured.

Vegetable Insurance Program								
Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2005	5	21	12.7	\$ 11,539	2	\$ 1,573	\$ 3,775	2.40
2006	3	21	6.5	\$ 9,362	1	\$ 563	\$ 1,620	2.88
2007	3	10	4.4	\$ 6,687	–	\$ 408	\$ –	–
2008	4	10	8.3	\$ 13,316	3	\$ 1,882	\$ 1,888	1.00
2009	3	7	8.0	\$ 12,976	–	\$ 1,847	\$ –	–
2010	3	6	9.7	\$ 15,633	2	\$ 2,065	\$ 2,584	1.25
2011	4	10	104	\$ 168,497	1	\$ 23,652	\$ 22,277	0.94
2012	5	10	130	\$ 210,100	1	\$ 30,204	\$ 3,564	0.12
2013	6	16	156	\$ 348,831	3	\$ 54,781	\$ 94,163	1.72

Crop Averaging Program

The Crop Averaging Program groups insured crops and provides coverage up to 90 per cent, for the same premium as 80 per cent. Claims are paid based on the total value of crops harvested compared to the dollar coverage on all crops.

Crop Averaging Program								
Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2005	19	62	48,446	\$ 4,931,459	1	\$ 558,445	\$ 33,083	0.06
2006	24	85	48,920	\$ 4,474,565	9	\$ 568,395	\$ 476,356	0.84
2007	46	160	103,479	\$ 13,619,538	15	\$ 1,571,128	\$ 539,729	0.34
2008	193	654	348,586	\$ 62,084,123	28	\$ 8,100,431	\$ 1,691,610	0.21
2009	148	472	297,637	\$ 52,409,609	19	\$ 6,443,791	\$ 816,529	0.13
2010	139	437	280,102	\$ 46,749,004	69	\$ 5,671,977	\$ 3,353,561	0.59
2011	110	374	290,222	\$ 69,004,482	25	\$ 8,074,986	\$ 1,969,917	0.24
2012	108	373	300,905	\$ 70,466,373	53	\$ 8,552,233	\$ 5,148,894	0.60
2013	105	368	309,827	\$ 83,808,893	16	\$ 9,500,808	\$ 553,791	0.06

Honey Production Insurance Program

The Honey Production Insurance Program insures honey for yield loss for commercial beekeepers in the province. Beekeepers were offered individual coverage based on 10 years of verifiable production information and could select coverage at 50, 60 or 70 per cent of their average yield.

Honey Production Insurance Program								
Year	Contracts	Endorsements	Hives	Liability	Claims	Premium	Indemnity	Loss Ratio
2010	7	7	4,943	\$ 1,131,557	2	\$ 71,501	\$ 20,620	0.29
2011	7	7	4,547	\$ 982,993	–	\$ 62,408	\$ –	–
2012	4	4	1,278	\$ 259,424	1	\$ 18,415	\$ 8,133	0.44
2013	1	1	342	\$ 68,229	–	\$ 5,568	\$ –	–

Fruit Tree Program

The Fruit Tree Program provides coverage for the loss of fruit trees due to natural perils. Insurance coverage is based on the insured value of \$3.50 per tree for establishment (one to three years) and \$10.00 per tree for replacement (four to six years) with a 10 per cent deductible.

Fruit Tree Program								
Year	Contracts	Endorsements	Trees	Liability	Claims	Premium	Indemnity	Loss Ratio
2012	2	2	1,537	\$ 7,983	–	\$ 485	\$ –	–
2013	4	4	5,738	\$ 30,582	1	\$ 1,960	\$ –	–

Wild Rice Insurance Program

This program is an area-based insurance program; coverage is based on the region in which a producer harvests. Claims are triggered when a region's reported annual production is less than the average historical production.

Wild Rice Insurance Program								
Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2007	128	129	36,249	\$ 882,863	102	\$ 182,007	\$ 182,042	1.00
2008	130	131	35,588	\$ 935,441	–	\$ 189,251	\$ –	–
2009	90	90	22,290	\$ 636,308	60	\$ 133,809	\$ 103,700	0.77
2010	78	78	20,420	\$ 465,502	57	\$ 94,590	\$ 115,895	1.23
2011	69	70	18,209	\$ 356,342	22	\$ 66,631	\$ 172,162	2.58
2012	63	63	16,242	\$ 344,598	–	\$ 65,348	\$ –	–
2013	47	48	6,733	\$ 133,697	35	\$ 18,220	\$ 37,516	2.06

Forage Insurance Program

This program provides production loss insurance on tame hay, greenfeed, dehydrated alfalfa and sweetclover. The Saskatchewan Crop Insurance Corporation also offers a Timothy Hay Program to producers in the Outlook area, providing coverage on irrigated acres intended for export.

Forage Insurance Program (Multi-Peril) Historical Statistics

Year	Number of Contracts	Number of Endorsements	Number of Endorsements Receiving Indemnity	Acres Insured	Liability	Total Premium	Indemnity	Loss Ratio
2004	3,969	4,730	304	781,854	\$ 35,218,651	\$ 7,377,309	\$ 1,425,868	0.19
2005	3,030	3,537	180	570,852	\$ 20,719,297	\$ 4,369,747	\$ 522,125	0.12
2006	2,536	2,960	457	515,287	\$ 17,203,726	\$ 3,303,827	\$ 1,527,012	0.46
2007	2,167	2,456	315	437,692	\$ 15,850,674	\$ 3,389,680	\$ 1,045,624	0.31
2008	1,831	2,035	597	395,654	\$ 17,038,862	\$ 3,031,714	\$ 2,380,804	0.79
2009	1,729	2,010	752	368,629	\$ 22,544,272	\$ 3,906,254	\$ 3,991,156	1.02
2010	1,457	1,636	113	325,680	\$ 22,597,092	\$ 3,995,152	\$ 575,139	0.14
2011	1,137	1,225	78	217,311	\$ 10,579,476	\$ 1,657,280	\$ 201,713	0.12
2012	1,109	1,210	120	205,685	\$ 10,623,545	\$ 1,654,566	\$ 399,614	0.24
2013	996	1,090	75	185,446	\$ 11,783,166	\$ 1,746,373	\$ 217,926	0.12

* 2005 - 2013 includes Forage Diversification.

** Forage indemnities have been restated to include subsequent indemnities for forage establishment claims paid in the current year.

Timothy Hay Program

Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2005	15	17	6,860	\$ 2,571,177	8	\$ 342,929	\$ 605,959	1.77
2006	6	6	1,721	\$ 504,018	3	\$ 66,861	\$ 24,320	0.36
2007	1	2	922	\$ 230,289	-	\$ 27,779	\$ -	-
2008	1	1	361	\$ 117,278	-	\$ 15,715	\$ -	-
2009	1	1	230	\$ 114,954	1	\$ 15,438	\$ 11,613	0.75
2010	2	2	340	\$ 140,194	-	\$ 19,390	\$ -	-
2011	2	2	340	\$ 152,939	-	\$ 20,699	\$ -	-
2012	-	-	-	\$ -	-	\$ -	\$ -	-
2013	-	-	-	\$ -	-	\$ -	\$ -	-

Weather-Derivative Programs

The Saskatchewan Crop Insurance Corporation has two weather-derivative programs where claims are not based on individual production but on data gathered at selected weather stations. The Forage Rainfall Insurance Program protects grazing acres against below-average seasonal precipitation. The Corn Heat Unit Program insures feed and grain corn producers against a lack of required heat units over the growing season.

Forage Rainfall Insurance Program								
Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2004	2,416	3,638	1,710,063	\$ 18,000,136	808	\$ 3,501,965	\$ 357,056	0.10
2005	1,773	2,654	1,237,264	\$ 11,410,710	189	\$ 1,881,919	\$ 91,317	0.05
2006	1,301	1,946	1,007,853	\$ 7,781,056	276	\$ 1,287,361	\$ 305,252	0.24
2007	1,122	1,678	879,964	\$ 6,894,215	184	\$ 1,217,620	\$ 127,664	0.10
2008	1,100	1,659	978,468	\$ 8,583,027	599	\$ 1,393,853	\$ 571,606	0.41
2009	948	1,426	847,952	\$ 10,961,742	979	\$ 1,684,907	\$ 3,052,933	1.81
2010	947	1,433	868,665	\$ 12,744,761	–	\$ 1,928,684	\$ –	–
2011	745	1,115	604,307	\$ 5,827,845	364	\$ 862,549	\$ 354,927	0.41
2012	754	1,142	738,783	\$ 6,983,338	69	\$ 1,107,140	\$ 48,786	0.04
2013	632	964	666,485	\$ 6,978,737	367	\$ 1,112,245	\$ 583,954	0.53

Corn Heat Unit Program								
Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2004	25	25	2,324	\$ 353,440	25	\$ 43,942	\$ 152,406	3.47
2005	36	36	1,810	\$ 291,680	8	\$ 25,491	\$ 5,988	0.23
2006	29	29	1,162	\$ 177,520	–	\$ 14,941	\$ –	–
2007	12	12	785	\$ 137,200	4	\$ 15,045	\$ 8,100	0.54
2008	11	11	655	\$ 128,800	2	\$ 13,208	\$ 2,760	0.21
2009	18	18	1,800	\$ 295,280	–	\$ 34,707	\$ –	–
2010	13	13	2,060	\$ 402,800	12	\$ 39,222	\$ 30,318	0.77
2011	22	22	2,291	\$ 377,520	–	\$ 43,411	\$ –	–
2012	21	21	6,004	\$ 1,080,720	–	\$ 132,026	\$ –	–
2013	92	92	25,898	\$ 5,597,680	–	\$ 436,310	\$ –	–

Historical Premium Cost Sharing and Coverage Levels

Percentage of Acreage by Coverage Level					Weighted Average Coverage Level	
Year	50%	60%	70%	80%	Year	Average Coverage Level
2004	14%	10%	43%	33%	2004	70%
2005	17%	11%	44%	28%	2005	68%
2006	19%	11%	44%	26%	2006	68%
2007	19%	11%	43%	27%	2007	68%
2008	16%	11%	40%	33%	2008	69%
2009	16%	11%	42%	31%	2009	69%
2010	14%	10%	40%	36%	2010	70%
2011	16%	10%	38%	36%	2011	69%
2012	17%	10%	39%	34%	2012	69%
2013	16%	9%	39%	36%	2013	69%

Historical Premium Cost Sharing																	
Year	Total Premium			Base Premium			Buy-Up Premium			FRIP & ACWBP Premium			High Cost Coverage			Admin Costs	
	Prod	Fed	Prov	Prod	Fed	Prov	Prod	Fed	Prov	Prod	Fed	Prov	Prod	Fed	Prov	Fed	Prov
1961-66	80.0%	20.0%	0.0%													50%	50%
1967-72	75.0%	25.0%	0.0%													50%	50%
1973-89	50.0%	50.0%	0.0%													0%	100%
1990-96	50.0%	25.0%	25.0%*													50%	50%
1997	42.2%	28.9%	28.9%	20%	40%	40%	60%	20%	20%							50%	50%
1998	39.0%	30.5%	30.5%	20%	40%	40%	50%	25%	25%							50%	50%
1999	39.0%	30.5%	30.5%	20%	40%	40%	50%	25%	25%							50%	50%
2000	29.2%	42.5%	28.3% [◇]	10%	54%	36%	40%	36%	24%							50%	50%
2001	29.7%	35.2%	35.2%	10%	45%	45%	40%	30%	30%							50%	50%
2002	36.8%	27.4%	35.8% [§]	19%	36%	45%	48%	22%	30%	37%	28%	35%				50%	50%
2003	36.0%	38.4%	25.6%	19%	49%	32%	48%	31%	21%	37%	38%	25%				60%	40%
2004	37.2%	37.7%	25.1%	20%	48%	32%	50%	30%	20%	37%	38%	25%	67%	20%	13% [△]	60%	40%
2005	37.8%	37.2%	24.9%	23%	46%	31%	50%	30%	20%	38%	37%	25%	67%	20%	13% [△]	60%	40%
2006	40.0%	36.0%	24.0%							40%	36%	24%	67%	20%	13% [△]	60%	40%
2007	40.0%	36.0%	24.0%							40%	36%	24%	67%	20%	13% [△]	60%	40%
2008	40.0%	36.0%	24.0%							40%	36%	24%	67%	20%	13% [△]	60%	40%
2009	40.0%	36.0%	24.0%							40%	36%	24%	67%	20%	13%~	60%	40%
2010	40.0%	36.0%	24.0%							40%	36%	24%	67%	20%	13%~	60%	40%
2011	40.0%	36.0%	24.0%							40%	36%	24%	67%	20%	13%~	60%	40%
2012	40.0%	36.0%	24.0%							40%	36%	24%	67%	20%	13%~	60%	40%
2013	40.0%	36.0%	24.0%							40%	36%	24%	67%	20%	13%~	60%	40%

* In 1992 only, the provincial government paid 41¼ per cent producers, 33¼ per cent, and the federal government 25 per cent of the incremental premium between 70 and 80 per cent coverage.

◇ For 2000 only, the federal government paid 60 per cent of government premiums.

§ Projected Overall cost sharing. Also applied to Forage Rainfall Insurance Program (FRIP) and Annual Crop Weather Based Insurance Program (ACWBP).

△ The cost sharing for high cost coverage is established under the Growing Forward 2 Agreement. It applied to the Enhanced Top-Up Option under the Annual Crop Weather Based Insurance Program as the coverage was considered to be above the level provided under the comprehensive cost-sharing provisions of the Agricultural Policy Framework.

~ The Enhanced Irrigation Pilot is High Cost Coverage; however, the provincial government contributes the additional premium reducing the customer premium share to 40 per cent.

Appendix 4:

Wildlife Damage Compensation Program

Saskatchewan Crop Insurance Corporation administers the Wildlife Damage Compensation Program under the *Growing Forward 2* agreement on behalf of the federal and provincial governments. Financial reporting for the program is included in the financial statements of the Agricultural Stabilization Fund under the Saskatchewan Ministry of Agriculture.

Funding for crop and predation losses is cost shared 60 per cent by the federal government and 40 per cent by the provincial government for 80 per cent of the compensation. The remaining 20 per cent has been provided through an increased investment from the Government of Saskatchewan.

Predation Damage		
Fiscal Year	Predation Claims	Predation Comp. Paid
10–11	3,553	\$ 1,489,132
11–12	2,205	\$ 1,268,279
12–13	2,957	\$ 1,539,069
13–14	1,463	\$ 1,454,264

As part of the Saskatchewan Crop Insurance Corporation's administration of the Wildlife Damage Compensation Program support is provided for preventative measures to help protect livestock, crops or feed from damage caused by wildlife.

Prevention Programming	
Fiscal Year	Prevention expenditures
10–11	\$ 343,556
11–12	\$ 600,128
12–13	\$ 610,642
13–14	\$ 607,407

Crop Damage				
Fiscal Year	Waterfowl Claims	Waterfowl Comp. Paid	Big Game Claims	Big Game Comp. Paid
78–79	1,586	\$ 1,836,587		
79–80	908	\$ 977,476		
80–81	1,233	\$ 1,465,480		
81–82	305	\$ 312,061		
82–83	582	\$ 684,593		
83–84	541	\$ 869,910		
84–85	408	\$ 763,530		
85–86	2,544	\$ 6,389,022		
86–87	2,950	\$ 6,658,769		
87–88	1,210	\$ 1,779,933		
88–89	807	\$ 1,337,903		
89–90	1,384	\$ 3,727,130		
90–91	760	\$ 2,138,380		
91–92	392	\$ 683,391		
92–93	2,040	\$ 5,557,642		
93–94	1,560	\$ 3,603,156		
94–95	1,668	\$ 1,778,556		
95–96	709	\$ 1,352,767		
96–97	2,416	\$ 7,951,921		
97–98	1,077	\$ 4,361,668	1,671	\$ 6,412,426
98–99	298	\$ 520,360	264	\$ 529,955
99–00	1,600	\$ 4,309,428	400	\$ 893,760
00–01	1,132	\$ 2,559,440	383	\$ 968,948
01–02	164	\$ 233,093	612	\$ 1,306,835
02–03	781	\$ 2,368,893	393	\$ 1,164,098
03–04	1,028	\$ 5,202,721	2,789	\$ 10,366,683
04–05	1,654	\$ 5,028,034	813	\$ 1,594,932
05–06	1,601	\$ 4,843,872	1,595	\$ 3,567,641
06–07	1,119	\$ 4,055,209	1,588	\$ 3,890,262
07–08	1,458	\$ 7,696,618	1,294	\$ 3,721,846
08–09	713	\$ 2,159,830	927	\$ 2,351,247
09–10	1,129	\$ 4,154,806	1,235	\$ 3,618,716
10–11	1,307	\$ 10,423,387	1,401	\$ 5,318,029
11–12	364	\$ 1,523,552	1,457	\$ 4,003,366
12–13	673	\$ 2,965,034	727	\$ 2,753,460
13–14	684	\$ 2,585,807	1,884	\$ 6,476,033
Average	1,133	\$ 3,190,554	1,143	\$ 3,466,955
5 Year Average	831	\$ 4,330,517	1,341	\$ 4,433,921

Big Game

From 1984 to 1990, the Big Game Compensation Program was administered by Saskatchewan Environment followed by the Saskatchewan Crop Insurance Corporation, starting in 1991. No program was offered in 1994 and 1995. The Big Game program resumed in November of 1996, but claims were not paid until 1997. Therefore, 97–98 included claims from both 1996 and 1997 crop years.

Prior to 1996, the Big Game program was a provincial responsibility while the waterfowl program was a joint responsibility, with the indemnities shared between governments on a 50/50 basis. Payments under both programs were funded pay-as-you-go. Beginning in 1996, both programs were made eligible for federal and provincial funding.

*100 per cent compensation began in 2009/10.

Appendix 5:

Crop Insurance Participation and Loss Experience

Annual Grains Crops - Multi-Peril Program Only

Crop Year	Number of Customers	Liability (\$)	Average Customer Liability (\$)	Customer Net Premium (\$)	Total Net Premium (\$)
1961-62	194	306,500	1,580	23,925	29,906
1962-63	1,337	2,319,000	1,734	171,284	214,105
1963-64	2,235	3,683,000	1,648	275,645	344,556
1964-65	2,357	4,088,000	1,735	278,926	348,658
1965-66	3,172	4,566,000	1,440	290,708	363,385
1966-67	6,989	12,125,000	1,734	743,154	928,943
1967-68	8,211	15,910,000	1,938	941,146	1,176,433
1968-69	12,343	27,165,000	2,201	1,719,898	2,149,873
1969-70	11,637	21,194,000	1,821	1,320,748	1,650,935
1970-71	9,083	9,039,200	995	567,835	709,794
1971-72	7,890	14,625,000	1,854	782,908	978,635
1972-73	11,844	29,840,005	2,519	1,821,463	2,276,829
1973-74	23,909	140,436,128	5,874	6,780,470	13,688,272
1974-75	31,411	288,263,532	9,177	14,536,220	30,098,459
1975-76	38,209	405,089,832	10,604	19,821,549	41,041,161
1976-77	39,143	542,207,973	13,852	25,986,032	53,637,408
1977-78	47,156	704,688,894	14,944	34,761,664	71,887,589
1978-79	43,032	708,193,202	16,457	33,258,275	66,472,426
1979-80	40,154	721,821,633	17,976	33,065,306	66,055,718
1980-81	42,850	935,838,614	21,840	41,457,643	82,546,598
1981-82	46,259	1,162,172,942	25,123	53,612,350	106,100,031
1982-83	44,469	1,233,908,814	27,748	56,458,215	112,003,208
1983-84	43,000	1,254,906,517	29,184	56,017,456	111,588,185
1984-85	43,443	1,345,493,742	30,971	62,690,884	123,439,542
1985-86	46,894	1,558,492,595	33,234	76,052,344	151,943,200
1986-87	48,952	1,778,772,508	36,337	88,008,642	170,010,965
1987-88	46,492	1,161,135,578	24,975	61,969,782	120,935,244
1988-89	45,721	1,159,096,010	25,352	63,265,513	121,599,339
1989-90	49,267	1,942,011,401	39,418	132,122,366	238,801,161
1990-91	46,523	1,713,501,461	36,831	112,716,301	207,182,201
1991-92	51,466	1,478,891,201	28,735	82,647,237	145,600,110
1992-93	49,466	1,706,956,497	34,508	111,510,843	223,159,109
1993-94	45,752	1,269,698,961	27,752	100,119,693	199,319,998
1994-95	43,107	1,249,853,183	28,994	88,228,806	161,006,675
1995-96	40,904	1,355,607,448	33,141	80,561,270	157,205,530
1996-97	38,099	1,619,069,926	42,496	86,722,633	173,445,266
1997-98	36,030	1,574,353,395	43,696	56,567,834	141,930,893
1998-99	35,336	1,610,578,015	45,579	53,926,962	149,706,545
1999-00	33,216	1,583,681,295	47,678	48,739,931	136,382,054
2000-01	34,121	1,561,382,982	45,760	36,320,919	140,130,557
2001-02	33,917	2,022,351,221	59,626	42,725,264	163,480,791
2002-03	33,814	2,416,155,651	71,454	80,498,777	218,311,844
2003-04	33,012	2,665,864,135	80,754	118,968,854	330,663,077
2004-05	31,384	1,988,751,359	63,368	103,747,871	278,137,473
2005-06	29,759	1,800,294,166	60,496	100,754,431	266,244,105
2006-07	27,678	1,425,828,399	51,515	80,754,931	201,887,330
2007-08	26,475	2,030,226,091	76,685	112,373,638	280,934,095
2008-09	25,362	3,381,215,789	133,318	180,894,931	452,142,766
2009-10	24,003	3,261,675,188	135,886	173,625,541	434,063,854
2010-11	23,023	2,634,421,601	114,426	140,232,329	350,655,798
2011-12	23,612	3,870,361,504	163,915	195,073,854	487,684,626
2012-13	23,017	4,478,123,518	194,557	237,529,746	593,824,216
2013-14	22,428	5,310,808,709	236,794	276,310,288	690,775,707

1991-92, 1992-93, 1993-94 and 1994-95 information is for Crop Insurance only and the crop insurance portion of GRIP.

This does not include Forage Insurance, Wildrice, Honey, Vegetable, Fruit Tree, Crop Averaging, Weather Derivative programs or the Spot Loss Hail Option.

Premium includes premiums from producers and premium contributions by the Governments of Canada and Saskatchewan.

Average Customer Premium (\$)	Average Customer Rate (%)	Number of Indemnities Paid	Indemnity Amount (\$)	Loss to Premium Ratio (By Year)	Loss to Premium Ratio (Accumulated)
123	7.8	169	129,669	4.34	4.34
128	7.4	147	61,651	0.29	0.78
123	7.5	38	9,285	0.03	0.34
118	6.8	240	137,926	0.40	0.36
92	6.4	301	123,304	0.34	0.36
106	6.1	161	107,978	0.12	0.26
115	5.9	887	497,118	0.42	0.31
139	6.3	1,683	1,607,853	0.75	0.48
113	6.2	553	385,787	0.23	0.42
63	6.3	213	104,338	0.15	0.40
99	5.4	206	142,930	0.15	0.37
154	6.1	1,654	1,262,763	0.55	0.41
284	4.8	8,484	7,730,305	0.56	0.49
463	5.0	23,505	32,898,379	1.09	0.82
506	4.9	24,444	28,392,087	0.69	0.77
664	4.8	15,092	22,401,840	0.42	0.64
736	4.9	21,915	36,862,943	0.51	0.60
773	4.7	17,389	29,419,884	0.44	0.56
824	4.6	39,050	103,835,041	1.57	0.75
968	4.4	35,907	135,708,452	1.64	0.92
1,159	4.6	29,167	92,280,986	0.87	0.91
1,270	4.6	23,967	74,157,729	0.66	0.87
1,303	4.5	26,804	105,243,197	0.94	0.88
1,443	4.7	51,853	259,864,151	2.11	1.05
1,622	4.9	57,693	377,180,151	2.48	1.26
1,798	4.9	29,161	119,054,329	0.70	1.18
1,333	5.3	25,547	87,240,750	0.72	1.14
1,384	5.5	74,987	465,603,032	3.83	1.36
2,682	6.8	57,064	449,653,069	1.88	1.44
2,423	6.6	36,538	160,883,342	0.78	1.36
1,606	5.6	23,252	61,312,350	0.42	1.30
2,254	6.5	39,627	301,960,318	1.35	1.30
2,188	7.9	27,385	181,809,677	0.91	1.27
2,047	7.1	17,924	85,991,873	0.53	1.23
1,970	5.9	21,525	101,531,480	0.65	1.19
2,276	5.4	7,541	32,409,227	0.19	1.13
1,570	3.6	12,152	51,807,874	0.37	1.10
1,526	3.3	15,452	66,706,347	0.45	1.07
1,467	3.1	14,871	65,065,409	0.48	1.05
1,064	2.3	12,064	75,919,849	0.54	1.03
1,260	2.1	33,353	267,782,992	1.64	1.05
2,381	3.3	61,147	1,044,721,261	4.79	1.26
3,604	4.5	36,752	330,039,388	1.00	1.24
3,306	5.2	35,073	383,102,319	1.38	1.25
3,386	5.6	11,092	71,795,349	0.27	1.19
2,918	5.7	17,193	121,618,257	0.60	1.17
4,245	5.5	20,387	131,781,634	0.47	1.13
7,133	5.4	7,643	92,193,667	0.20	1.06
7,233	5.3	5,594	69,239,327	0.16	1.00
6,091	5.3	27,960	455,490,415	1.30	1.01
8,262	5.0	22,231	470,129,736	0.96	1.01
10,320	5.3	23,756	398,342,973	0.67	0.98
12,320	5.2	9,510	131,012,856	0.19	0.89

Appendix 6:

Insured Acres by Crop

	Crop	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
CEREALS	All Wheat									
	Hard Red Spring	8,692,868	8,706,489	9,783,115	11,097,416	11,250,517	11,854,822	10,931,701	11,853,170	13,298,153
	Durum	2,266,101	1,721,750	2,147,814	2,749,049	2,237,746	2,087,304	2,561,121	2,899,744	3,172,596
	Barley	1,631,337	1,270,343	1,795,748	2,180,806	2,049,734	1,614,460	1,823,475	2,218,712	2,394,632
	Oats	476,210	361,241	480,810	546,035	461,074	326,370	376,268	469,229	468,090
	Fall Rye	83,014	76,076	89,389	138,233	147,036	135,117	105,569	118,634	187,634
	Extra Strong Red	226,913	58,068	44,046	37,515	34,773	25,787	58,823	167,936	156,036
	Soft White Spring								9,329	11,301
	Hard White Spring									
	Spring Rye		4,858	13,493	18,022	25,008	8,072	9,133	23,484	29,369
	Triticale									2,887
	Winter Wheat								416,257	602,306
	Canada Prairie Spring									
	Khorasan Wheat									
OILSEEDS	Flax	221,894	386,897	247,139	210,676	275,290	123,665	372,201	430,229	501,806
	Canola	1,415,738	1,616,044	1,085,158	686,360	757,199	1,112,926	1,770,049	1,803,123	1,665,883
	Identity-Preserved Canola									
	Sunflowers*	2,004	4,128	10,632	4,791	3,601	1,306	5,895	6,103	6,493
	Mustard	73,363	44,418	110,742	75,290	49,725	93,580	164,691	222,031	271,288
	Yellow Mustard									
	Brown Mustard									
	Oriental Mustard									
	Coriander									
	Caraway									
	Camelina									
	Field Peas	9,814	12,789	17,569	15,942	26,530	21,594	28,907	43,798	102,565
	Lentils		13,941	43,400	44,848	63,902	56,294	76,035	110,489	218,964
	Lentil - Large Green									
PULSES	Lentils - Other									
	Lentils - Red									
	Canary Seed		24,075	50,881	39,962	89,761	47,883	67,907	84,892	131,153
	Fababeans				152	370	1,177	2,010	1,017	2,599
	Dry Bean Black (Irr)									
	Dry Bean Pinto (Irr)									
	Dry Bean Other (Irr)									
	Dry Beans									
	Dry Bean Black (Dry)									
	Dry Bean Pinto (Dry)									
	Dry Bean Navy (Dry)									
	Desi Chickpeas									
	Kabuli Chickpeas									
	Kabuli (Large Seed)									
	Kabuli (Small Seed)									
SPECIALTY	Soybeans									
	Alfalfa Seed									
	Potatoes									
	Processing Potato									
	Seed Potato									
	Diversification									
	Winterkill Acres									
	Wild Rice									
	Total Acres	15,099,256	14,301,117	15,919,936	17,845,097	17,472,266	17,510,357	18,353,785	20,878,177	23,223,755
	Average**	351	356	372	386	393	407	422	445	474
	# of Contracts	43,032	40,154	42,850	46,259	44,469	43,000	43,443	46,894	48,952

* Sunflower includes sunwheat and sunola

** Average (acres per contract) does not include LFIP contracts

Crop	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
All Wheat									
Hard Red Spring	11,674,712	10,840,175	12,070,775	12,962,716	15,512,081	14,453,469	9,724,157	6,315,045	6,868,737
Durum	3,710,793	3,880,322	4,684,235	3,580,820	3,723,365	2,485,801	1,942,853	2,785,708	2,825,626
Barley	2,497,283	2,090,117	2,759,566	2,372,150	2,776,307	2,166,076	1,738,413	1,408,404	1,789,833
Oats	456,691	628,814	758,462	444,078	382,028	419,373	366,814	318,456	256,052
Fall Rye	164,669	138,679	330,134	227,450	98,670	57,084	77,362	56,879	46,860
Extra Strong Red	59,578	58,419	58,177	44,891	24,921	22,908	124,147	98,647	147,124
Soft White Spring	4,468	2,262	2,043	2,972	6,445	4,350	1,149	0	80
Hard White Spring									
Spring Rye	15,219	20,727	18,008	15,828	18,445	17,793	12,924	12,929	4,510
Triticale	2,079	1,711	1,166	5,115	5,097	7,802	11,414	7,152	5,785
Winter Wheat	264,277	130,624	51,912	68,391	23,570	14,964	15,838	10,227	20,426
Canada Prairie Spring				53,817	326,653	551,764	564,436	329,938	404,611
Khorasan Wheat									
Flax	351,599	312,559	533,851	655,579	483,221	206,509	409,525	563,646	759,514
Canola	1,627,739	2,586,023	2,295,868	2,065,296	3,121,653	2,735,548	3,305,427	4,508,878	4,285,004
Identity-Preserved Canola									
Sunflowers*	11,334	10,529	10,019	8,102	16,917	9,439	20,748	16,140	11,515
Mustard	117,443	247,822	361,354	361,373	186,406	205,996	233,671	386,635	288,527
Yellow Mustard									
Brown Mustard									
Oriental Mustard									
Coriander									
Caraway									
Camelina									
Field Peas	206,548	235,656	96,573	75,248	156,871	221,185	355,351	570,038	740,427
Lentils	333,353	185,885	166,849	199,667	407,874	319,646	439,630	496,761	468,360
Lentil - Large Green									
Lentils - Other									
Lentils - Red									
Canary Seed	158,996	183,337	244,304	243,712	207,718	183,367	201,562	276,513	209,954
Fababeans	4,387	12,370	983	575	3,117	3,268	1,532	298	290
Dry Bean Black (Irr)									
Dry Bean Pinto (Irr)									
Dry Bean Other (Irr)									
Dry Beans				366	210	204	208	472	1,357
Dry Bean Black (Dry)									
Dry Bean Pinto (Dry)									
Dry Bean Navy (Dry)									
Desi Chickpeas									
Kabuli Chickpeas									
Kabuli (Large Seed)									
Kabuli (Small Seed)									
Soybeans									
Alfalfa Seed									
Potatoes					1,577	619	431	1,141	703
Processing Potato									
Seed Potato									
Diversification								4,803	4,798
Winterkill Acres									
Wild Rice									
Total Acres	21,661,168	21,566,031	24,444,278	23,388,147	27,483,146	24,086,895	19,547,592	18,168,710	19,140,093
Average**	466	472	496	503	534	487	427	421	468
# of Contracts	46,492	45,721	49,267	46,523	51,466	49,466	45,752	43,107	40,904

1991-92, 1992-93, 1993-94 and 1994-95 information is for Crop Insurance only and the crop insurance portion of GRIP

Crop		1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
CEREALS	All Wheat									
	Hard Red Spring	8,213,055	6,963,500	5,603,875	6,389,437	6,262,416	7,847,343	7,243,121	7,121,104	6,885,518
	Durum	2,708,185	3,066,510	4,322,155	2,491,946	4,207,869	3,477,740	4,080,229	3,969,914	3,381,902
	Barley	1,986,217	2,069,474	2,079,545	2,080,267	3,060,719	3,010,165	3,365,841	3,488,895	2,874,229
	Oats	433,415	479,457	706,099	536,971	661,663	746,488	1,078,809	860,578	765,640
	Fall Rye	34,136	40,008	68,755	47,853	31,051	24,763	24,914	60,536	60,932
	Extra Strong Red	214,413	215,154	177,123	136,885	132,067	82,822	42,155	21,743	15,033
	Soft White Spring	549	357	260	483	316	130			
	Hard White Spring									
	Spring Rye	4,306	5,762	8,520	4,986	2,303	2,769	6,072	5,303	3,391
	Triticale	5,465	7,384	18,794	19,516	15,989	16,892	29,255	26,575	24,571
	Winter Wheat	41,669	47,042	55,087	48,789	86,095	125,085	70,880	98,875	103,183
	Canada Prairie Spring	579,749	496,755	595,423	394,839	323,873	306,318	313,806	277,180	271,277
	Khorasan Wheat							3,629	6,567	7,356
OILSEEDS	Flax	435,399	792,587	991,327	889,593	740,657	920,117	994,805	1,086,571	1,003,198
	Canola	2,670,161	3,806,591	4,377,810	4,612,512	4,219,946	3,595,269	3,398,946	4,498,030	4,737,975
	Identity-Preserved Canola									
	Sunflowers*	6,683	16,688	20,402	32,733	21,178	9,876	22,968	32,563	15,436
	Mustard	246,407	309,005	348,309						
	Yellow Mustard				109,918	81,003	147,548	331,759	288,909	208,373
	Brown Mustard				116,924	93,991	47,228	112,239	172,555	122,372
	Oriental Mustard				166,648	169,206	75,446	103,662	89,961	128,932
	Coriander				10,091	11,074	8,467	20,636	13,981	29,527
	Caraway				4,308	4,970	6,227	7,116	3,394	1,850
	Camelina									
	Field Peas	472,253	872,473	1,164,713	926,633	1,548,056	1,918,743	1,773,176	1,787,373	1,878,644
	Lentils	374,975	487,762	587,490	842,009	1,357,437				
	Lentil - Large Green						648,552	723,460	686,464	957,556
	Lentils - Other						404,269	250,127	274,133	341,580
PULSES	Lentils - Red						349,218	300,037	177,876	191,478
	Canary Seed	281,035	165,433	290,581	207,414	296,903	291,850	648,951	544,560	700,343
	Fababeans	130	310	527	650	905	1,626	725	346	185
	Dry Bean Black (Irr)							270		
	Dry Bean Pinto (Irr)							2,590	2,088	2,334
	Dry Bean Other (Irr)							730	506	312
	Dry Beans	1,484	1,558	2,396	2,385	3,608	2,369			
	Dry Bean Black (Dry)								228	
	Dry Bean Pinto (Dry)							632	1,301	1,569
	Dry Bean Navy (Dry)									
	Desi Chickpeas			29,647	128,926	293,461	310,338	149,216	47,291	11,830
	Kabuli Chickpeas			33,964	132,441	354,696				
	Kabuli (Large Seed)						438,512	169,011	33,778	30,505
	Kabuli (Small Seed)						254,855	95,220	20,759	30,621
SPECIALTY	Soybeans									
	Alfalfa Seed			23,870	27,866	49,432	61,920	65,688	63,710	63,984
	Potatoes	898	3,847	8,278						
	Processing Potato				79	603	1,439	1,767	1,750	1,110
	Seed Potato				2,061	3,204	2,238	2,538	3,553	3,742
	Diversification	2,480	4,066	5,517	3,109	2,199	2,099	3,316	7,473	8,806
	Winterkill Acres					57,542	117,194	98,524	142,997	167,161
	Wild Rice									
	Total Acres	18,713,064	20,151,723	21,520,464	20,368,269	24,094,432	25,225,915	25,535,820	25,919,420	25,032,455
	Average**	491	559	609	613	706	744	755	785	798
	# of Contracts	38,099	36,030	35,336	33,216	34,121	33,917	33,814	33,012	31,384

Crop	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
All Wheat									
Hard Red Spring	6,264,449	6,874,536	4,666,804	4,914,390	5,396,025	4,811,537	5,240,759	5,618,603	6,245,054
Durum	3,596,258	2,567,682	2,894,886	4,177,956	3,880,254	2,037,441	2,590,722	3,222,412	3,317,696
Barley	2,876,162	1,903,105	2,618,204	2,344,819	1,974,890	1,184,114	1,438,496	1,765,002	1,577,322
Oats	753,780	774,052	1,302,432	1,103,887	695,006	297,630	838,341	684,112	1,042,010
Fall Rye	59,358	48,953	34,556	35,523	42,137	21,160	21,559	42,119	21,114
Extra Strong Red	20,781	21,177	10,466	5,945	15,537	6,311	7,343	5,478	1,793
Soft White Spring									
Hard White Spring		147,751	44,996	24,222	47,216	42,122	20,031	22,866	28,216
Spring Rye	3,705	1,461	793	2,265	2,699	1,019	638	1,275	1,510
Triticale	16,829	13,620	9,849	8,827	10,246	15,592	6,022	7,332	9,690
Winter Wheat	80,251	120,245	234,724	325,932	229,381	98,382	128,693	368,065	200,225
Canada Prairie Spring	157,939	292,535	482,544	507,875	419,706	408,726	392,598	542,636	979,497
Khorasan Wheat	8,531	9,817	12,468	15,310	12,833	14,824	13,724	30,565	19,423
Flax	1,243,682	1,121,320	734,568	910,592	966,214	481,297	373,790	576,775	694,150
Canola	4,990,941	4,580,975	5,376,819	4,897,157	4,987,275	5,185,100	7,240,986	7,887,330	7,119,165
Identity-Preserved Canola			395,150	1,065,692	1,086,596	718,088	813,329	1,301,624	1,500,766
Sunflowers*	24,684	12,032	11,284	7,040	5,784	4,854	875	7,103	4,992
Mustard									
Yellow Mustard	98,562	70,520	113,486	133,066	143,361	99,351	57,913	87,798	72,578
Brown Mustard	81,921	60,186	77,869	127,242	80,339	40,634	31,087	44,403	59,114
Oriental Mustard	87,214	51,061	49,341	49,447	85,139	73,099	47,228	28,454	19,853
Coriander	17,398	9,609	7,936	13,200	12,619	16,266	2,775	4,990	5,462
Caraway	3,509	6,169	3,911	836	774	2,222	3,243	2,038	1,276
Camelina						3,831		650	80
Field Peas	2,015,250	1,763,452	2,019,316	2,362,374	2,116,271	1,675,858	1,135,135	1,742,565	1,616,455
Lentils									
Lentil - Large Green	995,734	338,640	466,878	500,890	664,584	854,883	689,120	827,485	517,010
Lentils - Other	388,386	192,738	193,318	183,876	212,497	214,110	172,802	274,589	271,248
Lentils - Red	337,554	446,765	359,154	592,189	938,778	1,381,481	912,179	736,384	869,098
Canary Seed	367,024	232,763	430,922	340,128	291,260	266,432	207,366	269,793	202,527
Fababeans	237	971	345	90	1,933	135	2,969	4,906	4,060
Dry Bean Black (Irr)					7				
Dry Bean Pinto (Irr)	3,645	660	3,122	2,465	3,140	2,022	2,234	4,151	5,826
Dry Bean Other (Irr)	495	705	292	443	590	558	324	262	308
Dry Beans									
Dry Bean Black (Dry)									
Dry Bean Pinto (Dry)	871	1,121	1,210		40				
Dry Bean Navy (Dry)						686	180	546	
Desi Chickpeas	4,440	27,978	31,187	4,627	1,975	9,547	410	2,168	8,503
Kabuli Chickpeas									
Kabuli (Large Seed)	42,696	91,673	91,938	22,300	21,405	60,876	17,819	64,401	50,081
Kabuli (Small Seed)	47,104	97,547	108,301	29,709	29,023	61,692	21,966	56,936	27,878
Soybeans						4,403	2,601	28,026	111,892
Alfalfa Seed	74,952	70,669	56,440	44,419	38,229	32,334	28,439	23,720	24,466
Potatoes									
Processing Potato	863	1,026	963	1,007	1,148	1,101	1,447	1,355	1,181
Seed Potato	1,505	871	274	151	227	109	150	387	86
Diversification	8,500	13,200	9,612	9,263	12,106	4,862	6,623	15,872	19,322
Winterkill Acres	133,722	157,751	214,055	280,899	213,813	91,416	103,445	331,169	200,657
Wild Rice			36,249	35,588	22,290	20,420	18,209	16,242	6,733
Total Acres	24,808,932	22,125,366	23,106,662	25,081,647	24,663,347	20,246,525	22,593,600	26,652,587	26,858,317
Average**	833	799	867	977	1,017	871	949	1,149	1,189
# of Contracts	29,778	27,702	26,637	25,685	24,241	23,234	23,800	23,193	22,584

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