

KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY
Statement of Admitted Assets, Liabilities and Policyholder Equity
as of June 30, 2019
Statutory Basis of Accounting

ASSETS

Long-term bonds	\$ 838,108,741
Common stocks	83,599,651
Cash and short-term investments	62,305,945
Real estate	5,020,818
Other invested assets	13,082,901
Receivable for securities	0
Investment income due and accrued	6,472,732
Premiums in course of collection	24,148,120
Premiums deferred and not yet due	24,831,152
Non-admitted premiums receivable	(5,388,291)
Reinsurance recoverable	48,630
Receivables for retroactive reinsurance reserves assumed	11,433,588
Electronic data processing equipment, net of depreciation	17,949

TOTAL ASSETS **\$ 1,063,681,936**

LIABILITIES AND POLICYHOLDER EQUITY

Loss reserves	\$ 600,585,676
Loss adjustment expense reserves	50,544,435
Commissions payable	12,271,159
Other expenses payable	3,944,829
Unearned premiums	63,069,650
Ceded reinsurance premiums payable	(694,167)
Funds withheld under reinsurance treaties	717,052
Amounts withheld or retained for others	9,172,631
Unallocated cash	876,697
Provision for reinsurance	0
Payable for securities	1,300,699
Retroactive reinsurance reserves assumed	65,622,600
Retroactive reinsurance reserves ceded	(15,561,219)
Funds withheld on retroactive reinsurance ceded	20,166,173
Liability for projected pension benefits	9,186,002
Liability for projected retiree health insurance	11,712

TOTAL LIABILITIES **821,213,929**

POLICYHOLDER EQUITY (beginning) **215,802,919**

Net income / (loss)	13,187,883
Unrealized capital gain / (loss)	10,904,117
Change in non-admitted assets	918,462
Change in provision for reinsurance	0
Change in projected pension benefits	1,467,636
Change in projected retiree health insurance	186,990

POLICYHOLDER EQUITY (ending) **242,468,007**

TOTAL LIABILITIES AND POLICYHOLDER EQUITY **\$ 1,063,681,936**

KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY
Statement of Income
for the six months ended June 30, 2019
Statutory Basis of Accounting

Net premiums earned	\$ 82,125,574
Deductions	
Losses incurred	55,913,213
Loss expenses incurred	13,022,641
Underwriting expenses incurred	13,209,484
Total deductions	<u>82,145,338</u>
Net underwriting gain / (loss)	(19,764)
Net investment income earned	13,676,318
Net realized investment gains / (losses)	1,710,357
Net periodic pension and postretirement benefit cost	(1,364,572)
Bad debts and other income / (expenses)	<u>(814,456)</u>
NET INCOME / (LOSS)	\$ <u><u>13,187,883</u></u>

KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY
Statement of Solvency
for the six months ended June 30, 2019
Statutory Basis of Accounting

POLICYHOLDER EQUITY (beginning)	\$ 215,802,919
Net income / (loss)	13,187,883
Unrealized capital gain / (loss)	10,904,117
(Increase) / decrease in non-admitted portion of furniture, fixtures, EDP equipment and software	(8,982)
(Increase) / decrease in uncollected premiums and agents' balances over 90 days past due	(393,532)
(Increase) / decrease in other non-admitted assets	1,320,976
Change in provision for reinsurance	0
Change in projected pension benefits	1,467,636
Change in projected retiree health insurance	<u>186,990</u>
POLICYHOLDER EQUITY (ending)	<u><u>\$ 242,468,007</u></u>