

KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY
Statement of Admitted Assets, Liabilities and Policyholder Equity
as of March 31, 2020
Statutory Basis of Accounting

ASSETS

Long-term bonds	\$ 943,697,183
Common stocks	42,956,510
Cash and short-term investments	35,518,296
Real estate	4,025,000
Other invested assets	0
Receivable for securities	207,364
Investment income due and accrued	6,809,512
Premiums in course of collection	18,260,057
Premiums deferred and not yet due	40,033,682
Non-admitted premiums receivable	(10,079,341)
Reinsurance recoverable	78,487
Reinsurance deposits	750,000
Receivables for retroactive reinsurance reserves assumed	3,563,309
Electronic data processing equipment, net of depreciation	56,078

TOTAL ASSETS **\$ 1,085,876,137**

LIABILITIES AND POLICYHOLDER EQUITY

Loss reserves	\$ 612,553,743
Loss adjustment expense reserves	53,164,362
Commissions payable	12,452,899
Other expenses payable	3,811,791
Unearned premiums	64,854,498
Ceded reinsurance premiums payable	(1,145,670)
Funds withheld under reinsurance treaties	1,024,431
Amounts withheld or retained for others	8,719,750
Unallocated cash	565,911
Provision for reinsurance	0
Payable for securities	0
Retroactive reinsurance reserves assumed	63,982,117
Retroactive reinsurance reserves ceded	(25,190,526)
Funds withheld on retroactive reinsurance ceded	30,857,473
Liability for projected pension benefits	10,340,030
Liability for projected retiree health insurance	375,059

TOTAL LIABILITIES **836,365,868**

POLICYHOLDER EQUITY (beginning) **261,724,563**

Net income / (loss)	5,516,342
Unrealized capital gain / (loss)	(17,227,509)
Change in non-admitted assets	(1,330,440)
Change in provision for reinsurance	0
Change in projected pension benefits	733,818
Change in projected retiree health insurance	93,495

POLICYHOLDER EQUITY (ending) **249,510,269**

TOTAL LIABILITIES AND POLICYHOLDER EQUITY **\$ 1,085,876,137**

KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY
Statement of Income
for the three months ended March 31, 2020
Statutory Basis of Accounting

Net premiums earned	\$ 35,217,976
Deductions	
Losses incurred	22,301,726
Loss expenses incurred	5,763,553
Underwriting expenses incurred	7,691,394
Total deductions	<u>35,756,673</u>
Net underwriting gain / (loss)	(538,697)
Net investment income earned	6,462,987
Net realized investment gains / (losses)	528,597
Net periodic pension and postretirement benefit cost	(659,928)
Bad debts and other income / (expenses)	<u>(276,617)</u>
NET INCOME / (LOSS)	\$ <u><u>5,516,342</u></u>

KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY
Statement of Solvency
for the three months ended March 31, 2020
Statutory Basis of Accounting

POLICYHOLDER EQUITY (beginning)	\$ 261,724,563
Net income / (loss)	5,516,342
Unrealized capital gain / (loss)	(17,227,509)
(Increase) / decrease in non-admitted portion of furniture, fixtures, EDP equipment and software	5,588
(Increase) / decrease in uncollected premiums and agents' balances over 90 days past due	(2,072,487)
(Increase) / decrease in prepaid pension and retiree health insurance plans	659,928
(Increase) / decrease in other non-admitted assets	76,531
Change in provision for reinsurance	0
Change in projected liabilities for pension and retiree health insurance plans	<u>827,313</u>
POLICYHOLDER EQUITY (ending)	\$ <u><u>249,510,269</u></u>