

**KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY**  
**Statement of Admitted Assets, Liabilities and Policyholder Equity**  
**as of June 30, 2021**  
**Statutory Basis of Accounting**

**ASSETS**

Long-term bonds	\$ 962,531,499
Common stocks	50,925,714
Cash and short-term investments	42,748,222
Real estate	4,025,000
Other invested assets	4,446,535
Receivable for securities	0
Investment income due and accrued	6,419,771
Premiums in course of collection	23,137,166
Premiums deferred and not yet due	16,441,240
Policy deductibles receivable	2,027
Non-admitted premiums receivable	(7,916,447)
Reinsurance recoverable	114,459
Reinsurance deposits	750,000
Receivables for retroactive reinsurance reserves assumed	1,096,331
Electronic data processing equipment, net of depreciation	100,603

**TOTAL ASSETS** **\$ 1,104,822,120**

**LIABILITIES AND POLICYHOLDER EQUITY**

Loss reserves	\$ 599,010,705
Loss adjustment expense reserves	53,247,625
Commissions payable	11,383,750
Other expenses payable	4,486,669
Unearned premiums	50,534,390
Ceded reinsurance premiums payable	(764,696)
Funds withheld under reinsurance treaties	1,084,966
Amounts withheld or retained for others	8,328,200
Unallocated cash	773,306
Provision for reinsurance	0
Payable for securities	2,516,288
Retroactive reinsurance reserves assumed	26,782,737
Retroactive reinsurance assumed - excess funds to be returned	22,414,538
Retroactive reinsurance reserves ceded	(15,952,085)
Funds withheld on retroactive reinsurance ceded	24,030,108
Liability for projected pension benefits	11,972,495
Liability for projected retiree health insurance	0

**TOTAL LIABILITIES** **799,848,996**

**POLICYHOLDER EQUITY (beginning)** **283,404,169**

Net income / (loss)	18,360,873
Unrealized capital gain / (loss)	366,233
Change in non-admitted assets	(625,787)
Change in provision for reinsurance	0
Change in projected pension benefits	3,467,636
Change in projected retiree health insurance	0

**POLICYHOLDER EQUITY (ending)** **304,973,124**

**TOTAL LIABILITIES AND POLICYHOLDER EQUITY** **\$ 1,104,822,120**

**KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY**  
**Statement of Income**  
**for the six months ended June 30, 2021**  
**Statutory Basis of Accounting**

<b>Net premiums earned</b>	<b>\$ 61,117,253</b>
<b>Deductions</b>	
Losses incurred	34,760,955
Loss expenses incurred	12,459,326
Underwriting expenses incurred	14,596,707
<b>Total deductions</b>	<b>61,816,988</b>
<b>Net underwriting gain / (loss)</b>	<b>(699,735)</b>
Net investment income earned	15,602,184
Net realized investment gains / (losses)	5,299,703
Net periodic pension and postretirement benefit cost	(1,261,402)
Retroactive reinsurance ceded expense	0
Bad debts and other income / (expenses)	(579,877)
<b>NET INCOME / (LOSS)</b>	<b>\$ 18,360,873</b>

**KENTUCKY EMPLOYERS' MUTUAL INSURANCE AUTHORITY**  
**Statement of Solvency**  
**for the six months ended June 30, 2021**  
**Statutory Basis of Accounting**

<b>POLICYHOLDER EQUITY (beginning)</b>	<b>\$ 283,404,169</b>
Net income / (loss)	18,360,873
Unrealized capital gain / (loss)	366,233
(Increase) / decrease in non-admitted portion of furniture, fixtures, EDP equipment and software	68,239
(Increase) / decrease in uncollected premiums and agents' balances over 90 days past due	(33,510)
(Increase) / decrease in prepaid pension and retiree health insurance plans	(738,598)
(Increase) / decrease in other non-admitted assets	78,082
Change in provision for reinsurance	0
Change in projected liabilities for pension and retiree health insurance plans	<u>3,467,636</u>
<b>POLICYHOLDER EQUITY (ending)</b>	<b>\$ <u><u>304,973,124</u></u></b>