Top 5 Commercial Claims by IBNR

**Actuarial Present Value**

The dollar value on the valuation date of all benefits expected to be paid to current members based upon the Actuarial Assumptions and the terms of the Plan.

**Amortization Payment**

That portion of the pension plan appropriation which represents payments made to pay interest on and the reduction of the Unfunded Accrued Liability.

**Annual Statement**

The statement submitted to PERAC each year that describes the asset holdings and Fund balances as of December 3l and the transactions during the calendar year that affected the financial condition of the retirement system.

**Annuity Reserve Fund**

The fund into which total accumulated deductions, including interest, is transferred at the time a member retires, and from which annuity payments are made.

**Annuity Savings Fund**

The fund in which employee contributions plus interest credited are held for active members and for former members who have not withdrawn their contributions and are not yet receiving a benefit (inactive members).

**Assets**

The total value of securities. Assets grow through employer and employee contributions, as well as investment earnings. They are reduced by benefit payments and other disbursements. For valuation purposes, assets are usually measured at market value.

**Cost of Benefits**

The estimated payment from the pension system for benefits for the fiscal year. This is the minimum amount payable during the first six years of some Funding Schedules.

## Commercial Profile Claim Analysis

Commercial claims typically exhibit delayed reporting due to complexity and claim investigation requirements. IBNR helps insurers forecast future claim liabilities.

A high IBNR may signal under-reserving or the emergence of adverse development on existing claims.

The average IBNR among the top 5 claims listed here is 143,117.49.

The largest Ultimate Loss in this group is 149,970.97, for claim CLM004794.

## Top 5 Claims by IBNR (Commercial)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ClaimNumber | ExposureYear | IncurredLoss | UltimateLoss | IBNR | Currency | GeographicalLocation |
| CLM002783 | 2019 | 4820.56 | 149731.48 | 144910.92 | AUD | London |
| CLM001871 | 2024 | 3013.77 | 147502.97 | 144489.2 | CAD | Toronto |
| CLM004794 | 2021 | 7596.17 | 149970.97 | 142374.8 | USD | London |
| CLM002959 | 2022 | 7290.04 | 149262.86 | 141972.82 | AUD | London |
| CLM002619 | 2016 | 1070.97 | 142910.68 | 141839.71 | CAD | London |

Future projections generated by Vanna may change the ordering of these claims, replace rows in this table, or update specific loss amounts.

**Normal Cost**

Total Normal Cost is that portion of the Actuarial Present Value of pension plan benefits which is expected to accrue in the current fiscal year. The Employee Normal Cost is the amount of the expected employee contributions for the fiscal year. The Employer Normal Cost is the difference between the Total Normal Cost and the Employee Normal Cost.

**Pension Benefit Obligation**

The portion of the Actuarial Present Value attributable to past service in accordance with the Projected Unit Credit cost method as stipulated by GASB Statement Number 5 (GASB 5). GASB 5 has been superseded by GASB Statements Number 25 and 27.

**Pension Fund**

The fund into which appropriation amounts as determined by PERAC are paid and from which pension benefits are paid.

**Pension Reserve Fund**

The fund which shall be credited with all amounts set aside by a system for the purpose of establishing a reserve to meet future pension liabilities. These amounts would include excess interest earnings.

**Special Fund for Military Service Credit**

The fund which is credited with amounts paid by the retirement board equal to the amount which would have been contributed by a member during a military leave of absence as if the member had remained in active service of the retirement board. In the event of retirement or a non-job related death, such amount is transferred to the Annuity Reserve Fund. In the event of termination prior to retirement or death, such amount shall be transferred to the Pension Fund.