
REQUIRED SUPPLEMENTARY INFORMATION
TEN-YEAR CLAIMS DEVELOPMENT INFORMATION
PUBLIC SCHOOL INSURANCE FUND
For the Fiscal Years Ended June 30, 1999-2008

The following table illustrates how earned revenues (net of reinsurance) and investment income of the Public School Insurance Fund (the Fund) compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the Fund for the last ten fiscal years ended June 30. The rows of the table are defined as follows:

- (1) Total of each fiscal year's earned contribution revenues, investment revenues, contribution revenues ceded to excess insurers or reinsurers, and amount of reported revenues net of excess insurance or reinsurance.
- (2) Each fiscal year's other operating costs of the Fund, including overhead and claims expense not allocable to individual claims.
- (3) The Fund's incurred claims (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (before the effect of loss assumed by excess insurers or reinsurers), the loss assumed by excess insurers or reinsurers, and total net amount of incurred claims and allocated claim adjustment expenses.
- (4) Cumulative amounts paid as of the end of successive years for each policy year.
- (5) The most current reestimated amount of losses assumed by reinsurers for each accident year. The amount can and will be changed as claims and expenses are reevaluated.
- (6) The reestimated net incurred claims and expenses based on the information available as of the end of the year. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
- (7) Comparison of the latest reestimated net incurred claims amount to the amount originally established (line 3) and indication of whether this latest estimate of claims cost is greater or less than originally thought.

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Table 20

As data for individual policy years mature, the correlation between original estimated and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns in the table present data for successive policy years. Amounts are expressed in thousands.

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1) Required contribution and investment revenue:										
Earned.....	\$ 6,343	\$ 6,687	\$ 8,136	\$ 9,599	\$ 12,255	\$ 10,826	\$ 16,219	\$ 12,538	\$ 14,509	\$ 18,430
Ceded.....	1,683	1,727	2,453	2,839	3,396	3,121	2,380	2,489	3,077	2,371
Net earned.....	4,660	4,960	5,683	6,760	8,859	7,705	13,839	10,049	11,432	16,059
2) Unallocated expenses	2,398	2,541	3,214	3,597	3,953	3,689	2,951	3,092	3,672	664
3) Estimated claims and expenses, end of policy year:										
Incurred.....	8,615	21,141	6,449	4,846	2,690	12,586	2,093	3,096	14,915	1,718
Ceded.....	357	—	—	—	—	—	—	—	—	—
Net incurred.....	8,258	21,141	6,449	4,846	2,690	12,586	2,093	3,096	14,915	1,718
4) Paid (cumulative) as of:										
End of policy year.....	4,077	13,158	422	392	1,921	10,381	3,129	3,130	15,174	1,426
One year later.....	5,931	15,818	2,475	640	2,765	12,788	3,536	4,005	19,270	
Two years later.....	6,108	17,368	2,475	640	3,219	13,120	3,536	4,005		
Three years later.....	6,388	17,368	2,475	640	3,681	13,120	3,536			
Four years later.....	6,388	17,368	2,475	640	3,681	13,120				
Five years later.....	6,388	17,368	2,475	640	3,681					
Six years later.....	6,388	17,638	2,475	640						
Seven years later.....	6,388	17,638	2,475							
Eight years later.....	6,388	17,638								
Nine years later.....	6,388									
5) Reestimated ceded claims and expenses.....	—	—	—	—	—	—	—	—	3,746	—
6) Reestimated net incurred claims and expenses:										
End of policy year.....	8,258	21,141	6,449	4,846	2,690	12,586	2,093	3,096	14,915	1,718
One year later.....	6,740	17,240	2,475	4,846	3,543	12,911	2,093	3,096	11,348	
Two years later.....	6,161	17,368	2,475	4,846	3,947	12,911	2,093	3,096		
Three years later.....	6,031	17,368	2,475	4,846	3,947	12,911	2,093			
Four years later.....	6,031	17,368	2,475	4,846	3,947	12,911				
Five years later.....	6,031	17,368	2,475	4,846	3,947					
Six years later.....	6,031	17,368	2,475	4,846						
Seven years later.....	6,031	17,368	2,475							
Eight years later.....	6,031	17,368								
Nine years later.....	6,031									
7) Increase (decrease) in estimated net incurred claims and expenses from end of policy year.....	(2,227)	(3,773)	(3,974)	—	1,257	325	—	—	(3,567)	—