

**KENTUCKY ASSOCIATION OF COUNTIES -
ALL LINES FUND**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Years Ended June 30, 2020 and 2019

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Independent Auditors' Report

To the Board of Trustees
Kentucky Association of Counties - All Lines Fund
Frankfort, Kentucky

We have audited the accompanying financial statements of Kentucky Association of Counties – All Lines Fund, which comprise the balance sheets as of June 30, 2020 and 2019, and the related statements of revenues, expenses and changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kentucky Association of Counties – All Lines Fund as of June 30, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Denning, Malone, Lussary & Petroff

Louisville, Kentucky
October 21, 2020

**KENTUCKY ASSOCIATION OF COUNTIES -
ALL LINES FUND**

BALANCE SHEETS
June 30, 2020 and 2019

Assets	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 14,379,418	\$ 9,176,853
Investments	83,915,933	84,879,687
Investment - County Reinsurance, Limited	99,859	99,859
Member premiums receivable	39,723,468	38,244,097
Accrued interest receivable	254,203	317,807
Other	<u>484,496</u>	<u>357,018</u>
Total assets	<u>\$ 138,857,377</u>	<u>\$ 133,075,321</u>
 Liabilities and Members' Equity		
Estimated liability for future claims, net of estimated recoveries:		
Reported claims	\$	\$
Claims incurred but not reported	<u>49,904,000</u>	<u>45,823,000</u>
Unallocated loss adjustment expenses	705,000	566,000
Dividends payable	2,000,000	
Deferred revenue	42,978,269	40,748,922
Accounts payable	<u>303,270</u>	<u>390,249</u>
Total liabilities	95,890,539	87,528,171
Members' Equity	<u>42,966,838</u>	<u>45,547,150</u>
Total liabilities and members' equity	<u>\$ 138,857,377</u>	<u>\$ 133,075,321</u>

See Notes to Financial Statements.

**KENTUCKY ASSOCIATION OF COUNTIES -
ALL LINES FUND**

**STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN MEMBERS' EQUITY**

Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Member premiums	\$ 41,092,513	\$ 40,910,514
Investment income	2,489,296	2,692,307
Realized and unrealized gain on investments	<u>1,934,771</u>	<u>2,465,393</u>
Total revenues	<u>45,516,580</u>	<u>46,068,214</u>
Expenses		
Claims expense, net of recoveries		
Reinsurance premiums		
Administration and marketing		
Professional fees		
Management expense		
Total expenses	<u>46,096,892</u>	<u>43,001,978</u>
Excess (expenses) revenues before dividends to members	(580,312)	3,066,236
Dividends to members	<u>(2,000,000)</u>	<u> </u>
(Decrease) increase in members' equity	(2,580,312)	3,066,236
Members' equity, beginning of year	<u>45,547,150</u>	<u>42,480,914</u>
Members' equity, end of year	<u>\$ 42,966,838</u>	<u>\$ 45,547,150</u>

See Notes to Financial Statements.

**KENTUCKY ASSOCIATION OF COUNTIES -
ALL LINES FUND**

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Cash received from member premiums		
Reinsurance and other recoveries collected		
Cash paid to suppliers		
Claims paid		
Investment income received		
Net cash provided by operating activities	<u>2,304,040</u>	<u>2,515,049</u>
Cash Flows from Investing Activities		
Purchase of investments	(37,233,243)	(44,039,585)
Proceeds from sale and maturities of investments	<u>40,131,768</u>	<u>36,099,589</u>
Net cash provided by (used in) investing activities	<u>2,898,525</u>	<u>(7,939,996)</u>
Net increase (decrease) in cash and cash equivalents	5,202,565	(5,424,947)
Cash and cash equivalents at beginning of year	<u>9,176,853</u>	<u>14,601,800</u>
Cash and cash equivalents at end of year	<u>\$ 14,379,418</u>	<u>\$ 9,176,853</u>

Supplemental Disclosure of Noncash Financing Activities

In November 2019, the Board of Trustees of the Fund declared a \$2,000,000 dividend for the policy year ended June 30, 2007, payable to its eligible members pursuant to the Fund's bylaws and all other applicable provisions, to be paid during the year ending June 30, 2021.

See Notes to Financial Statements.

	<u>2020</u>	<u>2019</u>
Reconciliation of Excess (Expenses) Revenues to Net Cash Provided by Operating Activities		
Excess (expenses) revenues	\$ (580,312)	\$ 3,066,236
Adjustments to reconcile excess (expenses) revenues to net cash provided by operating activities:		
Realized and unrealized gain on investments	(1,934,771)	(2,465,393)
Changes in assets and liabilities:		
Decrease (increase) in:		
Member premiums receivable	(1,479,371)	306,633
Accrued interest receivable	63,604	(68,192)
Other	(127,478)	(169,288)
Increase (decrease) in:		
Estimated liability for future claims	4,081,000	1,916,000
Unallocated loss adjustment expenses	139,000	(54,000)
Deferred revenue	2,229,347	(59,646)
Accounts payable	<u>(86,979)</u>	<u>42,699</u>
Total adjustments	<u>2,884,352</u>	<u>(551,187)</u>
Net cash provided by operating activities	<u>\$ 2,304,040</u>	<u>\$ 2,515,049</u>

**KENTUCKY ASSOCIATION OF COUNTIES -
ALL LINES FUND**

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Business and Summary of Significant Accounting Policies

Nature of business:

The Kentucky Association of Counties - All Lines Fund (Fund) is for the purpose of assisting its participants, as defined by KRS 65.230, to formulate, develop and administer a program of self-insurance or partial self-insurance for the Fund participants to obtain lower costs of various types of insurance coverage, provide excess insurance coverage for the participants, and develop a comprehensive safety program. The Fund arranges to provide necessary administrative and legal services sufficient to meet the participants' obligations under Kentucky Law. All funds or monies held by the Fund are the property of the public agencies or political subdivisions participating in the Fund and the Fund shall be an instrumentality of the participating public agencies and only execute essential governmental functions. It is the intent of the participants in the Fund to create an entity with a pool and use funds contributed by the members against a stated liability or loss to the limits of the financial resources of the Fund as specifically outlined in coverage agreements provided to the various participants. The Fund operates solely for the mutual and exclusive benefit of its members. The Fund's participants consisted of 114 counties and 703 political subdivisions for 2020.

Summary of significant accounting policies:

This summary of significant accounting policies of the Fund is presented to assist in understanding the Fund's financial statements. The financial statements are representations of the Fund's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Method of accounting:

The financial statements of the Fund have been prepared on the accrual basis of accounting.

NOTES TO FINANCIAL STATEMENTS

Cash and cash equivalents:

For purposes of the statements of cash flows, the Fund considers only cash and investments with an original maturity of three months or less to be cash and cash equivalents.

Investments:

The Fund records all investments at fair value. Fair value is established based upon readily determinable market quotations for equity and debt securities. See Note 3 for discussion of fair value measurements.

The Fund has significant investments in mutual funds, common stocks, government securities, and corporate bonds held by Central Bank & Trust Company. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Because of the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the balance sheets.

Allowance for doubtful accounts:

As of June 30, 2020 and 2019, substantially all of the member premiums receivable consist of advance billings on the next year's premiums and are also included in deferred revenue. Any member premiums receivable for the current or prior years are reviewed by management and evaluated for collectability.

No provision for doubtful accounts has been made at June 30, 2020 and 2019, as management considers all amounts fully collectible.

Reinsurance:

The Fund uses reinsurance agreements to reduce its exposure to large losses on all types of insured events. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Fund as direct insurer of the risks reinsured. The Fund does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by the reinsurer.

NOTES TO FINANCIAL STATEMENTS

Revenue and expense recognition:

Member premiums revenue is recognized over the period to which the insurance coverage relates. Deferred revenue represents member premiums billed but not yet earned.

Fund expenses for reinsurance premiums, management and marketing fees and royalties are expensed ratably over the period of coverage.

Income taxes:

The Fund is exempt from income taxes under Section 115 of the Internal Revenue Code. However, income from certain activities not directly related to the Fund's tax-exempt purpose may be subject to taxation as unrelated business income. Management does not believe that the Fund has unrelated business income for the years ended June 30, 2020 and 2019.

As of June 30, 2020 and 2019, the Fund did not have any accrued interest or penalties related to income tax liabilities, and no interest or penalties have been charged to operations for the years then ended.

Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The most significant estimate included in the financial statements is the estimated liability for future claims (see Note 5).

Legal, regulatory and geographic risk:

Legal and regulatory risk is the risk that changes in the legal or regulatory environment in which an insurer operates will occur and create additional losses or expenses not anticipated by the insurer in pricing its products. That is, regulatory initiatives designed to reduce insurer profits or new legal theories may create costs for the insurer beyond those currently recorded in the financial statements. The Fund is exposed to this risk by writing all of its business in Kentucky, thus increasing its exposure to a single jurisdiction. This risk is reduced by underwriting and loss adjusting practices that identify and minimize the adverse impact of this risk.

NOTES TO FINANCIAL STATEMENTS

Geographic risk is the risk that catastrophic losses will occur in one concentrated area where the Fund does business. The Fund mitigates this risk by adhering to specified underwriting practices and by obtaining adequate reinsurance coverage.

Subsequent events:

Subsequent events have been evaluated through October 21, 2020, which is the date the financial statements were available to be issued.

Note 2. Investments

Investments are carried at fair value as determined based on quoted prices in active markets. Investments held in a trust fund at Central Bank & Trust Company at June 30, 2020 consisted of the following:

	<u>Face Value</u>	<u>Cost</u>	<u>Fair Value</u>
Mortgage-backed Securities:			
Federal National Mortgage Association	\$10,416,728	\$10,025,708	\$10,402,398
Federal Home Loan Mortgage Gold Pool	1,229,635	1,268,143	1,306,638
Federal Farm Credit Bank	500,000	500,000	537,580
Fannie Mae Mortgage-Backed Securities Pools	1,172,472	1,207,173	1,264,694
Government National Mortgage Association	1,069,344	1,094,108	1,134,698
Small Business Admin	272,039	272,833	278,889
Federal Home Loan Bank	3,600,000	3,636,677	3,687,046
Federal Home Loan Mortgage	<u>3,282,294</u>	<u>3,305,021</u>	<u>3,321,326</u>
	<u>21,542,512</u>	<u>21,309,663</u>	<u>21,933,269</u>
U.S. Treasury notes	<u>14,915,000</u>	<u>14,960,646</u>	<u>15,826,819</u>
Corporate bonds	<u>15,305,000</u>	<u>15,388,477</u>	<u>16,232,652</u>
Common stocks		<u>14,604,795</u>	<u>17,470,790</u>
Mutual funds		<u>12,048,367</u>	<u>12,452,403</u>
Total investments		<u>\$78,311,948</u>	<u>\$83,915,933</u>

NOTES TO FINANCIAL STATEMENTS

Investments held in a trust fund at Central Bank & Trust Company at June 30, 2019 consisted of the following:

	<u>Face Value</u>	<u>Cost</u>	<u>Fair Value</u>
Mortgage-backed Securities:			
Federal National Mortgage Association	\$14,417,623	\$14,526,432	\$14,583,853
Federal Home Loan Mortgage Gold Pool	1,730,343	1,784,395	1,777,972
Federal Farm Credit Bank	2,405,000	3,080,556	3,071,163
Fannie Mae Mortgage-Backed Securities Pools	1,934,772	2,046,866	2,075,346
Government National Mortgage Association	1,639,897	1,674,646	1,689,868
Small Business Admin	330,314	331,406	329,234
Federal Home Loan Bank	2,550,000	2,548,534	2,576,712
Federal Home Loan Mortgage	<u>2,021,099</u>	<u>2,054,742</u>	<u>2,036,709</u>
	<u>27,029,048</u>	<u>28,047,577</u>	<u>28,140,857</u>
U.S. Treasury notes	<u>11,020,000</u>	<u>11,040,652</u>	<u>11,131,892</u>
Corporate bonds	<u>15,610,000</u>	<u>15,838,710</u>	<u>16,127,298</u>
Common stocks		<u>12,386,445</u>	<u>15,553,054</u>
Mutual funds		<u>13,230,690</u>	<u>13,926,586</u>
Total investments		<u>\$80,544,074</u>	<u>\$84,879,687</u>

The aggregate annual maturities of the fair value of investments at June 30, 2020, based upon stated maturity dates are as follows:

Due within one year	\$ 3,100,548
Due after one year through five years	27,744,525
Due after five years through ten years	10,951,270
Due after ten years	12,196,397
Common stocks	17,470,790
Mutual funds	<u>12,452,403</u>
	<u>\$83,915,933</u>

The Fund is an equity member of County Reinsurance, Limited (CRL), which is the Fund's reinsurance provider. The Fund's equity in CRL is based on capital contributions to CRL plus an allocation of CRL's earnings. Upon the termination of the Fund's membership in CRL, the Fund can request a repayment of its original capital contributions plus its portion of CRL's earnings during its membership, which is paid out over five years or sooner, granted at the discretion of CRL's Board of Directors. The investment in CRL is recorded at cost equal to the Fund's capital contributions to date of \$99,859. Under the cost method of recording the investment in CRL, the Fund's financial statements do not include approximately \$51,000 of the Fund's 0.19% share of CRL's members' equity as of June 30, 2020.

NOTES TO FINANCIAL STATEMENTS

Note 3. Fair Value Measurements

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Fund has the ability to access.
- Level 2 – Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active or inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

All assets have been valued using a market approach. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at June 30, 2020 and 2019.

Common stock and mutual funds – valued at the unadjusted quoted market price as of the financial statement date.

Corporate bonds, U.S. Treasury notes and mortgage-backed securities – valued at the quoted market prices for similar assets.

NOTES TO FINANCIAL STATEMENTS

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Fund believes their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level, within the fair value hierarchy, the Fund's assets at fair value as of June 30, 2020 and 2019:

	June 30, 2020		
	Level 1	Level 2	Total
Mortgage-backed securities		\$21,933,269	\$21,933,269
U.S. Treasury notes		15,826,819	15,826,819
Corporate bonds		16,232,652	16,232,652
Common stocks:			
Basic materials	\$ 1,424,432		1,424,432
Consumer goods	3,620,894		3,620,894
Financial	2,779,549		2,779,549
Healthcare	2,329,634		2,329,634
Industrial goods	1,230,538		1,230,538
Services	1,431,090		1,431,090
Utilities	778,597		778,597
Technology	3,876,056		3,876,056
Mutual funds:			
International fund	5,453,724		5,453,724
Large cap fund	3,478,744		3,478,744
Mid cap fund	2,275,330		2,275,330
Small cap fund	1,244,605		1,244,605
Total assets at fair value	\$29,923,193	\$53,992,740	\$83,915,933

NOTES TO FINANCIAL STATEMENTS

	June 30, 2019		Total
	Level 1	Level 2	
Mortgage-backed securities		\$28,140,857	\$28,140,857
U.S. Treasury notes		11,131,892	11,131,892
Corporate bonds		16,127,298	16,127,298
Common stocks:			
Basic materials	\$ 1,584,153		1,584,153
Consumer goods	2,722,164		2,722,164
Financial	2,996,644		2,996,644
Healthcare	1,893,283		1,893,283
Industrial goods	1,087,298		1,087,298
Services	1,715,270		1,715,270
Utilities	366,558		366,558
Technology	3,187,684		3,187,684
Mutual funds:			
International fund	6,957,650		6,957,650
Large cap fund	2,147,156		2,147,156
Mid cap fund	2,696,561		2,696,561
Small cap fund	2,125,219		2,125,219
Total assets at fair value	\$29,479,640	\$55,400,047	\$84,879,687

Note 4. Other Assets

Other assets consist of the following:

	2020	2019
Prepaid administrative fees	\$448,472	\$282,892
Prepaid management fees		4,328
Related party receivable	36,024	69,798
	\$484,496	\$357,018

NOTES TO FINANCIAL STATEMENTS

Note 5. Estimated Liability for Future Claims

Under Kentucky Law, the Fund is required to pay all valid claims against its members.

The estimated liability for future claims, net of estimated recoveries for reinsurance, deductibles and subrogation was determined by Fund management as a result of consultation with the Fund's actuary, Oliver Wyman Actuarial Consulting, Inc. for the years ended June 30, 2020 and 2019.

This estimate is based upon various factors such as loss control efforts, claim trends and historical claims information. To the extent that claims information varies from the estimate, the statements of revenues, expenses and changes in members' equity reflect adjustments in the year they occur.

For both of the years ended June 30, 2020 and 2019, the liability was discounted at 2% based upon an estimate of the Fund's yield on its investments and expected claims payment patterns as developed by the actuary. The loss payment pattern used could vary significantly from actual, which would have a direct effect on the liability for estimated claims. The liability, without consideration for the time value of money for 2020 and 2019, respectively, was approximately

The Fund establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represents changes in those aggregate liabilities, net of recoveries, for the years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Unpaid claims and claim adjustment expenses at beginning of year		
Incurred claims and claim adjustment expenses:		
Provision for insured events of current year and increases in provision for insured events of prior years, net of recoveries		
Payments:		
Claim and claim adjustment expenses paid attributable to insured events of current and prior years, net of recoveries collected		
Unpaid claims and claim adjustment expenses at end of year	<u>\$49,904,000</u>	<u>\$45,823,000</u>

NOTES TO FINANCIAL STATEMENTS

Note 6. Unallocated Loss Adjustment Expenses

An estimated liability for future expenses of handling prior year claims has been determined by management and the Fund's actuary as of June 30, 2020 and 2019, and recorded as unallocated loss adjustment expenses.

Note 7. Concentration of Credit Risk

The Fund maintains its cash accounts at various banks in Kentucky. Accounts at each bank are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2020, the uninsured cash balances totaled approximately \$14,100,000.

Note 8. Related Party Transactions

The Fund purchases employee dishonesty fidelity bond coverage and business income/extra expense coverage from Commonwealth Insurance Company, Inc., which is a wholly owned subsidiary of Kentucky Association of Counties Leasing Trust (COLT) and a related party of KACo. Expense for each of the years ended June 30, 2020 and 2019 was \$950,000.

The Fund is under a Program Administration Agreement with KACo in which the Fund reimburses KACo for certain management and administrative expenses. Total fees for the years ended June 30, 2020 and 2019 were \$1,423,063 and \$1,419,358, respectively. As of June 30, 2020 and 2019, the Fund had prepaid administrative fees of \$448,472 and \$282,892, respectively.

The Fund is under a Program Administration Agreement with KACo in which the Fund pays KACo for certain management services. The fee is based on 2% of earned premiums collected. For the years ended June 30, 2020 and 2019, the agreement included a base management fee of \$250,000 and \$300,000, respectively, in addition to the 2% of earned premiums collected. Total fees for the years ended June 30, 2020 and 2019 were \$1,066,478 and \$1,112,214, respectively. As of June 30, 2020 and 2019, the Fund had prepaid management fees of \$0 and \$4,328, respectively, to KACo.

NOTES TO FINANCIAL STATEMENTS

The Fund has a licensing agreement with KACo that requires the Fund to pay a royalty to KACo in return for the use of KACo's name and logo. For each of the years ended June 30, 2020 and 2019, the royalty was a fixed amount of \$1,000.

KACo established the Kentucky Association of Counties Program Guaranty Fund. The purpose of the Guaranty Fund is to make available, on an as needed basis, financial support to the various programs sponsored by and operating under service agreements with KACo, which includes the Fund. The Guaranty Fund receives contributions from KACo and certain of its programs. The Fund did not make any contributions to the Guaranty Fund for the years ended June 30, 2020 and 2019.

KACo established the KACo Finance Corporation. The purpose of the Finance Corporation is to create a statewide bond pool system to allow counties and eligible subdivisions to issue bonds carrying an AA rating. As of June 30, 2020 and 2019, the Fund has purchased \$2,280,000 of bonds of the KACo Finance Corporation, which are held in trust at Central Bank & Trust Company.

Note 9. Contingency

Management is currently evaluating the ongoing impact of the COVID-19 pandemic on the Fund and has concluded that while it is reasonably possible that the pandemic could have a negative impact on the Fund's financial position and/or results of operations, the specific impact is not readily determinable as of the date of the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.