THE PUBLIC BUILDING AUTHORITY
OF THE COUNTY OF KNOX AND
THE CITY OF KNOXVILLE, TENNESSEE
Knoxville, Tennessee

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED
June 30, 2020 and 2019

PREPARED BY:
FINANCE DEPARTMENT

ROBYN SMITH, CPA
DIRECTOR OF FINANCE

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

JUNE 30, 2020 AND 2019
TABLE OF CONTENTS

	Page Number
INTRODUCTORY SECTION	
Letter of Transmittal	i-v
GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2019 CAFR	vi
Organizational Chart	vii
Roster of Officials and Others	viii
FINANCIAL SECTION	
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-11
Basic Financial Statements:	
Statements of Net Position	12-13
Statements of Revenues, Expenses and Changes in Net Position	14-15
Statements of Cash Flows	16-17
Notes to the Financial Statements	18-32
Supplementary Information	
Schedule of Net Position by Activity	33-35
Schedule of Revenues, Expenses, and Changes in Net Position by Activity	36-38
Schedule of Revenues, Expenses, and Changes in Net Position – Budget to Actual by Activity	39-64
STATISTICAL SECTION (UNAUDITED)	
Net Position by Component – Last Ten Fiscal Years	65
Changes in Net Position – Last Ten Fiscal Years	66
Properties Managed – Last Ten Fiscal Years	67-68
Capital Projects Completed – Last Five Fiscal Years	69
Telecommunication Services – Last Ten Fiscal Years	70
Demographic and Economic Statistics – Last Ten Calendar Years	71
Principal Employers – Current Calendar Year and Nine Years Ago	72
Number of Employees by Activity – Last Ten Fiscal Years	73
INTERNAL CONTROL AND COMPLIANCE SECTION	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	74-75

INTRODUCTORY SECTION

City County Building
400 Main Street, Suite M-22
Knoxville, Tennessee 37902
Phone: (865) 215-2121
Fax: (865) 215-2662
www.ktnpba.org

Jayne Burritt, Administrator/CEO

Board of Directors

Scott Davis, Chair
Chuck Severance, Vice Chair
Hubert Smith, Secretary
Shane Jackson, Treasurer

Heather Anderson
Winston Frazier
Jennifer Holder
Jason Legg
Daniel Brown
Keena Strickland
Billy Stokes

November 13, 2020

Board of Directors of
The Public Building Authority of the County
of Knox and City of Knoxville, Tennessee
Knoxville, Tennessee

State law and the Comptroller of the Treasury, State of Tennessee, requires that every political subdivision of municipal corporation publish within six months of the close of each fiscal year-end, a complete set of audited financial statements. This Comprehensive Annual Financial Report (CAFR) is published to fulfill these requirements for the fiscal years ended June 30, 2020 and 2019.

Internal Controls

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

The Comprehensive Annual Financial Report

The CAFR is presented in four sections: Introductory, Financial, Statistical and Internal Control and Compliance. The Introductory Section includes this Letter of Transmittal, the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting, a Roster of Officials and Others, and our Organizational Chart. The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), Basic Financial Statements, Notes to Financial Statements, and Supplementary Information. The Statistical Section provides selected unaudited financial information.

Independent Audit

Mauldin & Jenkins, LLC has issued an unmodified ("clean") opinion on PBA's financial statements for the fiscal years ended June 30, 2020 and 2019. As stated in the independent auditor's report, the audit was conducted in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A)

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of MD&A. The Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. PBA's MD&A can be found immediately following the Independent Auditor's Report.

Profile of The PBA

The Public Building Authority of the County of Knox and the City of Knoxville, Tennessee (PBA) is a joint venture between the County of Knox (The County) and the City of Knoxville (The City) and was created under the authority of the State of Tennessee, Tennessee Code Annotated (TCA), Sections 12-10-101 to 12-10-124. The PBA was incorporated on August 6, 1971. Under various agreements, the PBA manages and operates certain public buildings that house the governments of the City, the County, and certain other related governmental organizations. Public parking facilities are also included under this PBA umbrella of management. These activities include security, custodial, maintenance, and grounds services and are coordinated within the Property Management Department.

The PBA develops public properties for the City and the County at their direction. These activities include construction management as the owner's representative and are coordinated within the Property Development Department.

Additionally, the PBA provides management and maintenance for telecommunications systems and services of the City, County, and Board of Education.

The PBA is considered a political subdivision or municipal corporation of the State of Tennessee. The PBA is a special purpose financial reporting entity and has no component units. It is governed by an eleven member Board of Directors (the Board), of which six are appointed by the County and five by the City, for six-year terms. The Board hires an Administrator/CEO who is responsible for the management of the PBA.

Budgeting

Following review by the Board, budgets are submitted annually to the City and County and other related governmental clients for approval. Budgets are separated between the operating activities of Property Management, Property Development, and Telecommunication Services mirroring the delineation in operating agreements with the City and the County. Further, within Property Management, budgets are prepared on a property-by-property basis in compliance with the associated operating agreements.

Each budget is fully costed, containing both the direct and indirect costs of providing services. An operating reserve has been funded, at an amount agreed upon with each client as appropriate, within each budget through the end of fiscal year 2021.

Local Economy

Knox County is the third most populated county in the State of Tennessee. The City of Knoxville is the County seat. Knoxville is located on the Tennessee River near the geographic center of East Tennessee. Because of its central location in the eastern United States, the Knoxville area serves thousands of industrial and commercial customers in a concentrated eight-state area. It is within 500 miles of approximately one-half of the population of the United States. The County for many years has been known as one of the South's leading wholesale markets. Located within the County are 1,085 wholesale establishments, 1,697 retail establishments, and 8,443 service establishments.

Tourism also plays a vital role in the economic development of the area. Knox County is the principal Gateway to the Great Smoky Mountains National Park, located 40 miles to the southeast. There are over 500,000 acres that make up the nation's most visited National Park, extending over the States of Tennessee and North Carolina. More than 12.5 million people visited the National Park in 2019, a 9.8% increase over 2018.

The presence of the University of Tennessee and the Tennessee Valley Authority in Knoxville lends stability to the area, making the local economy less cyclical than either the national or state economy. As the pandemic continued in 2020, Knox County's unemployment rate was 7.91% at June 30, 2020. This compares favorably to the national unemployment rate of 11.2% and the state rate of 10.1%.

The overall economic health of the Knoxville/Knox County area continues to improve. The City of Knoxville serves as the economic hub of the entire upper East Tennessee area, and its trade sector is one of the strongest in the state. Knox County has the sixth highest per capita sales tax rate in the state, at roughly 196.97% of the state average. In fiscal years 2020 and 2019, respectively, sales tax collections on a countywide basis were $905,275,848 and $882,605,585. This represents an increase of 3%.

Long-Term Financial Planning

The PBA's costs are covered by fees charged to the City and County and certain other rated governmental organizations for management and development of public properties. Both the City and the County have long-term capital plans allocating significant resources totaling $22,365,451 and $18,289,772 respectively in which PBA is involved.

Projects	Total Budget	FY 2021 *	FY 2022 to FY 2025
City Projects:			
City Parks ADA Improvements	$ 1,700,000	$ 1,526,000	$ 174,000
Fort Kid Slope Repair	300,000	300,000	-
Harriet Tubman Park Improvements	450,000	450,000	-
Inskip Pool Resurfacing	170,000	170,000	-
Knoxville Civic Auditorium & Coliseum	10,830,000	10,830,000	-
Lonsdale Park Improvements	500,000	75,000	425,000
Ned McWherter Boat Ramp Repair	542,000	542,000	-
Public Works Complex – Phase IV	762,451	762,451	-
Suttree Landing Pavilion & Shoreline	2,086,000	2,086,000	-
World's Fair Park Amphitheater & Sunsphere	2,500,000	2,500,000	-
World's Fair Park Performance Lawn & Stage	2,525,000	2,525,000	-
Total City Projects	22,365,451	21,766,451	599,000
County Projects:			
East Tower & Fritts Lot – Additions and Renovations	9,975,000	6,000,000	3,975,000
IC King Park Expansion	1,350,000	1,350,000	-
Knox-Blount Greenway (TDOT)	1,344,772	1,344,772	-
South Doyle Middle School Athletic Fields	1,020,000	1,020,000	-
Summer Place Complex Improvements	2,000,000	1,500,000	500,000
West Knox Senior Center Relocation & Renovation	2,600,000	2,600,000	-
Total County Projects	18,289,772	13,814,772	4,475,000
Total All Projects	$ 40,655,223	$ 35,581,223	$ 5,074,000

***FY 2021 allocations may include amounts from prior years.**

As projects are completed and opened for public use, the PBA often assumes the role of property manager. Senior centers are good examples where PBA transitions from development manager to property manager as the capital projects are completed and put in service.

Major Initiatives

During the past year, the PBA has worked closely with Knox County and Knox County Schools to plan and execute the relocation plans from the Andrew Johnson Building to Tennessee Valley Authority (TVA) East Towers. This endeavor has been three years of planning and negotiations. Renovations and additions will begin in August 2020 with an anticipated substantial completion and relocation by the end of fiscal year 2021. The PBA also worked with Knox County on the acquisition of Summer Place Parking Garage/Office Complex to provide parking to the East Tower occupants and office space for existing and future tenants. The renovations to Summer Place Complex will begin in August 2020.

At the end of fiscal year 2020, PBA's Property Management team faced many challenges with the Covid 19 virus. Protocols for cleaning had to be completely revamped to meet the CDC requirements. The department also assisted clients with plexiglass partitions and marking off areas for social distancing. Unfortunately, those efforts will continue throughout fiscal year 2021.

The PBA continues to meet with stakeholders to discuss adding properties or additional services. The PBA has shown resiliency with switching gears very quickly to meet everyone's needs moving into a new normal. The goal is to continue to look internally to not only meet the needs of our clients, but those of our employees. Our employees continue to be the backbone or our organization, which allow us to continue to grow.

Relevant Financial Policies

The Public Building Authority works closing with our clients to develop a balanced budget that incorporates projections for moderate growth based on their overall financial plan. Part of the annual budget process includes assisting our clients with capital recommendations for properties that we manage or have been asked to manage. The clients' overall financial policies will affect the PBA's direction as our budgets are a reflection of their ongoing financial plan.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the PBA for its comprehensive annual financial report for the fiscal years ended June 30, 2019 and 2018. This was the sixteenth consecutive year that the PBA has received this prestigious award. In order to be awarded a Certificate of Achievement, an organization must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this CAFR results from the combined efforts of the staff of the Finance Department. Those involved have our sincere appreciation for the individual and collective contributions made in preparation of the report. Thank you very much for your professional dedication.

Recognition and appreciation are also extended to the Board for its continued guidance of the operations of the PBA in a financially responsible and progressive manner.

Respectfully submitted,

Jayne Burritt
Administrator/CEO

Robyn Smith, CPA
Director of Finance



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

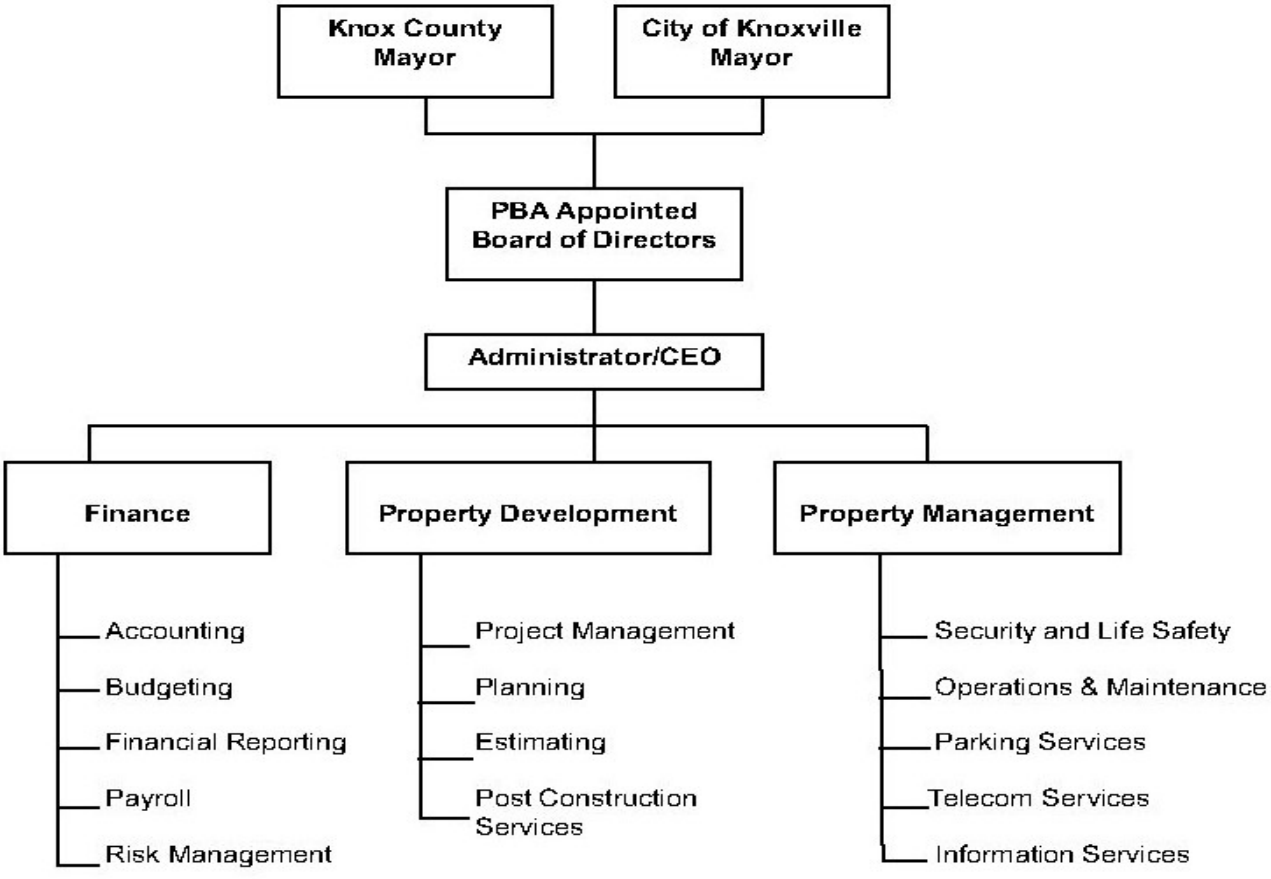
Public Building Authority
of the County of Knox and the City of Knoxville
Tennessee

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

The Public Building Authority of the County of Knox and the City of Knoxville, Tennessee

Organizational Chart
June 30, 2020



THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

ROSTER OF OFFICIALS AND OTHERS

June 30, 2020

Board of Directors	Expiration of Term
Scott Davis, Chair	2025
Chuck Severance, Vice-Chair	2021
Hubert Smith, Secretary	2023
Shane Jackson, Treasurer	2023
Heather Anderson	2021
Daniel Brown	2023
Jon Clark	2025
Jennifer Holder	2021
Jason Legg	2023
Steve Maddox	2025
Keena Strickland	2021

Management

Jayne Burritt, Administrator/CEO

Robyn Smith, Director of Finance

Kristin Grove, Director of Property Development

David Lively, Director of Facilities Operations and Engineering

Independent Auditor

Mauldin & Jenkins
Certified Public Accountants
Chattanooga, Tennessee

Legal Counsel

W. Morris Kizer
Gentry, Tipton & McLemore, P.C.
Knoxville, Tennessee

FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Public Building Authority of the County
of Knox and the City of Knoxville, Tennessee
Knoxville, Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of the **Public Building Authority of the County of Knox and the City of Knoxville, Tennessee,** ("PBA"), as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise PBA's basic financial statements as listed in the table of contents.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit 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 auditor's 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 PBA as of June 30, 2020 and 2019, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise PBA's basic financial statements. The schedule of net position by activity, the schedule of revenues, expenses, and changes in net position by activity, the schedule of revenues, expenses, and changes in net position – budget to actual by activity (the "supplementary information"), as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2020, on our consideration of PBA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PBA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Chattanooga, Tennessee
November 13, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section presents management's analysis of the PBA's financial condition and results of operations for the years ending June 30, 2020, 2019 and 2018. This information should be read in conjunction with the accompanying financial statements.

FINANCIAL HIGHLIGHTS

The following are key financial highlights:

- Total assets at June 30, 2020, 2019 and 2018 were $12,783,425, $16,703,388, and $12,614,290, and exceeded liabilities (net position) by $9,131,176, $8,639,040 and $9,044,251, respectively. Of the total net position, $3,973,829, $3,356,522 and $3,945,845 was unrestricted and was available to support short-term operations for the years ending June 30, 2020, 2019 and 2018, respectively.

- Operating revenues were $18,955,867, $18,208,882 and $17,703,274 for the years ending June 30, 2020, 2019 and 2018, representing an increase of 4.1%, 2.90%, and 8.19% from prior years.

- During 2020, there was a decrease of $(125,171) in net position investment in capital assets and an increase in unrestricted net position of $617,307 which combined for the overall increase in net position of $492,136.

- Operating expenses before depreciation decreased by $(162,868), and increased by $1,622,838 during 2020 and 2019, representing a (.9) % decrease and 10.3% increase from 2019 and 2018.

- Operating income for 2020 was $966,067 representing an increase of $881,263 from 2019. The change in net position, before capital contributions, increased by $1,787,926 from 2019.

- The ratios of operating income to total operating revenues were 5.1% for 2020, .5% for 2019 and 7.0% for 2018.

- Capital asset replacement reserve contributions were $1,300,000 for 2020, $2,190,579 for 2019 and $1,168,656 for 2018.

- Capital contributions returned were $1,759,262 for 2020, $2,610,733 for 2019 and $2,303,966 for 2018, a decrease of $(851,471) and an increase of $306,767 when compared to 2019 and 2018.

OVERVIEW OF THE ANNUAL FINANCIAL STATEMENTS

Management's Discussion and Analysis (MD&A) serves as an introduction to the basic financial statements and supplementary information. The MD&A represents management's review and analysis of PBA's financial condition and performance. Summary financial statement data, key financial and operational indicators used in PBA's budget, and other management tools were used for this analysis.

The financial statements report information about the PBA using full accrual accounting methods as utilized by similar business-type activities in the private sector.

The financial statements include a statement of net position; a statement of revenues, expenses, and changes in net position; a statement of cash flows; and notes to the financial statements. The statement of net position presents the financial position of the PBA on a full accrual basis of accounting. While the statement of net position provides information about the nature and amount of resources and obligations at year-end, the statement of revenues, expenses, and changes in net position presents the results of the business activities over the course of the fiscal year and information as to how the net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement also provides certain information about the PBA's recovery of its costs.

The statement of cash flows presents changes in cash and cash equivalents, resulting from operational, financing, and investing activities. This statement presents cash receipts and cash disbursement information, without consideration of the earnings event, when an obligation arises, or the depreciation of capital assets.

The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the PBA's accounting policies, contracts, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any. Supplementary information includes a schedule of net position and schedule of revenues, expenses and changes in net position by projects. Also, included is a separate schedule of revenues, expenses and changes in net position – budget to actual by project.

SUMMARY OF ORGANIZATION AND BUSINESS

The PBA is a joint venture between the County of Knox and the City of Knoxville, Tennessee and was created under the authority of the State of Tennessee, Tennessee Code Annotated (TCA), Sections 12-10-101 to 12-10-124. The PBA was incorporated on August 16, 1971. PBA began operations through an operating agreement signed by Knox County and the City of Knoxville on July 1, 1975. The purpose of the PBA is to "acquire, design, construct, operate, and manage public buildings and facilities."

The PBA is governed by 11 Board of Directors (the Board) of which six are appointed by the County and five by the City. Board members serve a six year term. The Board hires an Administrator/Chief Executive Officer (CEO) who is responsible for the management of the PBA.

The PBA's capital assets consist of building improvements, site improvements, machinery and equipment, office equipment and vehicles.

The PBA has no taxing authority. The PBA's revenues are derived from rental income, management fees, net parking revenues, and miscellaneous charges. Rental income and management fees are annually negotiated with the County and City and certain other related governmental organizations.

FINANCIAL ANALYSIS

The following comparative condensed financial statements and other selected information provides key financial data and indicators for management, monitoring, and planning.

Condensed Statements of Net Position
(In Thousands of Dollars)
June 30, 2020 and 2019 and 2018

	2020	2019	2018
ASSETS			
Current Assets	$ 7,626	$ 11,421	$ 7,516
Net Capital Assets	5,157	5,282	5,098
TOTAL ASSETS	$ 12,783	$ 16,703	$ 12,614
LIABILITIES			
Current Liabilities	$ 3,347	$ 7,892	$ 3,403
Non-Current Liabilities	305	172	167
TOTAL LIABILITIES	3,652	8,064	3,570
NET POSITION			
Investment in Capital Assets	5,157	5,282	5,098
Unrestricted	3,974	3,357	3,946
TOTAL NET POSITION	9,131	8,639	9,044
TOTAL LIABILITIES AND NET POSITION	$ 12,783	$ 16,703	$ 12,614

Condensed Statements of Revenues, Expenses,
and Changes in Net Position
(In Thousands of Dollars) For the Fiscal Years Ended June 30, 2020 and 2019 and 2018

	2020	2019	2018
Operating Revenues			
Rentals – Net	$ 4,991	$ 4,837	$ 4,766
Management Fees	10,125	9,289	8,975
Parking	3.840	4,083	3,962
Total Operating Revenues	18,956	18,209	17,703
Operating Expenses			
Salaries and Benefits	8,808	8,528	7,928
Office	113	137	120
Education and Training	17	15	15
Purchased Services and Supplies	1,668	1,760	1,490
Operating Contracts	3,193	2,768	2,510
Utilities	2,222	2,326	2,204
Communications	149	106	125
Insurance	288	283	306
Professional Fees	80	64	67
Depreciation	766	737	705
Maintenance Facility	114	110	120
Other	572	1,290	879
Total Operating Expenses	17,990	18,124	16,469
Operating Income (Loss)	966	85	1,234
Non-Operating Revenues (Expenses)			
Interest Income	90	47	35
Bank Charges	(105)	(100)	(89)
Capital Asset Retirement	0	(17)	0
Capital Contributions Returned	(1,759)	(2,611)	(2,304)
Total Non-Operating Revenues (Expenses) – Net	(1,774)	(2,681)	(2,358)
Increase (Decrease) in Net Position Before Capital Contributions	(808)	(2,596)	(1,124)

(Continued)

	2020	2019	2018
Capital Contributions			
Capital Contributions	1,300	2,191	1,169
Increase (Decrease) in Net Position	492	(405)	45
Net Position, Beginning of Year	8,639	9,044	8,999
Net Position, End of Year	$ 9,131	$ 8,639	$ 9,044

OTHER SELECTED INFORMATION

	2020	2019	2018
Space (in Square Feet) Under Management	1,664,782	1,652,177	1,633,247
Number of Parking Spaces Under Management	8,163	8,248	7,612
Parks – Number of Acres Under Management	32	32	32
Employees at Year-End:			
Facilities Management	73	73	69
Safety and Security	63	66	58
Property Development	4	5	5
Telecommunications	12	12	11
Administrative	11	10	9
Total	163	166	152

	2020	2019	2018
Average Number of Employees	164	160	150
Per Average Employee:			
Operating Revenues	$ 115,585	$ 113,806	$ 118,022
Operating Expenses	$ 109,694	$ 113,275	$ 109,794
Ratio of Operating Revenues to:			
Operating Expenses	105%	100%	107%
Operating Expenses – Net of Depreciation	110%	105%	112%
Total Assets	148%	109%	140%
Net Position	208%	211%	196%

FINANCIAL CONDITION

The PBA's financial condition remained strong at year-end with adequate liquid assets and a reasonable level of unrestricted net position. The current financial condition, staff capabilities, operating plans and upgrade plans to meet future City and County requirements are well balanced and under control.

Net position increased (decreased) by $492,136, $(405,211) and $45,125 for the years ending June 30, 2020, 2019 and 2018, respectively. At the request of the City of Knoxville, we returned capital asset replacement reserves at June 30, 2019, resulting in a decrease in net position.

RESULTS OF OPERATIONS

Capital Contributions (Deductions)

The PBA collects operating and capital asset replacement reserve contributions from the County and City for future capital asset improvements and replacements. Capital contributions are annually budgeted with the County and City.

Operating and capital asset replacement reserve contributions were $1,300,000 and $2,190,579 for 2020 and 2019, respectively. The contributions consist of the following:

June 30, 2020		Capital Reserves
County:		
City County Building	$	713,000
Telecommunications		200,000
Total County		913,000
City:		
City County Building		287,000
City Parks		-
KAT Facilities		-
Telecommunications		100,000
Total City		387,000
Others		-
Total	$	1,300,000

June 30, 2019		Capital Reserves
County:		
City County Building	$	938,902
Telecommunications		263,611
Total County		1,202,513
City:		
City County Building		287,000
City Parks		239,066
KAT Facilities		-
Telecommunications		462,000
Total City		988,066
Others		-
Total	$	2,190,579

Capital Contributions (Deductions) (Continued)

Reserves returned to the City and County during 2020 totaled $1,656,944, which represented a refund of operating results above the calculated desired reserve. Additionally, operating results of $7,228 were refunded to the Emergency Communications District, $4,212 to the Development Corporation Board, $33,304 to Knox County Schools and an $11,400 operating reserve returned to Knox County Schools, $4,816 to Knoxville Utilities Board, $26,470 to Knoxville Community Development Corporation, and $14,888 to the Industrial Development Board, also representing operating reserves above the calculated needed reserve.

Reserves returned to the City and County during 2019 totaled $2,517,156 which represented a $1,880,768 refund of operating results above the calculated desired reserve and a $636,388 return of capital asset replacement reserves to the City. Additionally, operating reserves of $1,219 were refunded to the Emergency Communications District, $5,594 to the Development Corporation Board, $25,705 to Knox County Schools, $46,866 to Knoxville Utilities Board, and $14,193 to the Industrial Development Board, also representing operating reserves above the calculated needed reserve.

Operating Expenses

Operating expenses during 2020, 2019, and 2018 increased/(decreased) by $(134,278), $1,654,992 and $754,118 or (.7)%, 10.0%, and 4.8%, respectively. This was a result of major increases (decreases) such as:

	2020	2019	2018
Salaries and Benefits	$ 279,591	$ 600,779	$ 198,640
Purchased Services and Supplies	(92,202)	270,186	(50,668)
Operating Contracts	425,316	256,981	452,889
Utilities	(103,441)	121,598	(27,767)
Other - Net	(643,542)	405,448	181,024
Total	$ (134,278)	$ 1,654,992	$ 754,118

Depreciation expense was $765,610, $737,020, and $704,866 in 2020, 2019 and 2018, respectively.

Capital Assets

During 2020, 2019, and 2018, PBA increased/(decreased) producing capital assets cost by $640,440, $855,602 and $360,607, respectively. These (decreases)/increases consist of the following:

	2020	2019	2018
Building Improvements	$ 524,948	$ 621,628	$ 151,731
Machinery and Equipment	44,718	225,956	208,876
Data Processing Equipment and Software	12,213	10,940	-
Vehicles	58,561	(2,922)	-
Total	$ 640,440	$ 855,602	$ 360,607

The PBA's capital asset activity for 2020 and 2019 is described in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT FISCAL YEAR

- There is an overall .8% decrease in budgeted salaries for FY 2021, due to Covid-19 pandemic.
- Insurance and utilities expenses are budgeted to increase by 5.6%.
- There is a .63% and 8.97% projected increase in operating expense budgets related to the City and County, respectively.
- County property budgets increased due to a full year of new properties – Summer Place Parking Garage and West Knox Senior Center in FY 2021. There is also an increase in TVA Tower Budget for the relocation of Knox County School employees from the Andrew Johnson Building.
- Operating contracts budget increased by 9.96% over prior year FY 2020 budget.
- FY 2021 Budget is summarized as follows:

Revenues	$	23,391,511
Expenses		22,340,406
Change in Net Position	$	1,051,105

FINAL COMMENTS

The PBA is committed to providing the County and City cost effective and efficient public property development and management. The PBA is constantly examining its work practices to find more efficient and productive property development and management.

CONTACTING THE PBA

This financial report is designed to provide our customers, creditors, and regulatory agencies with a general overview of the PBA's finances. If you have any questions about this report or need additional information, you may contact the PBA at:

Robyn Smith, CPA
PBA Director of Finance
Andrew Johnson Building, Suite 710
912 South Gay Street
Knoxville, TN 37902
865-215-4630

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

STATEMENTS OF NET POSITION

June 30, 2020 and 2019

ASSETS

	2020	2019
CURRENT ASSETS		
Cash and Cash Equivalents	$ 5,785,172	$ 6,707,148
Receivables:		
Other Receivables	13,018	25,085
Due from City and County	1,711,382	4,552,122
Due from Other Governmental Agencies	14,382	27,939
Inventory	8,968	12,272
Prepaid Items	93,156	96,305
Total Current Assets	7,626,078	11,420,871
CAPITAL ASSETS		
Property and Equipment	13,636,905	12,996,465
Less: Accumulated Depreciation	(8,580,574)	(7,814,963)
Land	101,016	101,016
Net Capital Assets	5,157,347	5,282,518
TOTAL ASSETS	$ 12,783,425	$ 16,703,389

(Continued)

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

STATEMENTS OF NET POSITION

June 30, 2020 and 2019

LIABILITIES AND NET POSITION

	2020	2019
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 2,074,955	$ 5,521,782
Due to City and County	859,827	1,911,106
Due to Other Governmental Agencies	84,033	46,712
Unearned Revenues	2,850	3,719
Customer Deposits	17,454	46,566
Compensated Absences Payable, Current Portion	308,018	362,152
Total Current Liabilities	3,347,137	7,892,037
NON-CURRENT LIABILITIES		
Compensated Absences Payable	305,112	172,312
Total Non-Current Liabilities	305,112	172,312
Total Liabilities	3,652,249	8,064,349
NET POSITION		
Investment in capital assets	5,157,347	5,282,518
Unrestricted	3,973,829	3,356,522
Total Net Position	9,131,176	8,639,040
TOTAL LIABILITIES AND NET POSITION	$ 12,783,425	$ 16,703,389

The accompanying notes are an integral part of these financial statements

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
OPERATING REVENUES		
Rental Income from City and County	$ 4,802,279	$ 4,626,896
Management Fees from City and County	9,835,721	8,954,577
Management Fees from Other Governmental Agencies	289,476	334,736
Other Rental Income - Net	188,499	209,896
Parking Revenues	3,839,892	4,082,777
Total Operating Revenues	18,955,867	18,208,882
OPERATING EXPENSES		
Salaries and Benefits	8,807,975	8,528,384
Office	112,751	136,712
Education and Training	17,023	14,705
Purchased Services and Supplies	1,667,733	1,759,935
Operating Contracts	3,192,925	2,767,609
Utilities	2,222,445	2,325,886
Communications	148,860	106,258
Insurance	287,901	283,150
Professional Fees	80,072	64,141
Depreciation	765,611	737,020
Maintenance Facility	113,950	109,715
Other	572,554	1,290,563
Total Operating Expenses	17,989,800	18,124,078
OPERATING INCOME	$ 966,067	$ 84,804

(Continued)

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	$ 90,197	$ 47,380
Bank Charges	(104,866)	(100,339)
Capital Returned to City and County	(1,656,944)	(2,517,156)
Capital Returned to Other Governmental Agencies	(102,318)	(93,577)
Capital Asset Retirements	-	(16,902)
Total Non-Operating Revenues (Expenses) - Net	(1,773,931)	(2,680,594)
DECREASE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	(807,864)	(2,595,790)
CAPITAL CONTRIBUTIONS		
Cash:		
Capital Contributions from the City and County	1,300,000	2,190,579
INCREASE/(DECREASE) IN NET POSITION	492,136	(405,211)
NET POSITION, BEGINNING OF YEAR	8,639,040	9,044,251
NET POSITION, END OF YEAR	$ 9,131,176	$ 8,639,040

The accompanying notes are an integral part of these financial statements

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

STATEMENTS OF CASH FLOWS

For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from City and County	$ 17,478,741	$ 9,908,006
Receipts from Other Governmental Agencies	303,032	307,372
Receipts from Other Customers	4,011,366	4,353,023
Payments to Employees	(8,729,310)	(8,487,977)
Payments to Suppliers	(11,857,457)	(5,033,066)
Net Cash Provided by Operating Activities	1,206,372	1,047,358
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Contributed by City and County	1,300,000	2,190,579
Capital Returned to City and County	(2,726,528)	(1,945,294)
Capital Returned to Other Governmental Agencies	(46,711)	(64,693)
Capital Asset Additions	(640,440)	(938,034)
Net Cash Used by Capital and Related Financing Activities	(2,113,679)	(757,442)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received on Deposits	90,197	47,380
Bank Charges	(104,866)	(100,339)
Net Cash Used in Investing Activities	(14.669)	(52,959)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(921,976)	236,957
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,707,148	6,470,191
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 5,785,172	$ 6,707,148

(Continued)

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

STATEMENTS OF CASH FLOWS (Continued)

For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
RECONCILIATION OF OPERATING INCOME TO:		
NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	$ 966,067	$ 84,804
Depreciation	765,611	737,020
Changes in:		
Accounts Receivable	12,067	43,944
Due from City and County	2,840,740	(3,673,468)
Due from Other Governmental Agencies	13,557	(27,364)
Prepaid Items	3,149	(9,625)
Inventory	3,304	(1,517)
Accounts Payable and Accrued Liabilities	(3,446,827)	3,834,557
Customer Deposits	(29,092)	16,407
Compensated Absences Payable	78,665	40,406
Unearned Revenues	(869)	2,194
Net Cash Provided by Operating Activities	$ 1,206,372	$ 1,047,358

The accompanying notes are an integral part of these financial statements

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020 and 2019

NOTE 1 - ORGANIZATION

The Public Building Authority of the County of Knox and the City of Knoxville, Tennessee (PBA) was incorporated as a joint venture between the City of Knoxville (the City) and the County of Knox (the County) pursuant to provisions of the Public Building Authority Act, Tennessee Code Annotated (TCA), Sections 12-10-101 to 12-10-124 (the Act). The PBA is considered a political subdivision or municipal corporation, of the State of Tennessee. The PBA is considered to be a special purpose financial reporting entity and has no component units. The PBA has entered into lease transactions with the City and the County for the purchase, construction, refurbishment, maintenance, and operation of certain public building complexes to house the governments of the City and the County and to provide off-street parking facilities in connection with certain projects, as provided by the Act. Additionally, the PBA has entered into certain other operating and property development contracts with the City, County, or other governmental agencies to provide specified services related to projects as discussed in the following notes.

The PBA is governed by 11 Board of Directors (the Board), of which six are appointed by the County and five by the City. Board members serve a six year term.

The Board hires an Administrator/Chief Executive Officer (CEO) who is responsible for the management of PBA.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation - The financial statements of the PBA have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

All activities of the PBA are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to customers on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The PBA makes a distinction between operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with its principal ongoing operations. The principal operating revenues of the PBA are charges to the City, County or other governmental entities for operating, maintaining and developing publicly-owned facilities. Operating expenses consist of salaries, benefits, utilities, and operating contracts for maintenance, insurance and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

The accounting and financial reporting treatment applied to the PBA is determined by its measurement focus. The transactions of the PBA are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operations are included on the statement of net position. Net position (i.e., total assets net of total liabilities) are segregated into investment in capital assets and unrestricted components.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeting - The PBA adopts flexible annual operating and capital budgets for each property location or project. Budgets are adopted on a basis consistent with generally accepted accounting principles. The current operating budget details PBA's plans to earn and expend funds for charges incurred for operation, maintenance, certain interest and general functions, and other charges for the fiscal year. The capital budget details the plan to receive and expend cash contributions from the City and County for capital improvements.

The budgets are approved by the Board, and as required by various lease or management contracts, are submitted annually to the City and County for approval.

All unexpended and unencumbered appropriations in the operating budget remaining at the end of the fiscal year lapse. No appropriation for a capital project in the capital budget lapses until the purpose for which the appropriation was made has been accomplished or abandoned.

Management submits proposed budgets to the Board prior to the March meeting. The budgets are adopted by resolution prior to July 1. Transfers within the approved budgets, including use of the capital asset replacement reserves (designated net position), are authorized by the Administrator/CEO and subject to the review of the Board. Any use of an operating reserve is reported to the City or County, as appropriate.

The PBA's direct and indirect costs of providing service are considered operating costs. By agreement with the City and the County, operating reserves for property management activities are being established at 8% of the subsequent year’s operating budget. For properties managed, life-cycle based capital asset replacement schedules are prepared and presented to the City and County. The County provides for scheduled costs within its Capital Improvement Plan.

The net increase (decrease) in net position is considered unrestricted and, by agreement with the City and County, is designated as part of the operating and capital asset replacement reserves.

Reimbursable Projects - Reimbursable projects primarily consist of various City and County owned capital projects in which the PBA is acting as the City or County's project manager or agent. The construction costs are reimbursed by the City and County and are excluded from PBA's operating revenues, expenses, and net position.

Cash and Cash Equivalents - Cash and cash equivalents, for purposes of the statement of cash flows, include restricted and unrestricted cash on hand or on deposit, interest in State Treasurer's Pool, certificates of deposit, daily sweep repurchase accounts, and debt security investments with a maturity at purchase of three months or less.

The carrying amount of cash equivalents and deposits approximates market value.

Receivables and Revenues - Operating revenues consist of net rentals, management fees and parking revenues.

City and County operating lease revenues are billed on a quarterly basis. Rental revenues for other properties are billed monthly. Rental revenues are recognized as earned over the appropriate time period.

Management fees for various City and County operating and property development contracts are billed quarterly or monthly as determined by the contract. Revenues are recognized as earned over the appropriate time period or construction phase.

Parking revenues are recorded as gross proceeds to reflect the in-house management of parking facilities. Parking revenues are recorded monthly.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables are stated at the amount management expects to collect from outstanding balances. The PBA considers receivables to be fully collectible; accordingly, no allowance for uncollectible receivables is recorded. Receivable balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to operating revenues.

Inventories and Prepaid Items - Inventories consist of telecommunications supplies which are valued at cost using the first-in/first-out (FIFO) method.

Certain payments to vendors for maintenance agreements and insurance premiums reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets - Capital assets are defined by the PBA as assets with an initial, individual cost of more than $10,000 and an estimated useful life in excess of two years. Property, plant and equipment in service and construction in progress are recorded at cost, if purchased or constructed. Under GASB-S72:79, donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at estimated acquisition value. Assets acquired through contributions from the County, City, or other customers are capitalized at their acquisition value, if available, or at engineers' estimated acquisition value or cost to construct at the date of the contribution.

Maintenance and repairs, which do not significantly extend the life or increase the value of property, plant and equipment, are expensed as incurred.

Interest is not capitalized on project costs funded by contributed capital from the City and County. Interest costs of tax-exempt borrowings are capitalized net of related investment earnings on the proceeds. Depreciation is not recorded until the assets are actually put into use.

Capital assets are depreciated on the straight-line method. Depreciation is calculated using the following estimated useful lives:

	Years
Site Improvements	5-20
Buildings and Improvements	7-45
Machinery and Equipment	5-10
Data Processing Equipment and Software	5
Vehicles	5-7

The City County Building (CCB) and Andrew Johnson Building/Dwight Kessel Metropolitan Parking Garage (AJ/DKMPG) are not recorded on PBA's statement of net position. These facilities were previously “sold” to the City and County under a direct financing capital lease. According to GAAP, this type of transaction is an “in-substance” sale by the PBA to the City and County. Currently, title to the CCB remains with the PBA; however, since the City and County can exercise an option for the transfer of ownership, the agreements constitute a capitalized lease transaction.

Compensated Absences Payable - Accumulated annual leave eligible to be paid to employees at termination or retirement is recorded as an expense and liability as the benefits are earned by the employee. PBA has assumed a first-in, first-out method of using accumulated compensated time and the related liability has been recorded as a current and long-term liability in the financial statements. Effective July 1, 2013, retiring full time employees may be eligible to receive a payment for unused accumulated sick leave at a rate of $100 per day of accumulated sick leave up to a maximum of $10,000. If an employee is terminated, sick leave is forfeited.

Capital Asset Replacement Reserve Contributions - The City and County provide capital asset replacement reserve contributions and are recognized in the statement of revenues, expenses, and changes in net position when earned.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position - Net position comprise the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net position are classified in the following two components: investment in capital assets and unrestricted net position. Investment in capital assets, consists of all capital assets, net of accumulated depreciation and related outstanding debt. Unrestricted consists of net results of the PBA's operating activities. PBA had designated part of its unrestricted net position for capital replacement, which is described in Note 8.

When both restricted and unrestricted resources are available for use, it is the PBA's policy to use restricted resources first, then unrestricted resources as they are needed.

Reclassifications - Certain amounts presented in the prior year have been reclassified to be consistent with the current year's presentation. The reclassification did not affect the prior year's results of operations.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, and certain claims and judgment liabilities, among other accounts. Actual results may differ from those estimates.

NOTE 3 - RENTAL AGREEMENTS WITH THE COUNTY AND CITY

Andrew Johnson Building/Dwight Kessel Metropolitan Parking Garage (AJ/DKMPG) - On December 1, 1991, the PBA entered into a capital and operating lease with the County of Knox which expired on June 30, 2011. Thereafter, the lease shall continue from year to year until the governing body of the County shall elect to terminate the contract at the end of a fiscal year. Under the terms of the agreement (as amended on September 1, 1992 and September 1, 1996) the County leased an office building, off-street parking facility, the land and related equipment thereon in return for rentals in amounts necessary to meet the debt-service requirements of the related bond issue, but due to the redemption of the related debt in 2001, the County is no longer required to submit the debt service rentals. According to the original lease agreement, Section 12.8, p.31, upon full payment of the debt, the County, at its option, may direct the PBA to transfer title of the properties to the County. During 2005, the County exercised its option, and requested that the PBA transfer title to the County. Other rental commitments continuing under this lease agreement are equal to the related aggregate of (a) sums equal to the annual estimated expenses for the operation and maintenance of the project as budgeted by the PBA, (b) amounts equal to the unpaid telephone service, (c) sums equal to the annual estimated administrative expenses of the project as budgeted by the PBA, and (d) amounts necessary to pay taxes or assessments levied or made against the PBA as they become due. After the original lease term, the lease shall continue from year to year until the County shall elect to terminate the lease at the end of a fiscal year.

City County Building (CCB) - The PBA constructed and leases the public building complex, the land and the related equipment thereon to the County and City under a 25 year capital and operating lease which expired on June 30, 2001, and is now being extended on an annual basis. According to the original operating agreement between the PBA and the County and City, dated July 1, 1975, Article VIII, in the event of termination of the lease and after all expenses and obligations of the PBA have been met, the City and County shall direct the PBA to whom and in what manner, title to the City County Building is to be transferred and may direct disposition of any excess funds remaining. Rentals committed under the lease agreement are equal to the related aggregate of (a) amounts necessary, together with other available funds of PBA, to pay the annual estimated expenses for the operation and maintenance of the project as budgeted by the PBA, (b) amounts equal to the unpaid telephone service, (c) amounts necessary, together with other available funds of the PBA, to pay the annual estimated administrative expenses of the project as budgeted by the PBA, and (d) amounts sufficient to pay taxes or assessments levied or made against the PBA as they become due. The 2020 and 2019 rents are apportioned 71.3% to the County and 28.7% to the City.

NOTE 4 - OPERATING CONTRACTS

The PBA has entered into various operating contracts with the County and the City as described below:

County Property Development and Operations

The PBA and the County entered into a contract in May 1995 subsequently amended in July 1997 and June 2004, for planning, construction, and property management services for various County owned properties. Under the terms of the contract, the County reimburses the PBA for all direct and indirect costs and expenses incurred related to these services. The PBA is required to submit an annual budget for each project and/or location to the County Mayor and Commission for approval. This contract or any project can be terminated upon 180 days written notice by either party.

The following County owned properties are currently being managed by PBA:

Andrew Johnson Building/Dwight Kessel Metropolitan Parking Garage
Family Investment Center
Forensic Center
Health Department Facilities
Juvenile Justice Center
Knox Central
Knox County Libraries
Knox County Public Works Complex
Old Court House
Public Defender
Senior Citizen Centers
Young Williams AWC
West Knox Senior Center

City Operating Contracts

City Parking Facilities - The PBA and the City entered into an operating contract on August 11, 2005, as amended, for management services for the Market Square Parking Garage, the State Street Parking Garage, the Main Avenue Parking Garage, the Promenade Parking Lot, the Jackson Avenue Parking Lot, the CBID parking lots, KCDC Vine Lot, and the Riverwalk Parking Garage. Under the terms of the agreement, the City shall reimburse the PBA for all costs and expenses. This contract may be terminated upon 30 days written notice by either party.

Downtown Cinema - The PBA, the City, and the Industrial Development Board of the City of Knoxville for the Downtown Cinema, Inc. (the IDB) entered into a tri-party operating contract on March 28, 2007, for property management services of the Downtown Cinema. Under terms of the contract, the PBA will perform the IDB's repair and maintenance obligations under the terms of their lease with Regal Cinemas. The PBA is required to submit an annual budget to the City and the IDB for approval. The contract expired June 30, 2020. The contract may be terminated upon 60 days written notice by any party.

Knoxville Area Transit Center/Magnolia Facility – The PBA and the City entered into operating contracts on July 15, 2010 to provide property management, maintenance, landscaping, security and custodial services for the Knoxville Area Transit Center and was amended on July 1, 2011 to add the Knoxville Area Transit Magnolia Facility. Under the terms of the agreement, the City shall reimburse the PBA for all costs and expenses. The contract will expire July 14, 2020. This contract may be terminated upon 180 days written notice by either party.

Knoxville Police Department - The PBA and the City entered into operating contracts on July 19, 2005 to provide access control management for the Knoxville Police Department (KPD) and was amended on January 21, 2011 to add the Moses Training Facility. Under the agreement, the PBA will purchase, install, manage, and maintain an access control system for the KPD and training facility and the City shall reimburse the PBA for all costs and expenses. The contract expired on June 30, 2020.

NOTE 4 - OPERATING CONTRACTS (continued)

City Operating Contracts (continued)

Locust Street Parking Garage - The PBA entered into a contract with the City on December 1, 2000 whereby the PBA will design, develop, operate and maintain a parking facility with 645 spaces and related retail space. Under the terms of the agreement, the City shall reimburse the PBA for all costs and expenses. This contract may be terminated upon 30 days written notice by either party.

Volunteer Landing Public Park - The PBA entered into a contract with the City on September 7, 2001 to maintain the Volunteer Landing Public Park and related facilities. Under the terms of this contract, the City will reimburse the PBA for all costs and expenses. The contract will expire on June 30, 2022. This contract may be terminated upon 30 days written notice by either party.

World's Fair Park and Second Creek Greenway - The PBA entered into a contract with the City on July 1, 2001 to manage and maintain the World's Fair Park. This contract was amended on July 1, 2008, to add the Second Creek Greenway. Under the terms of the contract the PBA will provide general and scheduling services, property management and road maintenance. The City will reimburse the PBA for all costs and expenses incurred related to this project. This contract may be terminated upon 30 days written notice by either party.

Public Works Complex - The PBA entered into a contract with the City on January 15, 2017. Under the agreement, the PBA will provide property management, building maintenance and custodial services.

On Street Parking Enforcement - The PBA entered into a contract with the City on June 30, 2016 for management services. Under the terms of this contract, the City will reimburse the PBA for costs and expenses relating to the enforcement of parking violations at the following locations: Gay Street, Cumberland Ave., and the CBID. This contract may be terminated upon 30 days written notice by either party.

City Development Contracts

The PBA and the City entered into a contract in February 2005 for planning and construction services for various City owned properties. Under the terms of the contract, the City reimburses the PBA for all direct and indirect costs and expenses incurred related to these services. The PBA is required to submit a project budget to the City Mayor and Council for approval. This contract (180 days) or any project (30 days) can be terminated upon written notice by either party.

City/County Emergency Communications District (District)

The PBA and the District entered into an operating contract on October 1, 2003 for property management services for the District's communications center. Under the terms of the contract, the District reimburses the PBA for all direct and indirect costs and expenses related to property management. The PBA is required to submit an annual budget to the District's Board of Directors for approval. The contract may be terminated upon 30 days written notice by either party.

Fairview Technology Center

The PBA and the Development Corporation of Knox County, Inc. entered into an operating contract on July 1, 2004 for property management services of the Fairview Technology Center. Under terms of the contract, the Development Corporation will reimburse the PBA for all direct and indirect costs related to property management. The PBA is required to submit an annual budget to the Development Corporation's Board of Directors for approval. This contract can be terminated upon 180 days written notice by either party.

NOTE 4 - OPERATING CONTRACTS (continued)

City Development Contracts (continued)

City/County Telecommunications

The PBA and the City and County entered into an operating contract on October 30, 2003 for the management of telecommunications services and equipment. Under terms of the contract, the City and County will reimburse the PBA for all direct and indirect costs related to telecommunications. The PBA is required to submit an annual budget to City Council and County Commission for approval. This contract can be terminated upon 90 days written notice by any party.

Knox County Board of Education Telecommunications

The PBA and the County and Board of Education entered into a tri-party operating contract on December 15, 2003 for the management of telecommunications services and equipment. Under terms of the contract, the County will reimburse the PBA for all direct and indirect costs related to telecommunications. The PBA is required to submit an annual budget to the County for approval. This contract ended on June 30, 2020.

NOTE 5 - DEPOSITS AND INVESTMENTS

Credit Risk – Deposits - Various state statutes restrict the types of deposits available to the PBA. Deposits are limited to bank demand deposits, certificates of deposits, governmental overnight repurchase accounts, and the State Local Government Investment Pool (SLGIP).

Custodial Credit Risk – Deposits - TCA, Section 9-4-105, requires the PBA to secure deposits by having banks pledge governmental securities as collateral. The state statute requires collateral whose market value is equal to 105% of the deposit, less the amount protected by the Federal Deposit Insurance Corporation (FDIC). In lieu of pledged collateral, the bank may participate in the bank collateral pool as administered by the Tennessee State Treasurer. Banks that participate in the bank collateral pool may use one of three different security pledge levels (90, 100 or 105%) depending on the specific bank holding the deposit. Participating banks determine the aggregate balance of their public fund accounts for the PBA. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the State Treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency.

Cash and Cash Equivalents - In lieu of a daily sweep overnight repurchase account, the PBA utilizes a special money rate checking account for public funds. All funds, less a required reserve of 10%, automatically earn interest at the rate of the 91 Day Treasury Bill rate minus 15 basis points for 2020 and Federal Funds plus 30 basis points for 2019. The effective rate of interest on all collected funds was .10% at year-end 2020 and .30% at the year-end 2019. All funds are available on demand.

The PBA's cash and cash equivalents at June 30, 2020 and 2019 are as follows:

	2020	2019
Petty Cash	$ 2,150	$ 2,150
Demand Deposits	5,783,022	6,704,998
Total	$ 5,785,172	$ 6,707,148

The demand deposits were covered by the state bank collateral pool as described above.

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Credit Risk – Investments - Various state statutes restrict the type of investments available to the PBA. Investments are limited to bank certificates of deposits, direct obligations of the State of Tennessee and U.S. Government, Federal Agency securities, Tennessee Municipal bonds and the SLGIP. It is PBA's policy to limit investments in securities issued by United States agencies to the highest rating by two nationally recognized ratings organizations, Standard and Poor's, and Moody's Investor Services.

Custodial Credit Risk – Investments - The PBA's investment policy requires that debt securities be registered in the PBA's name. All safekeeping receipts for investment instruments are held in accounts in the PBA's name and all securities are registered in the PBA's name.

Concentration of Credit Risk – Investments - The PBA's investment policy permits 100% of its investment portfolio to be invested in U.S. Government obligations. At no time will the portfolio be comprised of more than 55% of Federal Agency securities. The PBA does not require diversification among authorized investment institutions and considers its approved bank as the approved investment institution.

Interest Rate Risk – Investments - Investments are made based upon prevailing market conditions at the time of the transaction with the intent to hold the investment until maturity. If the yield of the investment portfolio can be improved by selling an investment prior to maturity, management has the authority to do so.

In accordance with its investment policy, the PBA manages its exposure to declines in fair values by limiting the maturity of individual investments to two years or less.

Investment Income - Investment income, which consists of interest income, was $90,197 and $47,380 for 2020 and 2019, respectively. Bank charges are shown separately and were $104,866 and $100,339 for 2020 and 2019, respectively.

NOTE 6 - CAPITAL ASSETS

Capital asset activity during the year ended June 30, 2020 was as follows**:**

	Balances July 1, 2019	Additions	Disposals	Transfers	Balances June 30, 2020
Capital Assets, Not Being Depreciated:					
Land	$ 101,016	$	$	$	$ 101,016
Subtotal	101,016				101,016
Capital Assets Being Depreciated:					
Site Improvements	69,255				69,255
Buildings & Improvements	9,479,503	524,948			10,004,451
Machinery & Equipment	2,835,525	44,717			2,880,242
Data Processing Equipment & Software	187,079	12,213			199,292
Vehicles	425,103	58,562			483,665
Subtotal	12,996,465	640,440			13,636,905
Less: Accumulated Depreciation:					
Site Improvements	(66,858)	(2,397)			(69,255)
Building Improvements	(5,074,940)	(512,413)			(5,587,353)
Machinery & Equipment	(2,155,212)	(213,298)			(2,368,510)
Data Processing Equipment & Software	(161,458)	(6,917)			(168,375)
Vehicles	(356,495)	(30,586)			(387,081)
Subtotal	(7,814,963)	(765,611)			(8,580,574)
Total Capital Assets Being Depreciated – Net	5,181,502	(125,171)			5,056,331
Total Capital Assets - Net	$ 5,282,518	$ (125,171)	$	$	$ 5,157,347

NOTE 6 - CAPITAL ASSETS (continued)

Capital asset activity during the year ended June 30, 2019 was as follows:

	Balances July 1, 2018	Additions	Disposals	Transfers	Balances June 30, 2019
Capital Assets, Not Being Depreciated:					
Land	$ 101,016	$	$	$	$ 101,016
Subtotal	101,016				101,016
Capital Assets Being Depreciated:					
Site Improvements	69,255				69,255
Buildings & Improvements	8,857,875	621,628			9,479,503
Machinery & Equipment	2,609,569	243,966	(18,010)		2,835,525
Data Processing Equipment & Software	176,139	28,440	(17,500)		187,079
Vehicles	428,025	44,000	(46,922)		425,103
Subtotal	12,140,863	938,034	(82.432)		12,996,465
Less: Accumulated Depreciation:					
Site Improvements	(62,104)	(4,754)			(66,858)
Building Improvements	(4,624,302)	(450,638)			(5,074,940)
Machinery & Equipment	(1,934,883)	(236,524)	16,195		(2,155,212)
Data Processing Equipment & Software	(167,375)	(6,315)	12,232		(161,458)
Vehicles	(354,809)	(38,789)	37,103		(356,495)
Subtotal	(7,143,473)	(737,020)	65,530		(7,814,963)
Total Capital Assets Being Depreciated – Net	4,997,390	201,014	(16,902)		5,181,502
Total Capital Assets - Net	$ 5,098,406	$ 201,014	$ (16,902)	$	$ 5,282,518

NOTE 6 - CAPITAL ASSETS (continued)

Depreciation expense was charged as follows:

	2020	2019
Andrew Johnson Building/Dwight Kessel Metropolitan Parking Garage	$	$ 699
City County Building	635,366	580,813
City Parking Facilities		9,383
City Parks		5,538
Juvenile Justice Center	2,721	6,526
Knox Central	2,003	1,998
Old Court House		1,028
Other	11,762	12,376
Telecom	114,159	118,659
Total	$ 765,611	$ 737,020

NOTE 7 - COMPENSATED ABSENCES PAYABLE

Compensated absences activity during the years ended June 30, 2020 and 2019 were as follows:

	2020	2019
Balance, Beginning of Year	$ 534,464	$ 494,058
Earned	347,165	375,179
Used	268,499	334,773
Balance, End of Year	$ 613,130	$ 534,464
Current Portion	$ 308,018	$ 362,152
Non-Current Portion	305,112	172,312
Total	$ 613,130	$ 534,464

NOTE 8: - NET POSITION

Net position represents the difference between assets and liabilities. The net position at June 30, 2020 and 2019 were as follows:

	2020	2019
Investment in Capital Assets:		
Net Capital Assets	$ 5,157,347	$ 5,282,518
Unrestricted:		
Designated for Operating Reserve	1,182,153	984,548
Designated for Capital Asset Replacement	2,791,676	2,371,974
	3,973,829	3,356,522
Total	$ 9,131,176	$ 8,639,040

Since the PBA is a joint venture between the City and the County, the net position represents the equity ownership of the City, County and others. The joint venture equity in the PBA at June 30, 2020 and 2019 is as follows:

	2020	2019
City	$ 2,847,023	$ 2,751,803
County	6,270,043	5,861,727
Others:		
Development Corp. of Knox County	4,610	4,610
Emergency Communications District	9,500	9,500
Knox County Schools	-	11,400
Total	$ 9,131,176	$ 8,639,040

NOTE 9 – OPERATING REVENUES

Operating revenues earned during the years ended June 30, 2020 and 2019 were as follows:

	2020	2019
Rental Income from City and County	$ 4,802,279	$ 4,626,896
Other Rental Income:		
Gross Revenues	188,499	209,896
Other Rental Income – Net	188,499	209,896
Management Fees from the City and County	9,835,721	8,954,577
Management Fees from Other Governmental Agencies	289,476	334,736
Parking Revenues	3,839,892	4,082,777
Total	$ 18,955,867	$ 18,208,882

NOTE 10 – CAPITAL CONTRIBUTIONS AND DEDUCTIONS

During the year ended June 30, 2020, capital contributions and deductions were as follows:

	City	County	Others	Total
Capital Contributions				
Capital Asset Replacement Reserves	$ 387,000	$ 913,000	$ -	$ 1,300,000
Capital Deductions				
Capital Contributions Returned	(1,289,621)	(367,323)	(102,318)	(1,759,262)
Total - Net	$ (902,621)	$ 545,677	$ (102,318)	$ (459,262)

During the year ended June 30, 2019, capital contributions and deductions were as follows:

	City	County	Others	Total
Capital Contributions				
Capital Asset Replacement Reserves	$ 988,066	$ 1,202,513	$ -	$ 2,190,579
Capital Deductions				
Capital Contributions Returned	(1,842,322)	(674,834)	(93,577)	(2,610,733)
Total - Net	$ (854,256)	$ 527,679	$ (93,577)	$ (420,154)

During the year ended June 30, 2020, the PBA returned to the City, the County, the Emergency Communications District, Knox County Schools, the Development Corporation Board, the Knoxville Community Development Corporation Board, and the Industrial Development Board operating funds in excess of those agreed upon to be held in separate operating reserves; $1,289,621 was returned to the City, $367,323 was returned to the County, $7,228 was returned to the Emergency Communications District, $44,704 was returned to Knox County Schools, $4,212 was returned to the Development Corporation Board, $4,816 was returned to Knoxville Utilities Board, $26,470 was returned to Knoxville Community Development Corporation and $14,888 was returned to the Industrial Development Board. These funds represented the results of operations, except for an $11,400 operating reserve included in the total returned to Knox County Schools.

During the year ended June 30, 2019, the PBA returned to the City, the County, the Emergency Communications District, Knox County Schools, the Development Corporation Board, and the Industrial Development Board operating funds in excess of those agreed upon to be held in separate operating reserves; $1,205,934 was returned to the City, $674,834 was returned to the County, $1,219 was returned to the Emergency Communications District, $25,705 was returned to Knox County Schools, $5,594 was returned to the Development Corporation Board, $46,866 was returned to Knoxville Utilities Board and $14,193 was returned to the Industrial Development Board. These funds represented the results of operations. Additional returns to the City included $636,388 from capital asset replacement reserves.

NOTE 11 – RISK MANAGEMENT

The PBA is exposed to various risks of losses related to torts; theft or damage to, and destruction of assets; injuries to employees; and natural disasters. The PBA carries commercial insurance for these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 12 – RELATED PARTY TRANSACTIONS AND ECONOMIC CONCENTRATION

PBA's two joint venture "owners," Knox County and the City of Knoxville, had the following activity during 2020 and 2019:

June 30, 2020	City	County	Total
Due From, End of Year	$ 894,282	$ 817,100	$ 1,711,382
Due To, End of Year	492,504	367,323	859,827
Rental Income	1,378,254	3,424,025	4,802,279
Management Fees	5,179,229	4,656,492	9,835,721
Parking Revenues	3,075,230	764,662	3,839,892

June 30, 2019	City	County	Total
Due From, End of Year	$ 3,996,091	$ $ 556,031	$ $ 4,552,122
Due To, End of Year	1,236,272	674,834	1,911,106
Rental Income	1,327,919	3,298,977	4,626,896
Management Fees	4,932,402	4,022,175	8,954,577
Parking Revenues	3,284,149	798,628	4,082,777

During the years ended June 30, 2020 and 2019, approximately 51% and 52% of operating revenues, respectively, were from the City. During the years ended June 30, 2020 and 2019, approximately 47% and 45% of operating revenues, respectively, were from the County.

NOTE 13 - RETIREMENT PLANS

Overview

As described in the Operating Agreement, Article IV, dated July 1, 1975, the PBA employees have been designated as "County employees" for the purpose of participating in the County's retirement plans.

The County has two retirement plans available to the PBA employees:

1. The *County Defined Contribution Retirement (DC) Asset Accumulation Plan* is a defined contribution plan established by Knox County under Sections 401(a)(9) and 457 of the Internal Revenue Code. The Plan covers substantially all full-time employees of PBA, who are regularly scheduled to work 18.5 hours or more per week. Plan benefits depend solely on amounts contributed to the plan plus investment earnings. Participation begins on the first day of employment and all eligible employees not participating in the *County DB* retirement plan are required to participate.

2. The *County Defined Contribution (DC) Medical Retirement Plan,* a voluntary defined contribution plan (an asset accumulation plan), was established by the County on July 1, 1998, under Section 401(a)(9) of the Internal Revenue Code. Plan benefits depend solely on amounts contributed to the plan plus investment earnings. Voluntary participation begins upon enrollment; eligible employees may begin participation on the first day of employment. The Plan was specifically created to assist employees in planning and investing for anticipated medical expenses upon retirement.

All Plan provisions and contribution requirements are established and may be amended by the Knox County Retirement Board. The plans are administered by USI Consulting Group.

NOTE 13 - RETIREMENT PLANS (continued)

The financial statements of the County's retirement plans are reported within Knox County's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2020. The CAFR may be obtained by writing or contacting the Knox County Finance Department at:

Knox County Finance Department
400 Main Avenue
City County Building, Suite 630
Knoxville, Tennessee 37902
865-215-2350
www.knoxcounty.org

Asset Accumulation Retirement Plan

The *Asset Accumulation Plan* is a defined contribution plan established by Knox County under Section 401(a)(9) of the Internal Revenue Code. The plan requires all participants to contribute a minimum of 6% of compensation and the employer matching contribution is 6%. Participants are always 100% vested in their contributions and become 100% vested in the PBA's matching contributions after completing 5 years of credited service.

Normal retirement age is 65 and early retirement is age 55, both with completion of five years of service. Participants may receive retirement benefit payments in fixed payments, lump-sum or have an option to purchase an annuity from a life insurance company.

During the years ended June 30, 2020 and 2019, PBA employees made contributions of $391,356 and $371,334, respectively. During 2020 and 2019, PBA made matching employer contributions of $391,356 and $371,334, respectively.

In addition to the 401(a) Plan, the Knox County Asset Accumulation Program incorporated a 457(b) Plan in the Defined Contribution Plan. The Knox County Voluntary 457 Plan incorporates voluntary pre-tax contributions by the participant with an employer match based on length of service with the County and/or Board. The employer will match:

Years of Service	Maximum % Match
0 – 5	0%
5 – 9	2%
10 – 14	4%
15 or more	6%

The employer matching contributions for the 457 Plan are deposited into the participants 401(a) account.

During the years ended June 30, 2020 and 2019, PBA employees made voluntary contributions of $117,152 and $109,385, respectively. During 2020 and 2019, PBA made matching employer contributions of $64,612 and $59,219, respectively.

County Defined Contribution (DC) Medical Expense Retirement Plan

The County DC Medical Retirement Plan (the Plan) is an optional retiree medical savings plan available to full-time PBA employees who are participants in the County's DB or DC pension plans.

Participants who make voluntary after-tax contributions are eligible for a percent match contribution from the Knox County Retirement and Pension Board based on the percent approved by the Board for the year in question.

The minimum participant annual contribution for the years ended June 30, 2020 and 2019 is $208. The County DC Plan will make matching contributions of 50% of the participant's, up to a maximum of $208. During 2020 and 2019, the Retirement and Pension Board contributions were $2,964 and $3,284, respectively.

Participants are always 100% vested in voluntary and matching contributions. During 2020 and 2019, PBA employees made voluntary contributions of $6,222 and $6,854, respectively.

SUPPLEMENTARY INFORMATION

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF NET POSITION BY ACTIVITY
June 30, 2020

	Property Management - City Properties								
	Parking Facilities	Police Department	Parks	Transit Facilities	Downtown Cinema	On Street Parking	Public Works Complex	Riverwalk Parking Garage	Total City Properties
Assets:									
Current Assets									
Cash and Cash Equivalents	$ 219,938	$ 1,728	$ 358,660	$ 265,486	$ 36,872	$ 76,421	$ 38,404	$ (36,487)	$ 961,022
Receivables:									
Other Receivables	8,249	-	2,829	-	-	-	-	-	11,078
Due from County	-	-	-	-	-	-	-	-	-
Due from City	-	-	-	-	-	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-	-	-	-	-	-
Due from Other Departments	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-	-	-
Total Current Assets	228,187	1,728	361,489	265,486	36,872	76,421	38,404	(36,487)	972,100
Capital Assets									
Land	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Building Improvements	-	-	-	-	-	-	-	-	-
Site Improvements	-	-	-	-	-	-	-	-	-
Data Processing Equipment and Software	-	-	-	-	-	-	-	-	-
Machinery and Equipment	61,321	-	74,825	-	-	-	-	-	136,146
Vehicles	-	-	185,691	-	-	-	-	-	185,691
Total Capital Assets	61,321	-	260,516	-	-	-	-	-	321,837
Less: Accumulated Depreciation	(61,321)	-	(260,516)	-	-	-	-	-	(321,837)
Net Capital Assets	-	-	-	-	-	-	-	-	-
Total Assets	228,187	1,728	361,489	265,486	36,872	76,421	38,404	(36,487)	972,100
Liabilities:									
Current Liabilities									
Accounts Payable and Accrued Liabilities	173,169	3	92,409	27,809	3,443	1,575	5,312	8,975	312,695
Due to City	-	-	-	-	-	-	-	-	-
Due to County	-	-	-	-	-	-	-	-	-
Due to Other Governmental Agencies	-	-	-	-	-	-	-	-	-
Due to (from) Other Departments	(11,118)	1,538	146,019	199,886	27,496	52,675	26,511	(52,469)	390,538
Unearned Revenues	2,850	-	-	-	-	-	-	-	2,850
Customer Deposits	2,500	-	11,028	-	3,946	-	-	-	17,474
Compensated Absences Payable	30,537	94	56,282	18,985	998	11,138	3,306	3,520	124,860
Total Current Liabilities	197,938	1,635	305,738	246,680	35,883	65,388	35,129	(39,974)	848,417
Non-Current Liabilities									
Compensated Absences Payable	30,249	93	55,751	18,806	989	11,033	3,275	3,487	123,683
Total Non-Current Liabilities	30,249	93	55,751	18,806	989	11,033	3,275	3,487	123,683
Total Liabilities	228,187	1,728	361,489	265,486	36,872	76,421	38,404	(36,487)	972,100
Net Position									
Investment in Capital Assets	-	-	-	-	-	-	-	-	-
Unrestricted:									
Designated for Operating Reserve	-	-	-	-	-	-	-	-	-
Designated for Capital Asset Replacement Reserve	-	-	-	-	-	-	-	-	-
Total Net Position	-	-	-	-	-	-	-	-	-
Total Liabilities and Net Position	$ 228,187	$ 1,728	$ 361,489	$ 265,486	$ 36,872	$ 76,421	$ 38,404	$ (36,487)	$ 972,100

Property Management - County Properties

Andrew Johnson Building/ Dwight Kessel Metropolitan Parking Garage	Family Investment Center	Health Department	Forensic Center	Juvenile Justice Center	Knox Central	Knox Couny Public Works	Libraries	Old Court House	Public Defender	Senior Centers	Young Williams AWC	West Knox Senior Center	Total County Properties
$ 9,232	$ 32,202	$ 77,949	$ 80,206	$ 124,465	$ 53,423	$ 57,744	$ 57,400	$ 130,584	$ 44,906	$ (13,814)	$ 35,483	$ 77,725	$ 767,505
-	-	-	-	-	-	-	-	-	-	-	-	-	-
9,229	-	121,672	-	43,702	-	-	-	7,181	-	-	-	-	181,784
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	14,014	14,014
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
18,461	32,202	199,621	80,206	168,167	53,423	57,744	57,400	137,765	44,906	(13,814)	35,483	91,739	963,303
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
19,620	-	-	-	-	-	-	-	-	-	-	-	-	19,620
1,000	-	5,028	-	-	6,656	-	-	-	-	-	-	-	12,684
-	-	-	-	41,000	10,000	-	-	10,200	-	-	-	-	61,200
20,620	-	5,028	-	41,000	16,656	-	-	10,200	-	-	-	-	93,504
(20,620)	-	(5,028)	-	(41,000)	(15,649)	-	-	(10,200)	-	-	-	-	(92,497)
-	-	-	-	-	1,007	-	-	-	-	-	-	-	1,007
18,461	32,202	199,621	80,206	168,167	54,430	57,744	57,400	137,765	44,906	(13,814)	35,483	91,739	964,310
26,185	1,011	124,477	6,988	71,843	6,200	2,036	5,508	21,649	10,578	1,616	493	37,975	316,559
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
(38,185)	27,024	63,756	65,342	70,696	39,992	48,900	48,552	84,419	32,614	(26,596)	32,779	53,764	503,057
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
15,303	2,093	5,721	3,957	12,875	3,633	3,420	1,678	15,924	861	5,609	1,111	-	72,185
3,303	30,128	193,954	76,287	155,414	49,825	54,356	55,738	121,992	44,053	(19,371)	34,383	91,739	891,801
15,158	2,074	5,667	3,919	12,753	3,598	3,388	1,662	15,773	853	5,557	1,100	-	71,502
15,158	2,074	5,667	3,919	12,753	3,598	3,388	1,662	15,773	853	5,557	1,100	-	71,502
18,461	32,202	199,621	80,206	168,167	53,423	57,744	57,400	137,765	44,906	(13,814)	35,483	91,739	963,303
-	-	-	-	-	1,007	-	-	-	-	-	-	-	1,007
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	1,007	-	-	-	-	-	-	-	1,007
$ 18,461	$ 32,202	$ 199,621	$ 80,206	$ 168,167	$ 54,430	$ 57,744	$ 57,400	$ 137,765	$ 44,906	$ (13,814)	$ 35,483	$ 91,739	$ 964,310

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF NET POSITION BY ACTIVITY (Continued)
June 30, 2020

	Property Management - Other							
	City County Building	Emergency Communi-cations District	Fairview Technology Center	Total Property Management	Property Development	Telecom Services	Corporate	Total
Assets:								
Current Assets								
Cash and Cash Equivalents	$3,007,527	$ 10,785	$ 12,436	$ 4,759,275	$ 133,410	$ 571,348	$ 321,139	$ 5,785,172
Receivables:								
Other Receivables	-	-	-	11,078	-	-	1,940	13,018
Due from County	-	-	-	181,784	-	9,894	625,422	817,100
Due from City	-	-	-	-	-	4,564	889,718	894,282
Due from Other Governmental Agencies	-	-	-	14,014	-	-	368	14,382
Due from Other Departments	-	-	-	-	-	-	1,069,555	1,069,555
Inventory	-	-	-	-	-	8,968	-	8,968
Prepaid Items	-	-	-	-	-	-	93,156	93,156
Total Current Assets	3,007,527	10,785	12,436	4,966,151	133,410	594,774	3,001,298	8,695,633
Capital Assets								
Land	-	-	-	-	-	-	101,016	101,016
Buildings	-	-	-	-	-	-	528,264	528,264
Building Improvements	9,463,386	-	-	9,463,386	-	-	12,801	9,476,187
Site Improvements	69,255	-	-	69,255	-	-	-	69,255
Data Processing Equipment and Software	144,123	-	-	163,743	-	18,751	16,798	199,292
Machinery and Equipment	1,136,259	-	-	1,285,089	-	1,595,153	-	2,880,242
Vehicles	185,642	-	-	432,533	-	51,132	-	483,665
Total Capital Assets	10,998,665	-	-	11,414,006	-	1,665,036	658,879	13,737,921
Less: Accumulated Depreciation	(6,627,042)	-	-	(7,041,376)	-	(1,362,854)	(176,344)	(8,580,574)
Net Capital Assets	4,371,623	-	-	4,372,630	-	302,182	482,535	5,157,347
Total Assets	7,379,150	10,785	12,436	9,338,781	133,410	896,956	3,483,833	13,852,980
Liabilities:								
Current Liabilities								
Accounts Payable and Accrued Liabilities	132,145	1,245	1,173	763,817	4,953	22,727	1,283,458	2,074,955
Due to City	-	-	-	-	-	-	492,504	492,504
Due to County	-	-	-	-	-	-	367,323	367,323
Due to Other Governmental Agencies	-	-	-	-	-	-	84,013	84,013
Due to (from) Other Departments	101	(2,666)	4,948	895,978	109,591	63,986	-	1,069,555
Unearned Revenues	-	-	-	2,850	-	-	-	2,850
Customer Deposits	-	-	-	17,474	-	-	-	17,474
Compensated Absences Payable	69,943	1,359	856	269,203	9,478	29,337	-	308,018
Total Current Liabilities	202,189	(62)	6,977	1,949,322	124,022	116,050	2,227,298	4,416,692
Non-Current Liabilities								
Compensated Absences Payable	69,283	1,347	849	266,664	9,388	29,060	-	305,112
Total Non-Current Liabilities	69,283	1,347	849	266,664	9,388	29,060	-	305,112
Total Liabilities	271,472	1,285	7,826	2,215,986	133,410	145,110	2,227,298	4,721,804
Net Position								
Investment in Capital Assets	4,371,623	-	-	4,372,630	-	302,182	482,535	5,157,347
Unrestricted:								
Designated for Operating Reserve	394,043	9,500	4,610	408,153	-	-	774,000	1,182,153
Designated for Capital Asset Replacement Reserve	2,342,012	-	-	2,342,012	-	449,664	-	2,791,676
Total Net Position	7,107,678	9,500	4,610	7,122,795	-	751,846	1,256,535	9,131,176
Total Liabilities and Net Position	$7,379,150	$ 10,785	$ 12,436	$ 9,338,781	$ 133,410	$ 896,956	$ 3,483,833	$ 13,852,980

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION BY ACTIVITY
For the Fiscal Year Ended June 30, 2020

	Property Management - City Properties								
	Parking Facilities	Police Department	Parks	Transit Facilities	Downtown Cinema	On Street Parking	Public Works Complex	Riverwalk Parking Garage	Total City Properties
Operating Revenues:									
Rental Income from City and County	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Management Fees from City and County	-	4,406	2,441,664	1,145,100	30,946	579,552	288,267	-	4,489,935
Management Fees from Other Governmental Agencies	-	-	-	-	40,733	-	-	-	40,733
Rental and Event Revenues	36,828	-	90,670	-	52,096	-	-	-	179,594
Parking Revenues	2,973,023	-	81,502	-	-	-	-	-	3,054,525
Total Operating Revenues	3,009,851	4,406	2,613,836	1,145,100	123,775	579,552	288,267	-	7,764,787
Operating Expenses:									
Direct:									
Property Management									
Management	868,460	24	165,626	17,645	2,520	2,177	5,654	12,876	1,074,982
Safety and Services	226,540	2,615	494,203	353,919	12,413	486,377	17,637	52,546	1,646,250
Operations and Maintenance	619,730	-	1,634,774	496,537	72,544	-	218,406	99,738	3,141,729
Other Management Services									
Property Development	-	-	-	-	-	-	-	-	-
Telecom Services	-	-	-	-	-	-	-	-	-
Total Direct Operating Expenses	1,714,730	2,639	2,294,603	868,101	87,477	488,554	241,697	165,160	5,862,961
Indirect:									
Corporate Administration	52,548	100	70,627	31,561	3,443	16,124	7,930	7,629	189,962
Finance	74,385	139	99,981	44,684	4,871	22,842	11,249	10,801	268,952
MIS	27,822	53	37,395	16,711	1,823	8,537	4,199	4,039	100,579
Total Indirect Operating Expenses	154,755	292	208,003	92,956	10,137	47,503	23,378	22,469	559,493
Total Operating Expenses	1,869,485	2,931	2,502,606	961,057	97,614	536,057	265,075	187,629	6,422,454
Operating Income (Loss)	1,140,366	1,475	111,230	184,043	26,161	43,495	23,192	(187,629)	1,342,333
Non-Operating Revenues (Expenses):									
Interest Income	7,827	25	7,224	3,518	307	1,166	540	-	20,607
Bank Charges	(74,001)	(6)	(2,558)	(996)	(86)	(340)	(165)	-	(78,152)
Capital Returned to City, County and Other Governmental Agencies	(1,074,192)	(1,494)	(115,896)	(186,565)	(26,382)	(44,321)	(23,567)	187,629	(1,284,788)
Total Non-Operating Revenues (Expenses) - Net	(1,140,366)	(1,475)	(111,230)	(184,043)	(26,161)	(43,495)	(23,192)	187,629	(1,342,333)
Increase (Decrease) in Net Position Before Capital Contributions	-	-	-	-	-	-	-	-	-
Capital Contributions									
Cash:									
Capital Asset Replacement Reserves from City and County	-	-	-	-	-	-	-	-	-
Total Capital Contributions	-	-	-	-	-	-	-	-	-
Increase (Decrease) in Net Position	-	-	-	-	-	-	-	-	-
Net Position, Beginning of Year	-	-	-	-	-	-	-	-	-
Net Position, End of Year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Property Management - County Properties

Andrew Johnson Building/ Dwight Kessel Metropolitan Parking Garage	Family Investment Center	Health Department	Forensic Center	Juvenile Justice Center	Knox Central	Knox County Public Works	Libraries	Old Court House	Public Defender	Senior Centers	Young Williams AWC	West Knox Senior Center	Total County Properties
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	153,199	328,225	276,786	740,853	278,206	213,661	443,120	676,166	73,316	227,517	67,417	121,936	3,600,402
-	-	-	-	-	-	-	-	-	-	-	-	14,014	14,014
-	-	8,905	-	-	-	-	-	-	-	-	-	-	8,905
713,225	-	-	-	-	-	-	-	-	-	-	-	-	713,225
713,225	153,199	337,130	276,786	740,853	278,206	213,661	443,120	676,166	73,316	227,517	67,417	135,950	4,336,546
154,385	3,415	6,312	5,899	14,616	7,978	4,253	19,504	30,657	1,280	12,068	1,117	3,991	265,475
143,087	17,352	39,019	19,475	238,785	20,684	-	-	234,243	-	13,854	-	-	726,499
352,145	95,018	202,239	167,564	369,351	194,463	146,362	343,251	280,490	34,698	204,985	29,105	73,556	2,493,227
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
649,617	115,785	247,570	192,938	622,752	223,125	150,615	362,755	545,390	35,978	230,907	30,222	77,547	3,485,201
37,265	4,206	9,268	7,584	20,427	6,955	5,870	12,394	18,653	1,981	7,714	1,824	1,988	136,129
53,117	5,968	13,131	10,741	28,945	9,850	8,320	17,579	26,435	2,802	11,168	2,579	2,639	193,274
19,732	2,227	4,907	4,016	10,816	3,683	3,108	6,562	9,876	1,049	3,919	966	1,217	72,078
110,114	12,401	27,306	22,341	60,188	20,488	17,298	36,535	54,964	5,832	22,801	5,369	5,844	401,481
759,731	128,186	274,876	215,279	682,940	243,613	167,913	399,290	600,354	41,810	253,708	35,591	83,391	3,886,682
(46,506)	25,013	62,254	61,507	57,913	34,593	45,748	43,830	75,812	31,506	(26,191)	31,826	52,559	449,864
1,588	465	1,008	958	2,010	861	945	1,110	2,065	480	497	443	-	12,430
(7,014)	(140)	(308)	(285)	(592)	(252)	(256)	(321)	(598)	(140)	(182)	(124)	-	(10,212)
51,932	(25,338)	(62,954)	(62,180)	(62,052)	(37,205)	(46,437)	(44,619)	(77,279)	(31,846)	25,876	(32,145)	(52,559)	(456,806)
46,506	(25,013)	(62,254)	(61,507)	(60,634)	(36,596)	(45,748)	(43,830)	(75,812)	(31,506)	26,191	(31,826)	(52,559)	(454,588)
-	-	-	-	(2,721)	(2,003)	-	-	-	-	-	-	-	(4,724)
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	(2,721)	(2,003)	-	-	-	-	-	-	-	(4,724)
-	-	-	-	2,721	3,010	-	-	-	-	-	-	-	5,731
$ -	$ -	$ -	$ -	$ -	$ 1,007	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,007

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Property Management - Other							
	City County Building	Emergency Communic. District	Fairview Technology Center	Total Property Management	Property Development	Telecom Services	Corporate	Total
Operating Revenues:								
Rental Income from City and County	$ 4,802,279	$ -	$ -	$ 4,802,279	$ -	$ -	$ -	$ 4,802,279
Management Fees from City and County	-	-	-	8,090,337	605,400	1,139,984	-	9,835,721
Management Fees from Other Governmental Agencies	-	115,469	57,373	227,589	-	61,887	-	289,476
Rental and Event Revenues	-	-	-	188,499	-	-	-	188,499
Parking Revenues	72,142	-	-	3,839,892	-	-	-	3,839,892
Total Operating Revenues	4,874,421	115,469	57,373	17,148,596	605,400	1,201,871	-	18,955,867
Operating Expenses:								
Direct								
Property Management								
Management	833,892	1,480	2,348	2,178,177	-	-	11,762	2,189,939
Safety and Services	805,111	5,573	4,575	3,188,008	-	-	-	3,188,008
Operations and Maintenance	3,655,142	91,991	41,762	9,423,851	-	-	-	9,423,851
Other Management Services								
Property Development	-	-	-	-	433,728	-	-	433,728
Telecom Services	-	-	-	-	-	1,210,572	-	1,210,572
Total Direct Operating Expenses	5,294,145	99,044	48,685	14,790,036	433,728	1,210,572	11,762	16,446,098
Indirect								
Corporate Administration	133,228	3,193	1,569	464,081	24,981	34,833	-	523,895
Finance	188,691	4,524	2,223	657,664	35,341	49,415	-	742,420
MIS	70,539	1,691	831	245,718	13,226	18,443	-	277,387
Total Indirect Operating Expenses	392,458	9,408	4,623	1,367,463	73,548	102,691	-	1,543,702
Total Operating Expenses	5,686,603	108,452	53,308	16,157,499	507,276	1,313,263	11,762	17,989,800
Operating Income (Loss)	(812,182)	7,017	4,065	991,097	98,124	(111,392)	(11,762)	966,067
Non-Operating Revenues (Expenses):								
Interest Income	47,647	283	196	81,163	2,002	7,032	-	90,197
Bank Charges	(13,713)	(73)	(48)	(102,198)	(567)	(2,101)	-	(104,866)
Capital Returned to City, County and Other Governmental Agencies	-	(7,227)	(4,213)	(1,753,034)	(99,559)	(49,269)	142,600	(1,759,262)
Total Non-Operating Revenues (Expenses) - Net	33,934	(7,017)	(4,065)	(1,774,069)	(98,124)	(44,338)	142,600	(1,773,931)
Increase (Decrease) in Net Position Before Capital Contributions	(778,248)	-	-	(782,972)	-	(155,730)	130,838	(807,864)
Capital Contributions (Deductions)								
Cash:								
Capital Asset Replacement Reserves from City and County	1,000,000	-	-	1,000,000	-	300,000	-	1,300,000
Total Capital Contributions	1,000,000	-	-	1,000,000	-	300,000	-	1,300,000
Increase (Decrease) in Net Position	221,752	-	-	217,028	-	144,270	130,838	492,136
Net Position, Beginning of Year	6,885,926	9,500	4,610	6,905,767	-	607,576	1,125,697	8,639,040
Net Position, End of Year	$ 7,107,678	$ 9,500	$ 4,610	$ 7,122,795	$ -	$ 751,846	$ 1,256,535	$ 9,131,176

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY
For the Fiscal Year Ended June 30, 2020

	City Parking Facilities		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Parking Revenue	$ 3,154,150	$ 2,973,023	$ (181,127)
Tenant Rental Income	36,828	36,828	-
Total Operating Revenues	3,190,978	3,009,851	(181,127)
Operating Expenses			
Direct:			
Salaries and Wages	776,933	743,817	33,116
Employee Benefits	295,235	258,213	37,022
Office Expenses	17,550	13,825	3,725
Education and Training	8,900	1,876	7,024
Operating Expenses	183,285	117,481	65,804
Operating Contracts	389,684	302,020	87,664
Utilities	203,200	224,923	(21,723)
Communications	34,200	30,996	3,204
Insurance	12,335	12,367	(32)
Professional Services	3,100	1,053	2,047
Maintenance Facility	9,924	8,159	1,765
Depreciation Expense	-	-	-
Total Direct Operating Expenses	1,934,346	1,714,730	219,616
Total Indirect Operating Expenses	165,890	154,755	11,135
Total Operating Expenses	2,100,236	1,869,485	230,751
Operating Income (Loss)	1,090,742	1,140,366	49,624
Non-Operating Revenues (Expenses)			
Interest Income	2,913	7,827	4,914
Bank Charges	(60,865)	(74,001)	(13,136)
Transfer of Operating Reserves	(1,032,790)	(1,074,192)	(41,402)
Capital Asset Retirement	-	-	-
Net Non-Operating Revenues (Expenses)	(1,090,742)	(1,140,366)	(49,624)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	The Knoxville Police Department		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	$ 4,406	$ 4,406	$ -
Operating Expenses			
Direct:			
Salaries and Wages	1,169	1,723	(554)
Employee Benefits	445	564	(119)
Office Expenses	500	-	500
Education and Training	250	-	250
Operating Expenses	1,500	303	1,197
Communications	50	25	25
Insurance	28	24	4
Professional Services	85	-	85
Total Direct Operating Expenses	4,027	2,639	1,388
Total Indirect Operating Expenses	387	292	95
Total Operating Expenses	4,414	2,931	1,483
Operating Income (Loss)	(8)	1,475	1,483
Non-Operating Revenues (Expenses)			
Interest Income	18	25	7
Bank Charges	(10)	(6)	4
Transfer of Operating Reserves	-	(1,494)	(1,494)
Net Non-Operating Revenues (Expenses)	8	(1,475)	(1,483)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	City Parks		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	$ 2,441,664	$ 2,441,664	$ -
Parking Revenues	55,750	81,502	25,752
Rental and Event Income	109,730	90,670	(19,060)
Total Operating Revenues	2,607,144	2,613,836	6,692
Operating Expenses			
Direct:			
Salaries and Wages	924,772	868,033	56,739
Employee Benefits	351,413	293,759	57,654
Office Expenses	18,925	9,786	9,139
Education and Training	3,500	126	3,374
Operating Expenses	352,825	485,487	(132,662)
Operating Contracts	170,718	149,397	21,321
Utilities	452,750	405,272	47,478
Communications	22,900	21,754	1,146
Insurance	20,540	20,598	(58)
Professional Services	2,500	1,145	1,355
Maintenance Facility	26,012	21,377	4,635
Capital Purchases	40,000	17,869	22,131
Total Direct Operating Expenses	2,386,855	2,294,603	92,252
Total Indirect Operating Expenses	222,917	208,003	14,914
Total Operating Expenses	2,609,772	2,502,606	107,166
Operating Income (Loss)	(2,628)	111,230	113,858
Non-Operating Revenue (Expenses)			
Interest Income	6,183	7,224	1,041
Bank Charges	(3,555)	(2,558)	997
Transfer of Reserves	-	(115,896)	(115,896)
Net Non-Operating Revenues (Expenses)	2,628	(111,230)	(113,858)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Knoxville Area Transit Facilities		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	$ 1,145,100	$ 1,145,100	$ -
Operating Expenses			
Direct:			
Salaries and Wages	407,944	341,368	66,576
Employee Benefits	155,019	114,821	40,198
Office Expenses	7,250	2,385	4,865
Education and Training	3,500	66	3,434
Operating Expenses	114,750	71,959	42,791
Operating Contracts	227,734	218,296	9,438
Utilities	96,726	90,189	6,537
Communications	17,900	15,837	2,063
Insurance	5,495	5,523	(28)
Professional Services	500	-	500
Maintenance Facility	9,320	7,657	1,663
Total Direct Operating Expenses	1,046,138	868,101	178,037
Total Indirect Operating Expenses	99,586	92,956	6,630
Total Operating Expenses	1,145,724	961,057	184,667
Operating Income (Loss)	(624)	184,043	184,667
Non-Operating Revenues (Expenses)			
Interest Income	2,109	3,518	1,409
Bank Charges	(1,485)	(996)	489
Transfer of Operating Reserves	-	(186,565)	(186,565)
Net Non-Operating Revenues (Expenses)	624	(184,043)	(184,667)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Downtown Cinema		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Rental and Event Revenues	$ 52,096	$ 52,096	$ -
Management Fees from City	30,946	30,946	-
Management Fees from Other Governmental Agencies	40,733	40,733	-
Total Operating Revenues	123,775	123,775	-
Operating Expenses			
Direct:			
Salaries and Wages	14,068	9,607	4,461
Employee Benefits	5,345	3,396	1,949
Office Expenses	150	5	145
Operating Expenses	36,300	22,612	13,688
Operating Contracts	51,977	48,125	3,852
Utilities	2,000	1,151	849
Communications	800	512	288
Insurance	601	601	-
Professional Services	500	294	206
Maintenance Facility	1,421	1,174	247
Total Direct Operating Expenses	113,162	87,477	25,685
Total Indirect Operating Expenses	10,733	10,137	596
Total Operating Expenses	123,895	97,614	26,281
Operating Income (Loss)	(120)	26,161	26,281
Non-Operating Revenues (Expenses)			
Interest Income	260	307	47
Bank Charges	(140)	(86)	54
Transfer of Operating Reserves	-	(26,382)	(26,382)
Net Non-Operating Revenues (Expenses)	120	(26,161)	(26,281)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	On Street Parking		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	$ 579,552	$ 579,552	$ -
Total Operating Revenues	579,552	579,552	-
Operating Expenses			
Direct:			
Salaries and Wages	357,495	343,287	14,208
Employee Benefits	134,061	116,100	17,961
Office Expenses	2,000	481	1,519
Operating Expenses	21,000	17,892	3,108
Communications	12,400	8,616	3,784
Insurance	2,155	2,178	(23)
Total Direct Operating Expenses	529,111	488,554	40,557
Total Indirect Operating Expenses	50,821	47,503	3,318
Total Operating Expenses	579,932	536,057	43,875
Operating Income (Loss)	(380)	43,495	43,875
Non-Operating Revenues (Expenses)			
Interest Income	710	1,166	456
Bank Charges	(330)	(340)	(10)
Transfer of Operating Reserves	-	(44,321)	(44,321)
Net Non-Operating Revenues (Expenses)	380	(43,495)	(43,875)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Public Works Complex		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	$ 288,267	$ 288,267	$ -
Operating Expenses			
Direct:			
Salaries and Wages	67,786	61,506	6,280
Employee Benefits	25,759	21,923	3,836
Office Expenses	1,500	81	1,419
Operating Expenses	33,700	50,261	(16,561)
Operating Contracts	127,287	103,173	24,114
Communications	2,180	643	1,537
Insurance	1,124	1,136	(12)
Professional Services	500	-	500
Maintenance Facility	3,624	2,974	650
Total Direct Operating Expenses	263,460	241,697	21,763
Total Indirect Operating Expenses	24,957	23,378	1,579
Total Operating Expenses	288,417	265,075	23,342
Operating Income (Loss)	(150)	23,192	23,342
Non-Operating Revenues (Expenses)			
Interest Income	281	540	259
Bank Charges	(131)	(165)	(34)
Transfer of Operating Reserves	-	(23,567)	(23,567)
Net Non-Operating Revenues (Expenses)	150	(23,192)	(23,342)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Riverwalk Parking Garage		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	$ 277,877	$ -	$ (277,877)
Operating Expenses			
Direct:			
Salaries and Wages	101,020	85,377	15,643
Employee Benefits	38,388	28,856	9,532
Office Expenses	2,000	675	1,325
Operating Expenses	40,000	23,742	16,258
Operating Contracts	62,886	17,859	45,027
Utilities	-	3,423	(3,423)
Communications	5,250	1,559	3,691
Insurance	1,195	1,207	(12)
Professional Services	500	400	100
Maintenance Facility	2,507	2,062	445
Total Direct Operating Expenses	253,746	165,160	88,586
Total Indirect Operating Expenses	24,131	22,469	1,662
Total Operating Expenses	277,877	187,629	90,248
Operating Income (Loss)	-	(187,629)	(187,629)
Non-Operating Revenues (Expenses)			
Interest Income	50	-	(50)
Bank Charges	(50)	-	50
Transfer of Operating Reserves	-	187,629	187,629
Net Non-Operating Revenues (Expenses)	-	187,629	187,629
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Andrew Johnson Building/Dwight Kessel Metropolitan Parking Garage		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Parking Revenues	$ 744,000	$ 713,225	$ (30,775)
Total Operating Revenues	744,000	713,225	(30,775)
Operating Expenses			
Direct: Andrew Johnson Building			
Salaries and Wages	113,200	153,510	(40,310)
Employee Benefits	43,016	51,063	(8,047)
Office Expenses	2,700	1,918	782
Education and Training	500	-	500
Operating Expenses	38,992	53,257	(14,265)
Operating Contracts	161,670	158,607	3,063
Communications	3,125	2,059	1,066
Insurance	2,771	2,778	(7)
Professional Services	1,000	1,475	(475)
Maintenance Facility	4,118	7,783	(3,665)
Total Direct Operating Expenses - Andrew Johnson Building	371,092	432,450	(61,358)
Direct: Dwight Kessel Metropolitan Parking Garage			
Salaries and Wages	107,601	115,531	(7,930)
Employee Benefits	40,889	39,389	1,500
Office Expenses	2,750	1,289	1,461
Education and Training	2,600	385	2,215
Operating Expenses	61,807	10,913	50,894
Operating Contracts	39,647	37,915	1,732
Communications	4,950	3,624	1,326
Insurance	2,053	2,059	(6)
Professional Services	500	-	500
Maintenance Facility	3,445	6,062	(2,617)
Total Direct Operating Expenses - DKMPG	266,242	217,167	49,075
Total Indirect Operating Expenses	60,489	110,114	(49,625)
Total Operating Expenses	697,823	759,731	(61,908)
Operating Income (Loss)	46,177	(46,506)	(92,683)
Non-Operating Revenues (Expenses)			
Interest Income	1,356	1,588	232
Bank Charges	(6,065)	(7,014)	(949)
Transfer of Operating Reserves	(41,468)	51,932	93,400
Net Non-Operating Revenues (Expenses)	(46,177)	46,506	92,683
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Family Investment Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	$ 153,199	$ 153,199	$ -
Operating Expenses			
Direct:			
Salaries and Wages	44,799	35,720	9,079
Employee Benefits	17,024	12,574	4,450
Office Expenses	500	7	493
Education and Training	500	-	500
Operating Expenses	19,500	19,972	(472)
Operating Contracts	52,918	43,493	9,425
Communications	1,800	1,792	8
Insurance	607	615	(8)
Professional Services	500	85	415
Maintenance Facility	1,852	1,527	325
Total Direct Operating Expenses	140,000	115,785	24,215
Total Indirect Operating Expenses	13,269	12,401	868
Total Operating Expenses	153,269	128,186	25,083
Operating Income (Loss)	(70)	25,013	25,083
Non-Operating Revenues (Expenses)			
Interest Income	175	465	290
Bank Charges	(105)	(140)	(35)
Transfer of Operating Reserves	-	(25,338)	(25,338)
Net Non-Operating Revenues (Expenses)	70	(25,013)	(25,083)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Health Department		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Rental Income	$ 8,905	$ 8,905	$ -
Management Fees from the County	328,225	328,225	-
Total Operating Revenues	337,130	337,130	-
Operating Expenses			
Direct:			
Salaries and Wages	115,464	89,251	26,213
Employee Benefits	43,876	30,394	13,482
Office Expenses	4,200	10	4,190
Education and Training	2,000	-	2,000
Operating Expenses	68,500	63,534	4,966
Operating Contracts	63,405	55,211	8,194
Communications	4,500	4,226	274
Insurance	1,492	1,491	1
Professional Services	500	-	500
Maintenance Facility	4,195	3,453	742
Total Direct Operating Expenses	308,132	247,570	60,562
Total Indirect Operating Expenses	29,193	27,306	1,887
Total Operating Expenses	337,325	274,876	62,449
Operating Income (Loss)	(195)	62,254	62,449
Non-Operating Revenues (Expenses)			
Interest Income	430	1,008	578
Bank Charges	(235)	(308)	(73)
Transfer of Operating Reserves	-	(62,954)	(62,954)
Net Non-Operating Revenues (Expenses)	195	(62,254)	(62,449)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY(Continued)
For the Fiscal Year Ended June 30, 2020

	Juvenile Justice Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	$ 740,853	$ 740,853	$ -
Operating Expenses			
Direct:			
Salaries and Wages	271,682	253,111	18,571
Employee Benefits	103,239	89,727	13,512
Office Expenses	2,500	864	1,636
Education and Training	1,250	44	1,206
Operating Expenses	91,500	104,360	(12,860)
Operating Contracts	185,422	157,517	27,905
Communications	10,100	5,051	5,049
Insurance	3,778	3,796	(18)
Professional Services	500	-	500
Maintenance Facility	6,771	5,561	1,210
Depreciation Expense	-	2,721	(2,721)
Total Direct Operating Expenses	676,742	622,752	53,990
Total Indirect Operating Expenses	64,351	60,188	4,163
Total Operating Expenses	741,093	682,940	58,153
Operating Income (Loss)	(240)	57,913	58,153
Non-Operating Revenues (Expenses)			
Interest Income	584	2,010	1,426
Bank Charges	(344)	(592)	(248)
Transfer of Operating Reserves	-	(62,052)	(62,052)
Net Non-Operating Revenues (Expenses)	240	(60,634)	(60,874)
Increase (Decrease) in Net Position	$ -	(2,721)	$ (2,721)
Net Position, Beginning of Year		2,721	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Forensic Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from the County	$ 276,786	$ 276,786	$ -
Operating Expenses			
Direct:			
Salaries and Wages	73,653	65,829	7,824
Employee Benefits	27,620	21,062	6,558
Office Expenses	3,000	9	2,991
Education and Training	1,000	-	1,000
Operating Expenses	72,000	41,715	30,285
Operating Contracts	68,023	59,172	8,851
Communications	2,300	319	1,981
Insurance	1,922	1,926	(4)
Maintenance Facility	3,541	2,906	635
Total Direct Operating Expenses	253,059	192,938	60,121
Total Indirect Operating Expenses	23,966	22,341	1,625
Total Operating Expenses	277,025	215,279	61,746
Operating Income (Loss)	(239)	61,507	61,746
Non-Operating Revenues (Expenses)			
Interest Income	414	958	544
Bank Charges	(175)	(285)	(110)
Transfer of Operating Reserves	-	(62,180)	(62,180)
Net Non-Operating Revenues (Expenses)	239	(61,507)	(61,746)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Knox Central		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from the County	$ 278,206	$ 278,206	$ -
Operating Expenses			
Direct:			
Salaries and Wages	76,646	62,495	14,151
Employee Benefits	29,126	21,886	7,240
Office Expenses	7,650	5,078	2,572
Education and Training	1,000	-	1,000
Operating Expenses	46,350	41,141	5,209
Operating Contracts	59,004	61,701	(2,697)
Communications	5,500	5,841	(341)
Insurance	1,920	1,926	(6)
Professional Services	500	-	500
Maintenance Facility	3,722	3,054	668
Capital Purchases	25,000	18,000	7,000
Depreciation Expenses	-	2,003	(2,003)
Total Direct Operating Expenses	256,418	223,125	33,293
Total Indirect Operating Expenses	21,871	20,488	1,383
Total Operating Expenses	278,289	243,613	34,676
Operating Income (Loss)	(83)	34,593	34,676
Non-Operating Revenues (Expenses)			
Interest Income	178	861	683
Bank Charges	(95)	(252)	(157)
Transfer of Operating Reserves	-	(37,205)	(37,205)
Net Non-Operating Revenues (Expenses)	83	(36,596)	(36,679)
Increase (Decrease) in Net Position	$ -	(2,003)	$ (2,003)
Net Position, Beginning of Year		3,010	
NetPosition, End of Year		$ 1,007	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Knox County Public Works Complex		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from the County	$ 213,661	$ 213,661	$ -
Operating Expenses			
Direct:			
Salaries and Wages	67,214	57,760	9,454
Employee Benefits	25,541	17,852	7,689
Office Expenses	2,000	-	2,000
Operating Expenses	65,000	37,179	27,821
Operating Contracts	30,975	33,239	(2,264)
Communications	-	1,040	(1,040)
Insurance	1,000	1,004	(4)
Professional Services	500	-	500
Maintenance Facility	3,087	2,541	546
Total Direct Operating Expenses	195,317	150,615	44,702
Total Indirect Operating Expenses	18,464	17,298	1,166
Total Operating Expenses	213,781	167,913	45,868
Operating Income (Loss)	(120)	45,748	45,868
Non-Operating Revenues (Expenses)			
Interest Income	211	945	734
Bank Charges	(91)	(256)	(165)
Transfer of Operating Reserves	-	(46,437)	(46,437)
Net Non-Operating Revenues (Expenses)	120	(45,748)	(45,868)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Libraries		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from the County	$ 443,120	$ 443,120	$ -
Operating Expenses			
Direct:			
Salaries and Wages	28,120	32,140	(4,020)
Employee Benefits	10,685	11,062	(377)
Office Expenses	1,000	44	956
Operating Expenses	10,000	433	9,567
Operating Contracts	346,357	312,019	34,338
Communications	150	71	79
Insurance	1,864	1,870	(6)
Maintenance Facility	6,233	5,116	1,117
Total Direct Operating Expenses	404,409	362,755	41,654
Total Indirect Operating Expenses	38,843	36,535	2,308
Total Operating Expenses	443,252	399,290	43,962
Operating Income (Loss)	(132)	43,830	43,962
Non-Operating Revenues (Expenses)			
Interest Income	242	1,110	868
Bank Charges	(110)	(321)	(211)
Transfer of Operating Reserves	-	(44,619)	(44,619)
Net Non-Operating Revenues (Expenses)	132	(43,830)	(43,962)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Old Court House		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	$ 676,166	$ 676,166	$ -
Operating Expenses			
Direct:			
Salaries and Wages	280,068	256,202	23,866
Employee Benefits	106,426	89,163	17,263
Office Expenses	2,350	555	1,795
Education and Training	1,000	-	1,000
Operating Expenses	72,200	47,813	24,387
Operating Contracts	132,526	119,148	13,378
Communications	12,800	5,154	7,646
Insurance	4,096	4,103	(7)
Professional Services	500	18,500	(18,000)
Maintenance Facility	5,789	4,752	1,037
Total Direct Operating Expenses	617,755	545,390	72,365
Total Indirect Operating Expenses	58,779	54,964	3,815
Total Operating Expenses	676,534	600,354	76,180
Operating Income (Loss)	(368)	75,812	76,180
Non-Operating Revenue (Expenses)			
Interest Income	768	2,065	1,297
Bank Charges	(400)	(598)	(198)
Transfer of Operating Reserves	-	(77,279)	(77,279)
Net Non-Operating Revenue (Expenses)	368	(75,812)	(76,180)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Public Defender		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	$ 73,316	$ 73,316	$ -
Operating Expenses			
Direct:			
Salaries and Wages	14,082	13,452	630
Employee Benefits	5,281	4,541	740
Office Expenses	250	-	250
Education and Training	500	-	500
Operating Expenses	45,000	15,300	29,700
Operating Contracts	-	500	(500)
Communications	500	906	(406)
Insurance	397	402	(5)
Maintenance Facility	1,066	877	189
Total Direct Operating Expenses	67,076	35,978	31,098
Total Indirect Operating Expenses	6,340	5,832	508
Total Operating Expenses	73,416	41,810	31,606
Operating Income (Loss)	(100)	31,506	31,606
Non-Operating Revenues (Expenses)			
Interest Income	220	480	260
Bank Charges	(120)	(140)	(20)
Transfer of Operating Reserves	-	(31,846)	(31,846)
Net Non-Operating Revenues (Expenses)	100	(31,506)	(31,606)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Senior Centers		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	$ 227,517	$ 227,517	$ -
Operating Expenses			
Direct:			
Salaries and Wages	66,009	86,084	(20,075)
Employee Benefits	24,753	31,615	(6,862)
Office Expenses	450	27	423
Education and Training	750	-	750
Operating Expenses	33,200	33,627	(427)
Operating Contracts	77,406	74,924	2,482
Communications	1,160	311	849
Insurance	1,147	1,160	(13)
Professional Services	75	-	75
Maintenance Facility	2,982	3,159	(177)
Total Direct Operating Expenses	207,932	230,907	(22,975)
Total Indirect Operating Expenses	19,685	22,801	(3,116)
Total Operating Expenses	227,617	253,708	(26,091)
Operating Income (Loss)	(100)	(26,191)	(26,091)
Non-Operating Revenues (Expenses)			
Interest Income	200	497	297
Bank Charges	(100)	(182)	(82)
Transfer of Operating Reserves	-	25,876	25,876
Net Non-Operating Revenues (Expenses)	100	26,191	26,091
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Young Williams Aminmal Welfare Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	$ 67,417	$ 67,417	$ -
Operating Expenses			
Direct:			
Salaries and Wages	18,034	11,537	6,497
Employee Benefits	6,853	4,213	2,640
Office Expenses	250	1	249
Operating Expenses	35,000	13,286	21,714
Communications	250	67	183
Insurance	333	331	2
Maintenance Facility	955	787	168
Total Direct Operating Expenses	61,675	30,222	31,453
Total Indirect Operating Expenses	5,832	5,369	463
Total Operating Expenses	67,507	35,591	31,916
Operating Income (Loss)	(90)	31,826	31,916
Non-Operating Revenues (Expenses)			
Interest Income	202	443	241
Bank Charges	(112)	(124)	(12)
Transfer of Operating Reserves	-	(32,145)	(32,145)
Net Non-Operating Revenues (Expenses)	90	(31,826)	(31,916)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	West Knox Senior Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	$ 121,936	$ 121,936	$ -
Management Fees Other Government Agencies	-	14,014	14,014
Total Operating Revenues	121,936	135,950	14,014
Operating Expenses			
Direct:			
Salaries and Wages	43,720	13,968	29,752
Employee Benefits	16,613	4,815	11,798
Office Expenses	1,500	1,641	(141)
Education and Training	100	-	100
Operating Expenses	15,000	47,467	(32,467)
Operating Contracts	29,480	4,938	24,542
Communications	1,812	726	1,086
Insurance	1,400	833	567
Professional Services	-	2,409	(2,409)
Maintenance Facility	1,781	750	1,031
Total Direct Operating Expenses	111,406	77,547	33,859
Total Indirect Operating Expenses	10,530	5,844	4,686
Total Operating Expenses	121,936	83,391	38,545
Operating Income	-	52,559	52,559
Non-Operating Expenses			
Transfer of Operating Reserves	-	(52,559)	(52,559)
Net Non-Operating Expenses	-	(52,559)	(52,559)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	City County Building		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Rental Income from City and County	$ 4,802,279	$ 4,802,279	$ -
Parking Revenues	56,000	72,142	16,142
Total Operating Revenues	4,858,279	4,874,421	16,142
Operating Expenses			
Direct:			
Salaries and Wages	1,058,330	1,122,347	(64,017)
Employee Benefits	402,166	406,801	(4,635)
Office Expenses	30,250	16,416	13,834
Education and Training	15,000	2,029	12,971
Operating Expenses	351,000	288,469	62,531
Operating Contracts	732,641	654,450	78,191
Utilities	1,603,287	1,497,488	105,799
Communications	30,715	28,850	1,865
Insurance	147,344	147,856	(512)
Professional Services	1,500	4,070	(2,570)
Maintenance Facility	25,977	21,343	4,634
Capital Purchases	1,050,000	469,061	580,939
Depreciation Expense	-	634,965	(634,965)
Total Direct Operating Expenses	5,448,210	5,294,145	154,065
Total Indirect Operating Expenses	419,954	392,458	27,496
Total Operating Expenses	5,868,164	5,686,603	181,561
Operating Income (Loss)	(1,009,885)	(812,182)	197,703
Non-Operating Revenues (Expenses)			
Interest Income	20,885	47,647	26,762
Bank Charges	(11,000)	(13,713)	(2,713)
Net Non-Operating Revenues (Expenses)	9,885	33,934	24,049
Increase (Decrease) in Net Position Before Capital Contributions	(1,000,000)	(778,248)	221,752
Capital Contributions			
Capital Asset Replacement Reserve Contributions from City and County	1,000,000	1,000,000	-
Increase (Decrease) in Net Position	$ -	221,752	$ 221,752
Net Position, Beginning of Year		6,885,926	
Net Position, End of Year		$ 7,107,678	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Emergency Communications District		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from Other Governmental Agencies	$ 115,469	$ 115,469	$ -
Operating Expenses			
Direct:			
Salaries and Wages	26,627	25,966	661
Employee Benefits	10,118	13,019	(2,901)
Office Expenses	100	324	(224)
Education and Training	500	-	500
Operating Expenses	22,750	22,821	(71)
Operating Contracts	43,753	35,633	8,120
Communications	225	218	7
Insurance	460	459	1
Professional Services	250	-	250
Maintenance Facility	732	604	128
Total Direct Operating Expenses	105,515	99,044	6,471
Total Indirect Operating Expenses	10,064	9,408	656
Total Operating Expenses	115,579	108,452	7,127
Operating Income (Loss)	(110)	7,017	7,127
Non-Operating Revenues (Expenses)			
Interest Income	225	283	58
Bank Charges	(115)	(73)	42
Transfer of Operating Reserves	-	(7,227)	(7,227)
Net Non-Operating Revenues (Expenses)	110	(7,017)	(7,127)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		9,500	
Net Position, End of Year		$ 9,500	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Fairview Technology Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from Other Governmental Agencies	$ 57,373	$ 57,373	$ -
Operating Expenses			
Direct:			
Salaries and Wages	21,090	22,195	(1,105)
Employee Benefits	8,013	7,416	597
Office Expenses	225	7	218
Operating Expenses	11,690	7,719	3,971
Operating Contracts	8,719	9,093	(374)
Communications	2,100	1,745	355
Insurance	231	237	(6)
Maintenance Facility	334	273	61
Total Direct Operating Expenses	52,402	48,685	3,717
Total Indirect Operating Expenses	5,001	4,623	378
Total Operating Expenses	57,403	53,308	4,095
Operating Income (Loss)	(30)	4,065	4,095
Non-Operating Revenues (Expenses)			
Interest Income	105	196	91
Bank Charges	(75)	(48)	27
Transfer of Operating Reserves	-	(4,213)	(4,213)
Net Non-Operating Revenues (Expenses)	30	(4,065)	(4,095)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		4,610	
Net Position, End of Year		$ 4,610	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Property Development		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City and County	$ 605,400	$ 605,400	$ -
Total Operating Revenues	605,400	605,400	-
Operating Expenses			
Direct:			
Salaries and Wages	339,648	306,474	33,174
Employee Benefits	129,066	103,321	25,745
Office Expenses	23,000	9,089	13,911
Education and Training	13,000	9,153	3,847
Operating Expenses	5,000	4,088	912
Communications	1,600	501	1,099
Insurance	500	497	3
Professional Services	15,000	605	14,395
Total Direct Operating Expenses	526,814	433,728	93,086
Total Indirect Operating Expenses	79,023	73,548	5,475
Total Operating Expenses	605,837	507,276	98,561
Operating Income (Loss)	(437)	98,124	98,561
Non-Operating Revenues (Expenses)			
Interest Income	782	2,002	1,220
Bank Charges	(345)	(567)	(222)
Transfer of Operating Reserves	-	(99,559)	(99,559)
Net Non-Operating Revenues (Expenses)	437	(98,124)	(98,561)
Increase (Decrease) in Net Position	$ -	-	$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		$ -	

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2020

	Telecommunications Services		
	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues			
Management Fees from City and County	$ 1,139,984	$ 1,139,984	$ -
Management Fees Related to KCS	61,887	61,887	-
Total Operating Revenues	1,201,871	1,201,871	-
Direct Operating Expenses			
Telecom			
Salaries and Wages	402,486	413,322	(10,836)
Employee Benefits	152,945	140,500	12,445
Office Expenses	11,500	5,044	6,456
Education and Training	5,000	-	5,000
Operating Expenses	12,160	12,407	(247)
Operating Contracts	434,682	432,182	2,500
Communications	6,300	4,663	1,637
Insurance	9,440	9,471	(31)
Professional Services	2,000	-	2,000
Capital Purchases	300,000	55,411	244,589
Depreciation Expense	-	114,159	(114,159)
Telecom Operating Expenses	1,336,513	1,187,159	149,354
Knox County Schools			
Salaries and Wages	39,517	13,006	26,511
Employee Benefits	15,016	5,670	9,346
Office Expenses	500	241	259
Operating Expenses	350	4,117	(3,767)
Communications	500	-	500
Insurance	382	379	3
Schools Operating Expenses	56,265	23,413	32,852
Total Direct Operating Expenses	1,392,778	1,210,572	182,206
Total Indirect Operating Expenses	109,278	102,691	6,587
Total Operating Expenses	1,502,056	1,313,263	188,793
Operating Income (Loss)	(300,185)	(111,392)	188,793
Non-Operating Revenues (Expenses)			
Interest Income	1,260	7,032	5,772
Bank Charges	(1,075)	(2,101)	(1,026)
Transfer of Operating Reserves	-	(49,269)	(49,269)
Net Non-Operating Revenues (Expenses)	185	(44,338)	(44,523)
Increase (Decrease) in Net Position Before Capital Contributions	(300,000)	(155,730)	144,270
Capital Contributions			
Capital Asset Replacement Reserve Contributions from City and County	300,000	300,000	-
Increase (Decrease) in Net Position	$ -	144,270	$ 144,270
Net Position, Beginning of Year		607,576	
Net Position, End of Year		$ 751,846	

STATISTICAL SECTION

This part of PBA's Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about PBA's overall financial health.

Contents Pages

Financial Trends

These schedules contain trend information to help the reader understand how the PBA's financial performance and well-being have changed over time..... 65-66

Revenue Capacity

These schedules contain information to help the reader assess the PBA's operating revenues and customer statistics. As a joint venture between the City of Knoxville and Knox County, the PBA's revenues are materially earned from revenue derived from rental income, management fees, net parking revenues, and miscellaneous charges. Rental income and management fees are annually negotiated with the City and County and approved by the City Council and the County Commission. 67-70

Debt Capacity

The PBA is a joint venture between the City of Knoxville and Knox County; the PBA has no taxing authority. Debt for capital projects managed for the City and the County are funded by debt issued by these two government entities. Information on the City's and County's debt capacity is contained in their individual CAFRs. ..... N/A

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which PBA's financial activities take place approved by the City Council and the County Commission. 71-72

Operating Information

This schedule contains service data to help the reader understand how the information in the PBA's financial report relates to services provided and the activities performed. 73

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

NET POSITION BY COMPONENT
Last Ten Fiscal Years

Fiscal Year	Investment in Capital Assets	Unrestricted	Total
2011	$ 7,451,392	$ 3,571,882	$ 11,023,274
2012	8,160,543	3,198,172	11,358,715
2013	8,832,369	3,256,753	12,089,122
2014	9,257,296	2,605,776	11,863,072
2015	7,975,147	3,269,503	11,244,650
2016	7,987,860	3,238,721	11,226,581
2017	5,442,665	3,556,461	8,999,126
2018	5,098,406	3,945,845	9,044,251
2019	5,282,518	3,356,522	8,639,040
2020	5,157,347	3,973,829	9,131,176

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

CHANGES IN NET POSITION
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Revenues										
Rental Income from City and County	$ 4,802,279	$ 4,626,896	$ 4,518,188	$ 4,328,993	$ 4,327,759	$ 4,215,037	$ 4,101,739	$ 4,013,581	$ 3,912,814	$ 3,999,608
Other Rental Income - Net	188,499	209,896	248,321	229,219	252,697	241,439	225,648	232,474	208,204	196,173
Management Fees from City and County	9,835,721	8,954,577	8,642,266	7,697,552	7,177,821	6,596,204	6,770,676	5,915,239	5,652,775	5,776,189
Management Fees from Other Governmental Agencies	289,476	334,736	332,988	312,006	313,766	305,775	163,956	189,380	161,299	153,846
Parking Revenues	3,839,892	4,082,777	3,961,511	3,795,842	3,083,416	2,922,562	2,986,198	2,721,805	2,848,822	2,816,686
Total Operating Revenues	18,955,867	18,208,882	17,703,274	16,363,612	15,155,459	14,281,017	14,248,217	13,072,479	12,783,914	12,942,502
Operating Expenses										
Salaries and Benefits	8,807,975	8,528,384	7,927,605	7,728,965	6,476,717	6,593,584	6,005,836	5,569,032	5,489,707	5,625,169
Office	112,751	136,712	119,614	141,114	146,403	105,780	120,030	105,534	93,329	72,415
Education and Training	17,023	14,705	14,765	6,306	13,360	21,507	17,241	8,723	6,703	10,335
Purchased Services and Supplies	1,667,733	1,759,935	1,489,749	1,540,417	1,577,232	1,287,942	1,151,072	1,157,287	1,055,814	1,049,751
Operating Contracts	3,192,925	2,767,609	2,510,628	2,057,739	1,905,427	1,695,954	1,675,598	1,608,672	1,586,372	1,448,345
Utilities	2,222,445	2,325,886	2,204,288	2,232,055	2,134,130	2,007,525	2,100,368	2,050,996	1,879,794	2,059,794
Communications	148,860	106,258	125,015	148,030	111,963	88,539	82,609	95,780	72,458	67,270
Insurance	287,901	283,150	306,291	310,951	309,888	308,154	298,444	269,125	236,013	228,725
Professional Fees	80,073	64,141	67,601	69,992	251,921	91,862	58,113	48,926	59,226	77,905
Depreciation	765,610	737,020	704,866	727,718	1,117,721	2,152,372	950,153	981,701	906,441	803,661
Maintenance Facility	113,950	109,715	119,686	129,310	106,568	86,222	86,008	81,728	76,560	73,593
Other	572,554	1,290,563	878,978	622,371	411,929	336,426	309,728	103,652	143,840	41,678
Total Operating Expenses	17,989,800	18,124,078	16,469,086	15,714,968	14,563,259	14,775,867	12,855,200	12,081,156	11,606,257	11,558,641
Operating Income (Loss)	966,067	84,804	1,234,188	648,644	592,200	(494,850)	1,393,017	991,323	1,177,657	1,383,861
Non-Operating Revenues (Expenses)										
Interest Income	90,197	47,380	35,683	28,043	21,844	27,528	19,038	16,271	28,448	27,264
Gain (Loss)on Disposal of Capital Assets	-	-	-	-	-	-	(489,579)	-	-	-
Bank Charges	(104,866)	(100,339)	(89,436)	(89,499)	(62,065)	(59,585)	(17,373)	(12,232)	(8,224)	(8,210)
Impairment Gain - Insurance Settlement	-	-	-	-	-	-	-	1,039,555	-	-
Capital Returned to the City and County	(1,656,944)	(2,517,156)	(2,239,273)	(1,761,154)	(1,829,891)	(1,668,938)	(2,135,304)	(1,563,423)	(1,728,491)	(1,730,881)
Capital Returned to Other Governmental Agencies	(102,318)	(93,577)	(64,693)	(28,544)	(38,695)	(35,641)	(66,008)	(34,853)	(16,414)	(42,537)
Noncash:										
Capital Asset Retirements from the City and County	-	(16,902)	-	-	-	(19,674)	-	-	-	-
Total Non-Operating Revenues (Expenses) - Net	(1,773,931)	(2,680,594)	(2,357,719)	(1,851,154)	(1,908,807)	(1,756,310)	(2,689,226)	(554,682)	(1,724,681)	(1,754,364)
Increase (Decrease) in Net Position Before Capital Contributions and Extraordinary Item	(807,864)	(2,595,790)	(1,123,531)	(1,202,510)	(1,316,607)	(2,251,160)	(1,296,209)	436,641	(547,024)	(370,503)
Capital Contributions										
Capital Contributions from the City and County	1,300,000	2,190,579	1,168,656	1,150,000	1,298,538	1,632,738	548,501	815,424	882,465	711,125
Total Capital Contributions	1,300,000	2,190,579	1,168,656	1,150,000	1,298,538	1,632,738	548,501	815,424	882,465	711,125
Extraordinary Item	-	-	-	(2,174,945)	-	-	-	-	-	-
Increase (Decrease) in Net Position	492,136	(405,211)	45,125	(2,227,455)	(18,069)	(618,422)	(747,708)	1,252,065	335,441	340,622
Net Position, Beginning of Year	8,639,040	9,044,251	8,999,126	11,226,581	11,244,650	11,863,072	12,610,780	11,358,715	11,023,274	10,682,652
Net Position, End of Year	$ 9,131,176	$ 8,639,040	$ 9,044,251	$ 8,999,126	$ 11,226,581	$ 11,244,650	$ 11,863,072	$ 12,610,780	$ 11,358,715	$ 11,023,274

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

PROPERTIES MANAGED
Last Ten Fiscal Years

Space in Square Feet

Property	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
County Owned										
Andrew Johnson Building	145,661	145,661	145,661	145,661	145,661	145,661	145,661	145,661	145,661	145,661
Fairview Technology Center	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Senior Centers (4)	38,940	38,940	38,940	38,940	38,940	33,738	33,738	33,738	33,738	33,738
Health Department (1 main facility, 3 community clinics, and air quality lab)	157,800	157,800	157,800	157,800	157,800	157,800	157,800	157,800	157,800	157,800
John Tarleton Homes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	80,000	80,000
Juvenile Justice Center	104,209	104,209	104,209	104,209	104,209	104,209	104,209	104,209	104,209	104,209
Knox Central	171,000	171,000	171,000	171,000	171,000	171,000	171,000	171,000	171,000	171,000
Knox County Public Works	18,930	18,930								
Old Court House	64,098	64,098	64,098	64,098	64,098	64,098	64,098	64,098	64,098	64,098
County Clerk Satellite Offices (5)	12,084	12,084	12,084	11,773	11,773	11,773	11,773	-	-	-
Family Investment Center	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500
Forensic Center	19,435	19,435	19,435	19,435	19,435	19,435	-	-	-	-
Public Defender's Office	23,405	23,405	23,405	23,405	23,405	-	-	-	-	-
Young Williams Animal Center	21,308	21,308	21,308	21,308	21,308	-	-	-	-	-
West Knox Senior Center	12,605	-	-	-	-	-	-	-	-	-
City Owned										
Volunteer Landing Park	16,331	16,331	16,331	16,331	16,331	16,331	16,331	16,331	16,331	16,331
World's Fair Park	39,600	39,600	39,600	39,600	39,600	39,600	39,600	39,600	39,600	39,600
Downtown Cinema	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Public Works Complex	71,525	71,525	71,525	45,560	-	-	-	-	-	-
Knoxville Station Transit Center	103,717	103,717	103,717	103,717	103,717	103,717	103,717	103,717	103,717	103,717
Knoxville Area Transit - Magnolia Facility	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	-
PBA Owned										
City County Building	531,634	531,634	531,634	531,634	531,634	531,634	531,634	531,634	531,634	531,634
Owned by Other Governmental Agencies										
Emergency Communications District	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Totals	1,664,782	1,652,177	1,633,247	1,606,971	1,561,411	1,511,496	1,492,061	1,480,288	1,560,288	1,525,288

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

PROPERTIES MANAGED (Continued)
Last Ten Fiscal Years

Location	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
NUMBER OF PARKING SPACES										
County Owned										
Dwight Kessel Metropolitan Parking Garage	964	964	964	964	964	964	964	964	964	964
State Street Parking Lot	283	283	283	283	283	283	283	283	283	283
City Owned										
Hill Avenue Parking Lot	16	16	16	16	16	16	16	16	16	-
Jackson Avenue Parking Lot	190	190	190	190	190	190	190	190	190	190
Locust Street Garage	645	645	645	645	645	645	645	645	645	645
Main Avenue Garage	475	475	475	475	475	475	475	475	475	475
Market Square Garage	677	677	677	677	677	677	677	677	700	700
Promenade Garage	262	262	262	262	277	277	277	277	277	277
State Street Garage	1,718	1,718	1,082	1,082	1,082	1,082	1,082	842	842	842
World's Fair Parking Lots	201	201	201	698	698	698	698	698	698	698
Tennessee Department of Transportation (TDOT)	469	469	469	469	469	469	469	469	469	469
Supreme Court Parking Lot	-	159	159	159	159	-	-	-	-	-
KCDC Vine Lot	74	-	-	-	-	-	-	-	-	-
CBID	535	535	535	-	-	-	-	-	-	-
Riverwalk Parking Garage	804	804	804	-	-	-	-	-	-	-
PBA Owned										
City County Building Garage	850	850	850	850	850	850	850	850	850	850
Totals	8,163	8,248	7,612	6,770	6,785	6,626	6,626	6,386	6,409	6,393
PARKS										
City Owned										
World's Fair Park:										
Number of Acres	18	18	18	18	18	18	18	18	18	18
Volunteer Landing Park:										
Number of Acres	5	5	5	5	5	5	5	5	5	5
Second Creek Greenway:										
Number of Acres	9	9	9	9	9	9	9	9	9	9
Estimated Park Visitors Annually	136,960 *A*	214,565	239,945	262,945	699,608	706,236	671,988	678,733	689,518	648,530

A *Significant decrease in 2020 resulting from cancelled events due to Covid-19.*

Source: PBA Property Management Department.

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

CAPITAL PROJECTS COMPLETED
Last Five Fiscal Years

Projects	Managed Budget
COUNTY PROJECTS	
ADA Remediation - Bearden Elementary	$ 500,000
ADA Remediation - Maynard Elementary	1,000,000
ADA Remediation - Powell High School	49,000
City County Building - Court Clerk Desk Renovations	75,000
City County Building - DA Office Renovations	26,231
City County Building -General Sessions Clerk Office Renovations	185,000
City County Building -Jury Room & Restroom Renovations	214,000
Halls Greenway connector Concept Plan	16,000
Health Department Fitness Center - Main	150,000
Jail Assessment & Feasibility Study	65,000
Knox County Programming - Relocation	396,828
Old Courthouse Exterior Renovations	237,072
Young Williams Animal Center Renovations	88,575
County Subtotal	**$ 3,002,706**
CITY PROJECTS	
Beardsley Farm Building	235,000
City County Building Development Services	683,000
City County Building 5th Floor Renovations	17,000
Convention Center Pedestrian Enhancements	2,818,658
Convention Center Warranty Repairs	711,000
Ed Cothren Pool Resurfacing	126,929
Fire Station #7 Interior Renovations and Concrete Bay	259,000
Fire Station #10 Soffit, Fascia, Concrete and Roof Repairs	137,681
Fire Station #12 Structural Repairs	562,710
Fire Station #15 Concrete Bay Room Replacement	85,000
Fire Station #16 Concrete Apron Work	35,000
Fort Kid Wall Assessment	14,100
Fulton High School Tennis Court Resurfacing	23,905
Knoxville Convention & Exhibition Center	2,127,000
Lakeshore Administration Building - Phase II	2,100,000
Locust Street Garage Brick Repair	85,000
Promenade Walking Deck Improvements	350,000
Public Works Complex - Phases I and II	18,417,819
Public Works Complex - Phases III	681,349
Solid Waste Transfer Center	148,000
Solid Waste Management Storm Water and Roof Additions	300,000
State Street Archway Art Renovations	25,000
State Street Garage Lower Addition	500,000
State Street Garage Addition (2 Decks)	11,000,000
Transit Center Deck Repairs	129,626
Transit Center Doors	70,500
Volunteer Landing Dock Replacement	265,000
Volunteer Landing Master Plan	25,000
Volunteer Landing Stair Repairs	146,640
World's Fair Park Master Plan	25,000
City Subtotal	**$ 42,104,917**

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

TELECOMMUNICATION SERVICES
Last Ten Fiscal Years

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
CITY AND COUNTY										
Total Extensions	8,241	8,241	8,297	8,313	8,305	8,299	8,243	8,280	8,280	8,367
Telephone Lines	822	822	822	822	811	805	804	360	360	360
Cellular Telephones	51	80	76	109	95	140	144	127	131	96
Pagers	8	8	8	33	33	33	33	34	50	72
Repair Work Orders	1,492	1,741	1,436	1,477	1,387	1,002	823	716	807	905
SCHOOLS										
Total Extensions	42	269	473	598	797	855	852	852	929	817
Telephone Lines	42	775	1,604	2,041	2,242	2,300	2,338	2,329	2,285	2,430
Repair Work Orders	187	369	472	662	614	591	627	562	644	594

Source: PBA Telecommunications Services Department.

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Calendar Year	Population	Personal Income (Thousands of Dollars)	Per Capita Personal Income	Unemployment Rate	
				County	State
2010	432,226	15,222,567	35,219	7.0	9.5
2011	436,104	16,961,829	38,894	6.9	9.2
2012	440,725	18,149,825	41,182	6.3	8.0
2013	441,311	18,466,333	41,844	5.6	7.9
2014	448,664	19,297,297	43,011	5.7	6.6
2015	451,324	20,241,530	44,849	4.8	5.6
2016	456,132	21,121,133	46,305	4.7	5.1
2017	459,396	22,243,142	48,160	2.9	3.3
2018	464,819	23,142,739	49,738	2.8	3.3
2019	469,363	N/A	N/A	2.8	3.3

Notes: *(a) N/A = Data not available.*
(b) Only Knox County is presented.
(c) Population – U.S. Bureau of the Census.
(d) Income - Bureau of Economic Analysis, U.S. Department of Commerce.
(e) Unemployment Rates - Bureau of Economic Analysis U.S. Department of Commerce.

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

PRINCIPAL EMPLOYERS
Current Calendar Year and Nine Years Ago

		2019		2010	
Employer (a)	Industry	Number of Employees	% of Total Knox County Workforce	Number of Employees	% of Total Knox County Workforce
Covenant Health	Health Care	9,792	3.98	9,000	3.92 %
Knox County Schools	Education	7,949	3.23	6,945	3.02
The University of Tennessee	Education	9,384	3.81	9,326	4.06
Walmart	Retail	6,863	2.79	4336	1.89
University Health Systems	Health Care	5,458	2.22	3,802	1.65
Tennova Healthcare	Health Care	2,900	1.18	N/A	N/A
Mercy Health Partners	Health Care	N/A	N/A	5,700	2.48
State of Tennessee	Government	3,286	1.33	3,750	1.63
K-VA-T Food Stores	Retail Grocery	3,104	1.26	3,983	1.73
Knox County	Government	N/A	N/A	3,037	1.32
The Kroger Co.	Retail Store	2,651	1.08	2,544	1.11
McDonald's	Fast Food	3,113	1.26	N/A	N/A
Total		54,500	20.88 %	52,423	22.81 %

Notes: (a) Only Knox County is presented.
Source: Greater Knoxville Chamber Partnership

THE PUBLIC BUILDING AUTHORITY OF THE COUNTY OF KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

NUMBER OF EMPLOYEES BY ACTIVITY
Last Ten Fiscal Years

	Fiscal Year									
Department	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Facilities Management	73	73	69	65	67	44	41	41	40	38
Safety and Security	63	66	58	59	53	47	51	41	40	42
Property Development	4	5	5	5	4	4	6	4	4	4
Telecommunications/MIS/PBX	12	12	11	10	11	12	11	9	9	9
Administrative	11	10	9	8	7	9	9	9	8	9
Total	163	166	152	147	142	116	118	104	101	102

Source: PBA Payroll Department.

INTERNAL CONTROL
AND
COMPLIANCE SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
The Public Building Authority of the County
of Knox and the City of Knoxville, Tennessee
Knoxville, Tennessee

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Public Building Authority of the County of Knox and the City of Knoxville, Tennessee, ("PBA"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which comprise PBA's basic financial statements, and have issued our report thereon dated November 13, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered PBA's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PBA's internal control. Accordingly, we do not express an opinion on the effectiveness of PBA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether PBA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Chattanooga, Tennessee
November 13, 2020