



**KNOX COUNTY  
TENNESSEE**



**POPULAR ANNUAL  
FINANCIAL REPORT  
FOR THE FISCAL YEAR END JUNE 30, 2022**



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# A Note from the Mayor

I'm excited to share with you some of the things that make this area the best place to live, work, and a raise a family.

Aside from our genuine southern hospitality and volunteer spirit, we put an emphasis on jobs, education, and recreation, and we are committed to creating opportunities for everyone to thrive in an engaged and vibrant community.

What people love most about Knox County – what brings and keeps them here – is that we support business and economic development, provide high-quality educational opportunities for all, and actively promote the outdoor tourism and recreation assets for which we are known.

We offer a close proximity to the Great Smoky Mountains National Park, the University of Tennessee and Oak Ridge National Laboratory.

We feature great local shops, restaurants, and breweries – and not just the ones downtown, but those at the far ends of the county as well. We also are home to the Blount Mansion – widely recognized as the “Birthplace of Tennessee” – where we recently celebrated the state’s 225<sup>th</sup> birthday.

Knox County also boasts many great entertainment venues, including the Historic Bijou and Tennessee theatres. No matter what you’re into, there’s something for you here in Knox County.

Whether you’re looking for health, business, economic or educational benefits, Knox County has it all.

Sincerely,



Glenn Jacobs  
Knox County Mayor





# ABOUT THE PAFR

The Knox County Department of Finance is proud to present this Popular Annual Financial Report (PAFR). This report provides summarized information about the County's financial activities and is intended to give readers an overview of the County and its finances.

Although the PAFR is not audited, the financial information reported is based on the audited 2022 Annual Comprehensive Financial Report (ACFR). The Department of Finance is responsible for the preparation of the ACFR.

The ACFR contains three basic sections: The Introductory section, which provides general information on the government's structure, personnel, economic situation and finances; The Financial section, which includes information on fund types, individual funds, and account groups; The Statistical section, which provides a broad range of trend data covering key financial indicators from the past ten fiscal years. The report also contains demographic and miscellaneous data useful in assessing the County's financial situation.

The governmental funds presented in this report are in conformity with Generally Accepted Accounting Principles (GAAP). The County also maintains other smaller funds that are not presented here. See the ACFR for complete details on all County funds. The 2022 ACFR is available online at [https://knoxcounty.org/finance/annual\\_reports.php](https://knoxcounty.org/finance/annual_reports.php)

# GFOA AWARDS

*GOVERNMENT FINANCE OFFICERS ASSOCIATION*

The Government Finance Officer Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Knox County Government for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the 26th consecutive year that our government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized, annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.



The County has also received, for the 27th consecutive time, the GFOA Award for Distinguished Budget Presentation for its 2022 Annual Operating Budget. In qualifying for this award, the County's budget document was judged to be proficient in several categories, including policy documentation, financial planning, and organization.

The County received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR award) for the fiscal year ended June 30, 2021. The award represents a significant achievement by the County. Each eligible report is reviewed by judges who evaluate the report based on the following categories: reader appeal, understandability, distribution methods, creativity, and other elements.



Government Finance Officers Association

Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting

Presented to

**Knox County  
Tennessee**

For its Annual Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morrill*

Executive Director/CEO

# KNOX COUNTY GOVERNMENT

Knox County is governed by an eleven-member board of commissioners, elected by district and at-large in partisan countywide elections held in August of even-numbered years. Commissioners serve four-year terms.



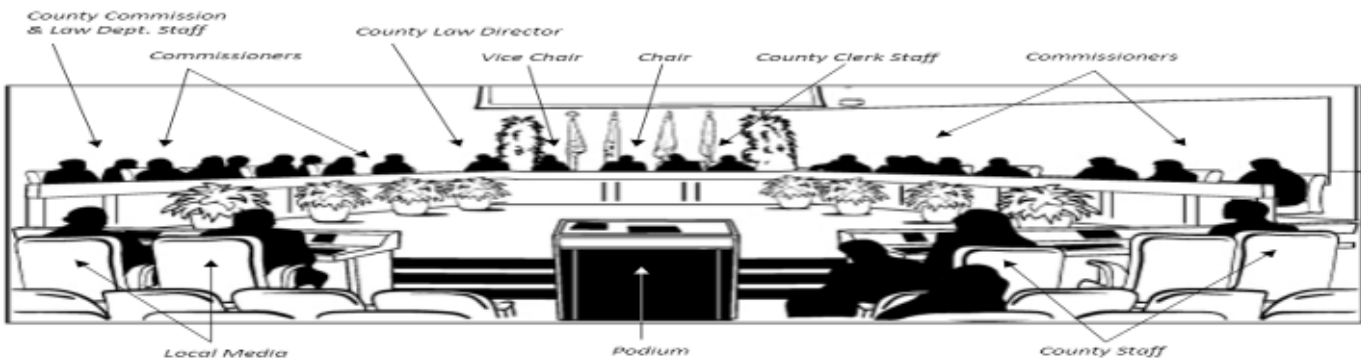
The board's primary duties are to adopt ordinances, emergency ordinances, and resolutions governing the operation of government or to regulate the conduct and affairs of the residents of Knox County. Each member of the Knox County Commission serves all Knox Countians eagerly and are happy to be of assistance to you

## Mission & Vision

Knox County's mission is to provide superior public service and support in an efficient and fiscally responsible way so that all residents can improve their quality of life while enjoying the benefits of a vibrant community. We believe that if we focus on transparency, invest in education and partner with our stakeholders, we will be able to create a pervasive culture of community vitality that guides us to becoming the workforce development center of East Tennessee.

### MEETING SETUP

Below is a basic outline of who you will likely see in a County Commission meeting.



**Courtney Durrett**  
2nd District Commissioner  
Chairwoman  
1st Term: 2020-2024



**Terry Hill**  
6th District Commissioner  
Vice - Chair  
1st Term: 2020-2024



**Dasha Lundy**  
1st District Commissioner  
1st Term: 2020-2024



**Gina Oster**  
3rd District Commissioner  
1st Term: 2022-2026



**Kyle Ward**  
4th District Commissioner  
1st Term: 2020-2024



**John Schoonmaker**  
5th District Commissioner  
2nd Term: 2020-2024



**Richie Beeler**  
8th District Commissioner  
1st Term: 2020-2024



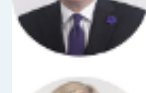
**Rhonda Lee**  
7th District Commissioner  
1st Term: 2022-2026



**Carson Dailey**  
9th District Commissioner  
2nd Term: 2020-2024



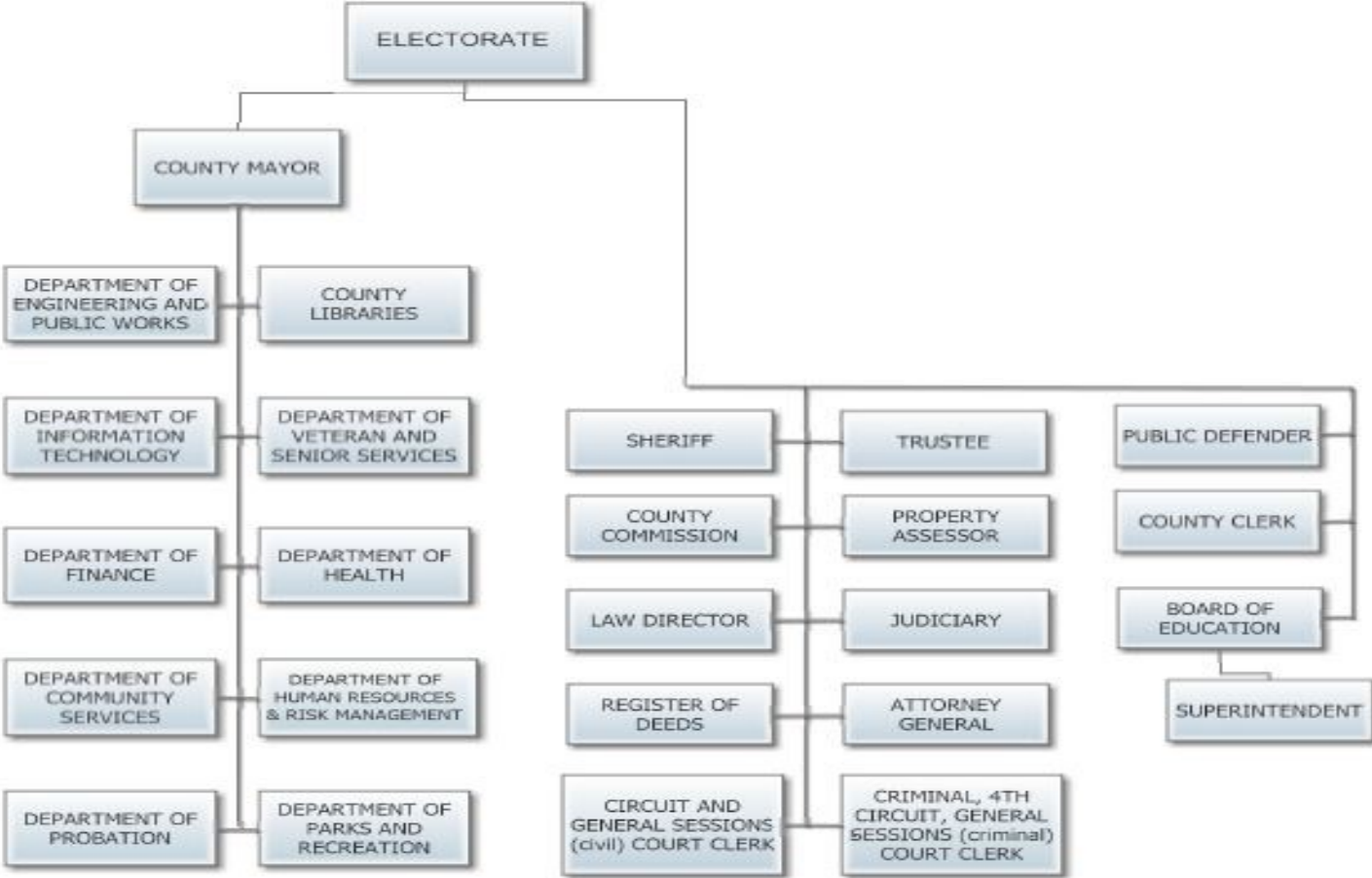
**Larsen Jay**  
At Large Seat 10  
Commissioner  
1st Term: 2018-2022



**Kim Frazier**  
At Large Seat 11  
Commissioner  
1st Term: 2022-2026



# ORGANIZATIONAL CHART





# KNOX COUNTY AT- A- GLANCE



## History

**Knox County was created on June 11, 1792, by Governor William Blount from parts of Greene and Hawkins counties, and has the distinction of being one of only eight counties created during territorial administration. It is one of nine United States counties named for American Revolutionary War general and first United States Secretary of War Henry Knox. Parts of Knox County later became Blount (1795), Anderson (1801), Roane (1801), and Union (1850) counties.**



## LIVABILITY

**Knoxville ranks among the nation’s best places to live, raise a family, and own a business. In 2021, it was ranked 10th “Most Affordable Major City” by Yahoo Finance and ranked 2nd in Yahoo’s “10 Coolest Cities with the Lowest Cost of Living.” U.S. News reports Knoxville as No. 35 among the best cities to live, No. 17 on their list of best places for young professionals, and a top 20 retirement destination.**

## Civic Organizations

**The Knoxville Chamber has more than 2,200 members. United Way, Community Shares, and Community Action Committee support many youth, family, and social service programs. More than 250 neighborhood associations and many civic groups are active throughout the city and county.**

# KNOX COUNTY AT- A- GLANCE

## EDUCATION

Included in Knox County’s public schools are several Magnet, STEM, and International Baccalaureate programs. Knox County is also home to Tennessee School for the Deaf, serving toddlers through age 22 in both residential and day programs.

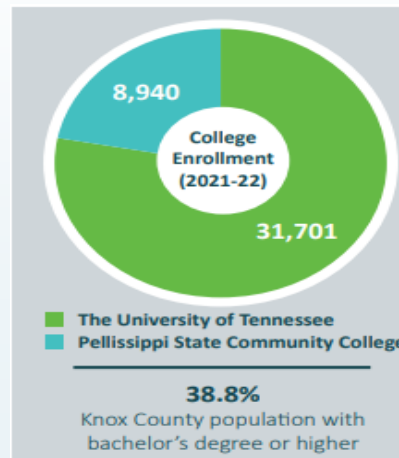
### KNOX COUNTY ELEMENTARY/HIGH SCHOOLS

#### Demographics (2020-21)

Public schools.....	91
Enrollment.....	61,526
Teachers.....	4,391

#### Metrics (2019-2020)

Per pupil expenditures.....	\$9,342
Graduation Rate.....	91.2%
Average ACT (composite).....	21.1
Private schools.....	31



### POST-SECONDARY EDUCATION:

Four two-year colleges and 10 four-year universities are located in Knox County and surrounding area. The University of Tennessee is ranked 46th among the nation’s top public schools by U.S. News and World Report.





THE OFFICIAL SEAL OF KNOX COUNTY IS INSPIRED BY THE GREAT SEAL OF THE STATE OF TENNESSEE ADOPTED IN 1801, HIGHLIGHTING THE FACT THAT **KNOXVILLE** (AND KNOX COUNTY) WAS THE **FIRST CAPITAL OF TENNESSEE**. IN 1843 NASHVILLE BECAME THE PERMANENT CAPITAL OF TENNESSEE.

**6** GENERAL HOSPITALS  
**1** CHILDREN'S HOSPITAL



**23.7<sup>min</sup>**  
Mean Travel Time to Work (in minutes)

**526**  
KNOX AREA IN SQUARE MILES

**5** AIRLINES  
**100** FLIGHTS  
**28** DESTINATIONS  
**1.4 M** PASSENGERS ANNUALLY



**3rd**  
LARGEST COUNTY IN THE STATE



**44**  
MILES OF NAVIGABLE WATER

**THINGS TO DO IN KNOXVILLE**  
[WWW.VISITKNOXVILLE.COM](http://WWW.VISITKNOXVILLE.COM)

**\$359,502**  
Median Price of a New Home

**\$53,662**  
Average Knox County annual wage

**↑ 35%**  
Knox County wage growth since 2010

**↓ 10,000**  
Loss of jobs between 2019 and 2020 (COVID-19)

**21%**  
Self-employed workers in Knox County

Data Source: Navigec Partner analysis of Bureau of Labor Statistics QCEW

**3.8%**  
UNEMPLOYMENT

**POPULATION**  
**486,677**  
ESTIMATED

**1,649**  
Average annual residential new construction permits (2011-2021)

- 51** Radio Stations
- 16** Television Stations
- 9** Movie Theaters
- 14** Live performance Theaters

**PARK AND RECREATION (2022) KNOXVILLE AND KNOX COUNTY**

Park acreage.....	6,442
Greenways/hiking/biking trails (miles).....	207
Recreation/community centers.....	20
Senior centers.....	8
Skate parks.....	5
Dog parks.....	10
Public golf courses.....	8
Public disc golf courses.....	7
Bike parks.....	1



**Oak Ridge National Laboratory,**  
The largest U.S. Department of Energy research facility and site of the world's fastest supercomputer, employing 5,500 with an annual operating budget of \$2.4 billion.



<b>HIGHWAY (2020)</b> Interstates 40, 75, 81, 140, 275, and 640	<b>Average Daily Trips</b> (I-40/75 in Knox County) 170,026	<b>Trucking Companies</b> 250
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**BUS (2021)**  
Knoxville Area Transit  
23 routes/1,129 stops

**KAT Passengers and Vehicles**  
2.0 million passengers/94 vehicles

**Long-distance**  
Greyhound, Trailways



**RAIL (2022)**  
Systems (Knox County)  
CSX, Norfolk Southern, KXHR-Gulf & Ohio

**Miles of Lines (Knox County)**  
270

**WATER (2021)**  
Cargo through Fort Loudoun Lock  
283,330 tons



**AIR (2020-21)**  
Airlines  
Allegiant, American, Delta, Frontier, United

**Daily Flights and Non-stop Destinations**  
100 flights/28 destinations

**Passengers (annual)**  
1,391,469

**Cargo Services and Freight**  
2 services/44,206 tons



For the fifth year, Knoxville hosted the USA Cycling Professional Road National Championships in June 2022, attracting biking enthusiasts of all ages



Knoxville Museum of Art, Emporium Center for Arts and Culture, East Tennessee History Center, McClung Museum of Natural History and Culture, Museum of Appalachia, and Beck Cultural Exchange Center showcase art and regional heritage .  
Muse is an experiential children's science museum



# MAJOR INITIATIVES



◆ Knox County will also see major improvements on the interchanges at I-75 at Emory Road and I-40 at the Campbell Station and Watt Road exits.



- ◆ Creating a Comprehensive Land Use and Transportation Plan for the county and a specific Master Plan for Parks and Recreation.
- ◆ Started work at McBee Ferry Park, a 3-acre site along the upper Holston that will feature river access.
- ◆ Knox County is in the process of establishing a mental health court in Knox County. The hope is, this new court model will improve public safety, connect offenders with mental illness to the help they need, and reduce court costs and recidivism.
- ◆ we launched our Advance Knox initiative, looking for ways to make housing more affordable by updating our zoning regulations while still maintaining our hometown charm.



# ACCOMPLISHMENTS

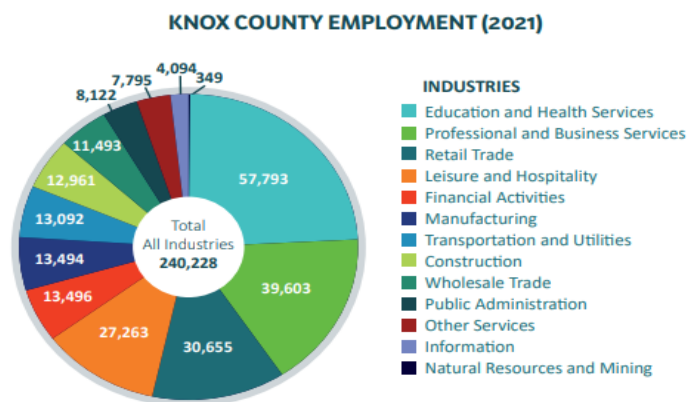
- ◆ **NO TAX INCREASES**
- ◆ **INCREASED DEPUTY PAY**
- ◆ **HOSTED THE THIRD DRIVE –THRU SCHOOL MANIA, WHICH PROVIDED SCHOOL SUPPLIES TO KNOX COUNTY STUDENTS**
- ◆ **INVESTING AN ADDITIONAL \$3 MILLION TOWARD SCHOOL SECURITY UPGRADES**
- ◆ **STARTED THE SKILLED TRADES ACADEMY AND REGIONAL TRAINING CENTER (START), WHICH HAS BEEN A MAJOR PRIORITY BECAUSE IT WILL HELP US ATTRACT, TRAIN, AND RETAIN A STRONG WORKFORCE IN THE TRADES. THE CENTER, WHICH IS LOCATED ON CENTRAL AVENUE, WILL COVER A VARIETY OF TRADES DEPENDING ON DEMAND. FRAMING, MASONRY, ELECTRICAL, WELDING, AND MECHANICAL, JUST TO NAME A FEW**
- ◆ **4 PERCENT RAISE FOR CERTIFIED AND CLASSIFIED SCHOOL EMPLOYEES**

# EMPLOYMENT



The County is within the Knoxville Metropolitan Statistical Area (MSA) which is home to the U.S. Department of Energy and Covenant Health, which are major employers. The County's primary occupations are in educational services, health care, hospitality, and retail trade sectors. Industry sectors such as agriculture, utilities, and management of companies and enterprises comprise small portions of the Knox County Industry Structure. The largest employers by number of employees have remained relatively consistent through the years.

Data Series	Back Data	May 2022	June 2022	July 2022	Aug 2022	Sept 2022
<b>Labor Force Data</b>						
Civilian Labor Force <sup>(1)</sup>		448.7	450.0	447.5	440.9	(P) 441.9
Employment <sup>(1)</sup>		435.3	432.7	431.9	427.5	(P) 430.2
Unemployment <sup>(1)</sup>		13.4	17.3	15.6	13.4	(P) 11.8
Unemployment Rate <sup>(2)</sup>		3.0	3.8	3.5	3.0	(P) 2.7



#### Footnotes

- (1). Number of persons, in thousands, not seasonally adjusted.
- (2). In percent, not seasonally adjusted.
- (3). Number of jobs, in thousands, not seasonally adjusted.
- (P) Preliminary

Note: Due to disclosure requirements, the sum of the individual category counts will not match the All Industries total.

## TOP 10 EMPLOYERS 2022

	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGES OF EMPLOYEES
1	U.S. DEPARTMENT OF ENERGY, OAKRIDGE OPERATIONS	15388	3.68%
2	COVENANT HEALTH	11357	2.71%
3	KNOX COUNTY PUBLIC SCHOOLS	9558	2.28%
4	THE UNIVERSITY OF TENNESSEE	8959	2.14%
5	WALMART STORES	6863	1.64%
6	CLAYTON HOMES	5436	1.30%
7	UNIVERSITY HEALTH SYSTEM	5290	1.26%
8	DENSO MFG	4500	1.08%
9	K-VAT FOOD STORES	4227	1.01%
10	THE DOLLYWOOD COMPANY	4000	.96%

# COUNTY'S GENERAL FUND

2022

## REVENUE- GENERAL FUND

Category	21/22			
	2020	2021	2022	VARIANCE
County Property Taxes	\$ 126,640,655	\$ 129,930,136	\$ 132,426,950	\$ 2,496,814
Local Option Sales Taxes	7,672,552	9,773,736	11,214,507	1,440,771
Business Taxes	10,809,938	11,541,602	13,635,096	2,093,494
Wheel Taxes	564,983	595,939	602,007	6,068
Other Local Taxes	2,036,010	1,715,029	1,819,730	104,701
Licenses & Permits	5,340,198	3,270,600	3,018,879	(251,721)
Fines, Forfeitures & Penalties	2,313,421	1,444,113	2,189,472	745,359
Charges for Current Services	7,829,148	8,081,856	8,916,204	834,348
Other Local Revenues	6,231,325	5,610,525	5,009,027	(601,498)
State of Tennessee	16,092,038	12,865,323	9,915,925	(2,949,398)
Federal Government	2,597,015	3,009,348	2,157,751	(851,597)
Other Governments & Citizen Groups	796,941	448,113	884,112	435,999
Increase in Equity Interest in Joint Venture	408,316	930,016	1,270,769	340,753
<b>Total Revenues</b>	<b>\$ 189,332,540</b>	<b>\$ 189,216,336</b>	<b>\$ 193,060,429</b>	<b>\$ 3,844,093</b>

Notes:

\*Property taxes, sales taxes and business taxes continue to out perform projections. Several revenue items from the State of Tennessee related to covid support grants decreased in the current year.

## EXPENDITURES- GENERAL FUND

Category	21/22			
	2020	2021	2022	VARIANCE
Finance & Administration	\$ 32,699,879	\$ 32,904,296	\$ 33,360,541	\$ 456,245
Administration of Justice (Court System)	20,015,623	20,127,356	20,834,245	706,889
Public Safety	88,622,008	87,953,708	92,458,510	4,504,802
Public Health & Welfare	18,412,051	17,650,112	20,379,310	2,729,198
Social & Cultural Services	5,893,413	5,484,322	5,883,753	399,431
Agricultural & Natural Resources	488,941	391,064	487,814	96,750
Other General Government	16,402,264	19,066,276	24,400,349	5,334,073
<b>Total Expenditures</b>	<b>\$ 182,534,179</b>	<b>\$ 183,577,134</b>	<b>\$ 197,804,522</b>	<b>\$ 14,227,388</b>

Notes:

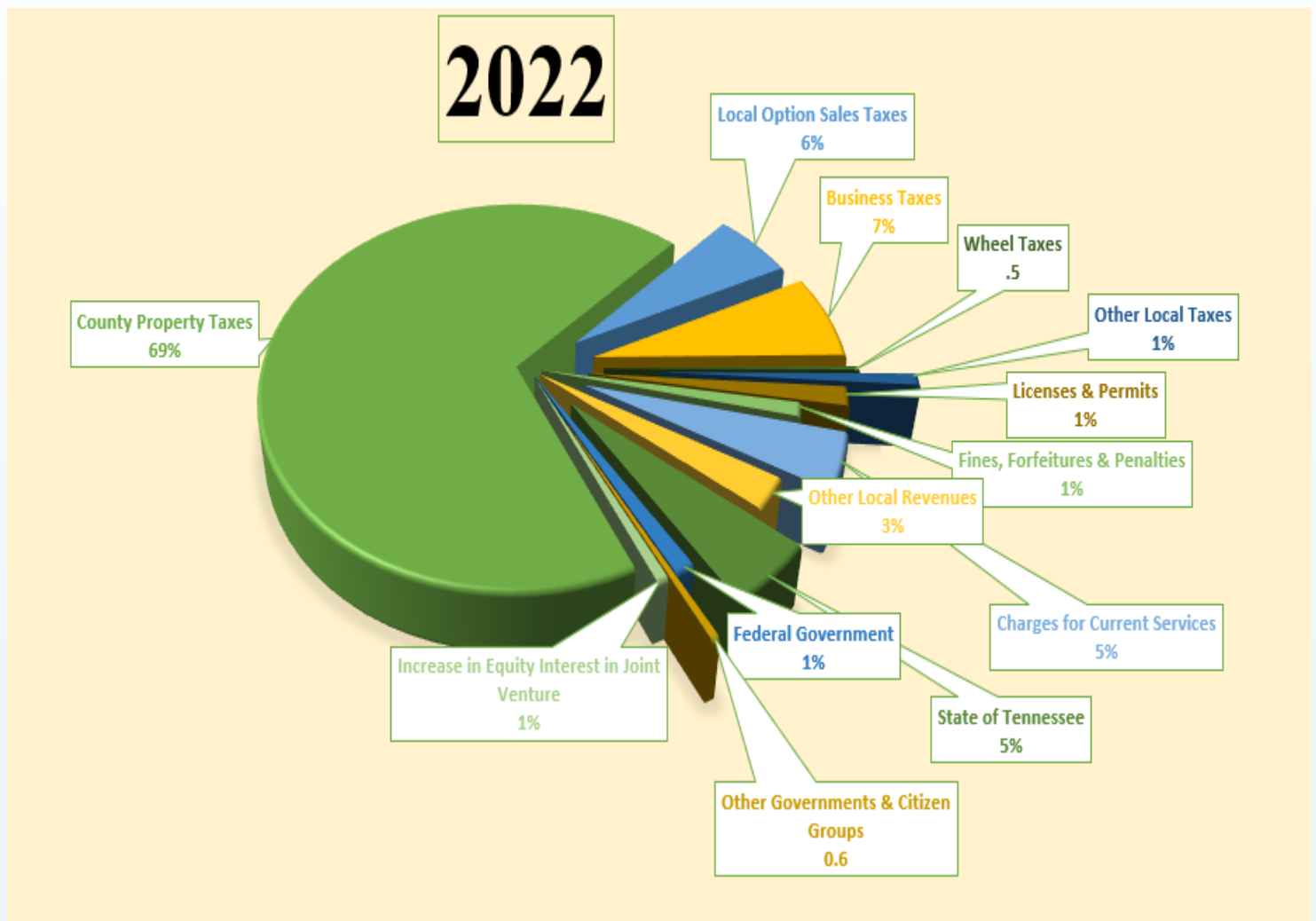
\*The Increase in public safety and public health mainly is due to salaries and benefits. The increase in other general government is due to recording of leases per GASB 87.



# COUNTY'S GENERAL FUND



## WHERE THE MONEY COMES FROM



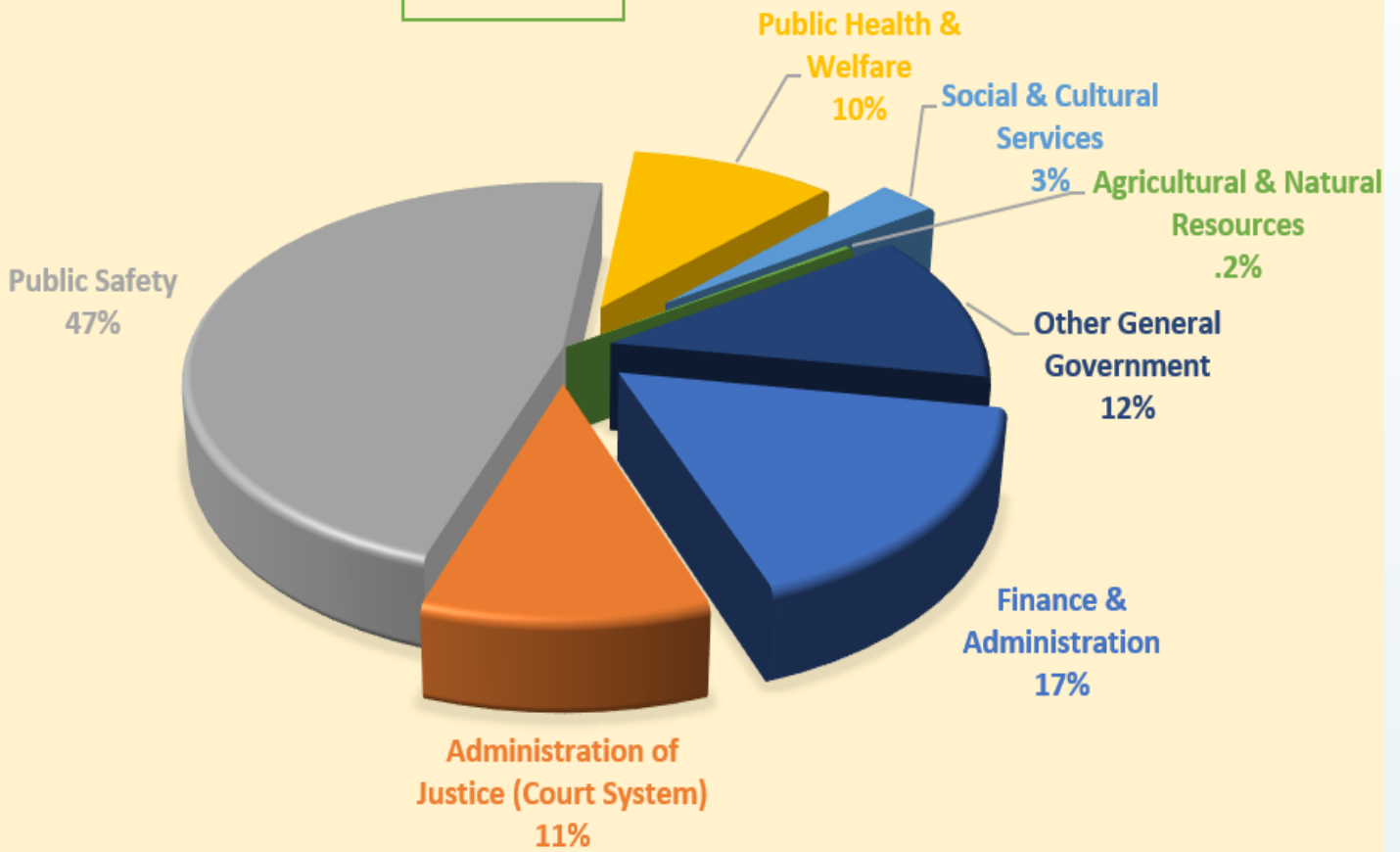
The General Fund accounts for resources traditionally associated with governments that are not required legally or by financial management to be accounted for in another fund. The 'Miscellaneous' section consists of the wheel tax, increases in equity interest in joint ventures, and from other government and citizen groups. The General Fund accounts for the normal recurring activities of the County (i.e., public safety, recreation, health and welfare, general government, etc.). These activities are funded principally by property taxes on individuals and businesses.

# COUNTY'S GENERAL FUND



## WHERE THE MONEY GOES

**2022**



# SCHOOL'S GENERAL FUND

2022

## REVENUE- GENERAL FUND

Category	21/22			
	2020	2021	2022	VARIANCE
Property Taxes	\$ 103,802,639	\$ 106,153,334	\$ 108,418,760	\$ 2,265,426
Local Option Sales Taxes	163,255,052	186,716,867	215,237,167	28,520,300
Wheel Tax	1,697,739	1,790,760	1,808,993	18,233
Other Local Taxes	787,312	673,680	709,767	36,087
Licenses & Permits	33,275	34,999	37,427	2,428
Charges for Current Services	400,960	410,389	413,939	3,550
Other Local Revenues	4,533,456	3,819,895	7,335,126	3,515,231
State of Tennessee	233,354,463	242,268,770	247,760,383	5,491,613
Federal Government	673,679	615,460	678,572	63,112
Other Governments & Citizen Groups	12,000	215,335	5,318	(210,017)
Interest Earned	329,345	940,434	211,830	(728,604)
Payments from Primary Government	1,932,000	1,932,000	1,932,000	-
<b>Total Revenues</b>	<b>\$ 510,811,920</b>	<b>\$ 545,571,923</b>	<b>\$ 584,549,282</b>	<b>\$ 38,977,359</b>

Note:

School's revenues have increased over the last three years through a continued robust economy. Property tax and sales tax continue to out perform projections. The increase in other local revenues is due to grants. The state of TN increased the amount of the Basic Education Fund.

## EXPENDITURES- GENERAL FUND

Category	21/22			
	2020	2021	2022	VARIANCE
Personal Services	\$ 328,241,913	\$ 340,169,080	\$ 358,145,785	\$ 17,976,705
Employee Benefits	93,091,698	94,427,585	98,233,273	3,805,688
Contracted Services	31,149,169	28,660,108	34,040,136	5,380,028
Supplies & Materials	28,003,070	22,807,460	22,326,541	(480,919)
Other Charges	14,631,470	12,068,215	19,862,443	7,794,228
Capital Outlay	1,188,577	2,073,915	1,309,594	(764,321)
Payments to Primary Government	11,072,668	11,449,356	14,931,933	3,482,577
<b>Total Expenditures</b>	<b>\$ 507,378,565</b>	<b>\$ 511,655,719</b>	<b>\$ 548,849,705</b>	<b>\$ 37,193,986</b>

Note:

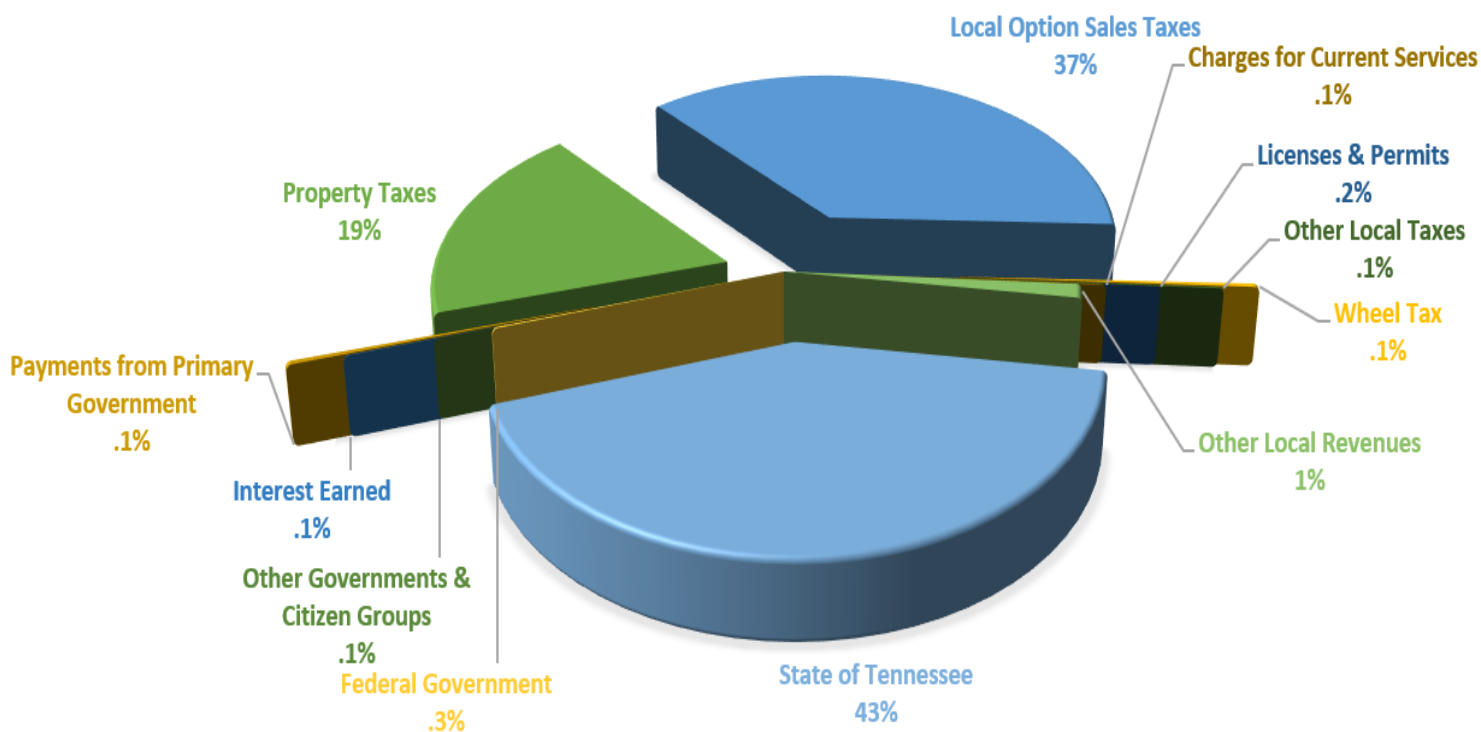
Expenditures within the School's General Fund is made up of thousands of accounts and can fluctuate greatly from year to year. The largest increase is due to salaries and benefits with teachers receiving a 4% increase.

# SCHOOL'S GENERAL FUND



## WHERE THE MONEY COMES FROM

# 2022

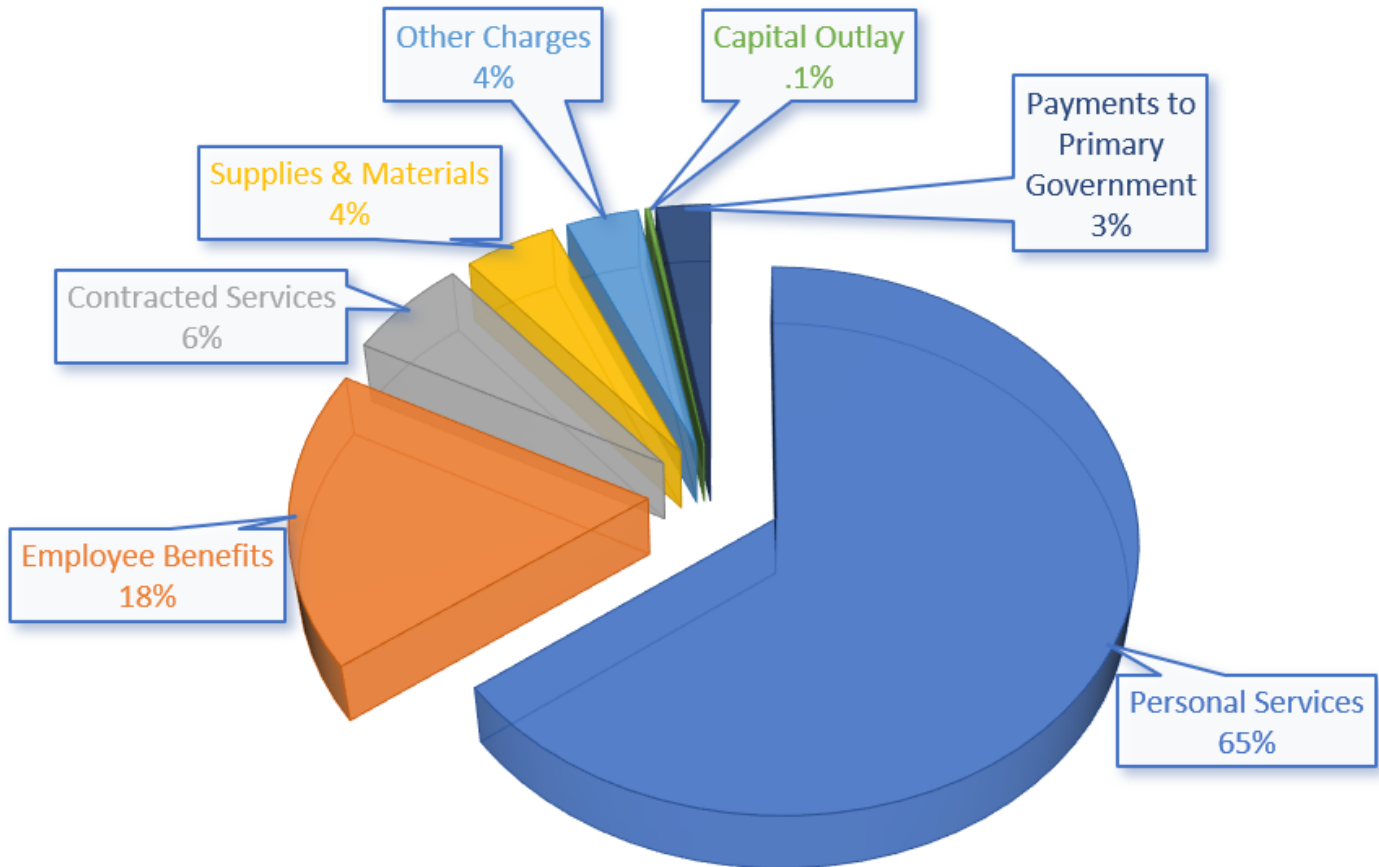


**General Purpose School Fund:** This fund is used to account for general operations of the Board of Education. Major funding is provided through local tax levies and state education funds. The 'Other Local Revenues' section consists of the wheel tax, other local tax, licenses and permits, charges for current services, federal government, other governments and citizen groups, interest earned, and payments from the primary government.

# SCHOOL'S GENERAL FUND

## WHERE THE MONEY GOES

2022

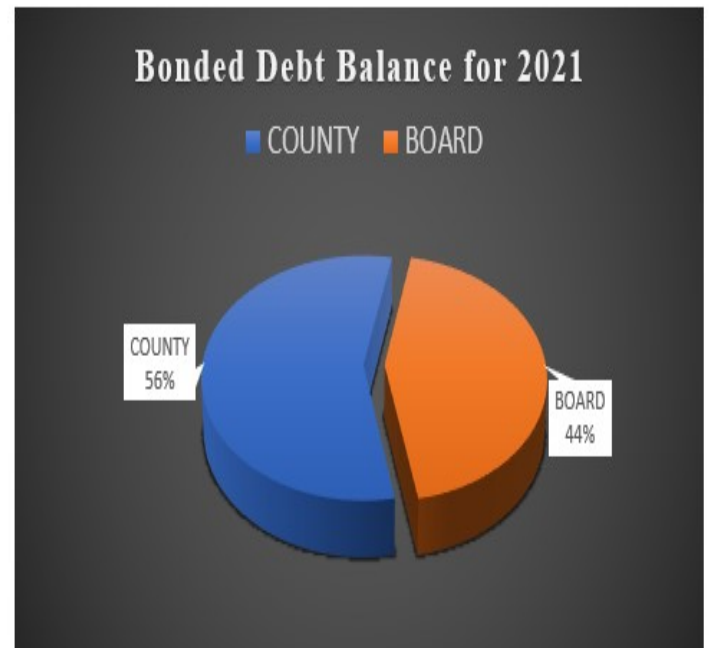
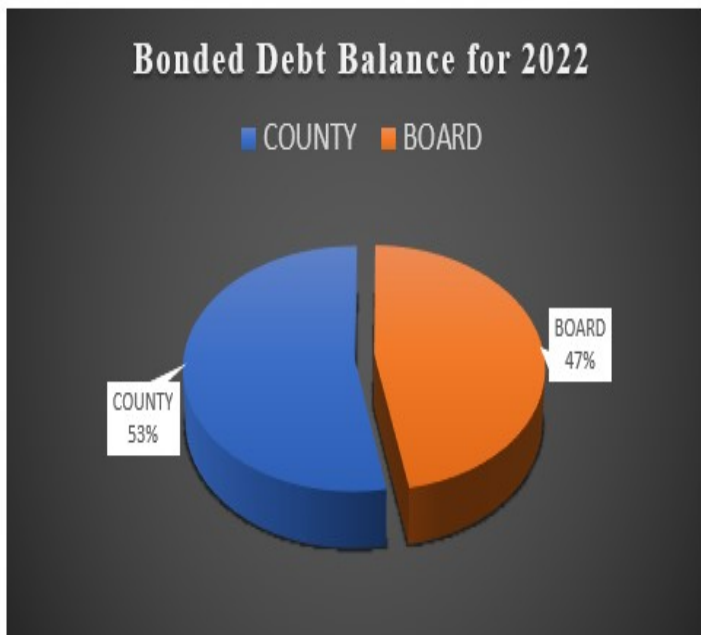


# DEBT

2022



Knox County’s total bonded debt increased by \$43,735,720 or 6.6 % during the current fiscal year. This was due to the principal bond payments that were less than the debt issuances as shown in the table below.



*Comparing the Two Charts :* During the current year the bonded debt for the board has an increase of 3% from last year and the bonded debt for the county has a decrease of 3% from the prior year.

BONDED DEBT BALANCE OF 2022	COUNTY	BOARD	TOTAL
<b>Beginning Balance</b>	\$ 367,943,321	\$ 290,193,916	\$ 658,137,237
<b>Principal Paid</b>	(24,166,302)	(19,137,978)	(43,304,280)
<b>Proceeds from Debt Issuances</b>	28,715,000	58,325,000	87,040,000
<b>Ending Balance- Bonds</b>	\$ 372,492,019	\$ 329,380,938	\$ 701,872,957

BONDED DEBT BALANCE OF 2021	COUNTY	BOARD	TOTAL
<b>Beginning Balance</b>	\$ 373,155,577	\$ 273,065,941	\$ 646,221,518
<b>Principal Paid</b>	(68,726,942)	(30,617,339)	(99,344,281)
<b>Proceeds from Debt Issuances</b>	63,514,686	47,745,314	111,260,000
<b>Ending Balance- Bonds</b>	\$ 367,943,321	\$ 290,193,916	\$ 658,137,237

# PROPERTY TAX

2022



Knox’s County greatest revenue stream is from property taxes. The amount of property tax collected is established by the Property Assessor, followed by the County Commission approval based on the needs of the budget. The tax rate for 2022 was \$2.12 for every \$100 of assessed value. For every property tax dollar collected, 89 cents was used to support Knox County’s general fund, 80 cents was allocated to the general-purpose school fund and 43 cents toward the debt service fund.

	Amount	% Total Levy
General Fund	\$ 0.89	42%
General Purpose School Fund	\$ 0.80	38%
Debt Service Fund	\$ 0.43	20%
<b>Total Tax Levy</b>	<b>\$ 2.12</b>	<b>100%</b>





KNOX COUNTY  
FINANCE DEPARTMENT  
[WWW.KNOXCOUNTY.ORG](http://WWW.KNOXCOUNTY.ORG)