

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED
June 30, 2025, and 2024**

**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, 2025 AND 2024
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INTRODUCTORY SECTION



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Jayne Burritt, Administrator/CEO

Board of Directors

Heather Anderson, Chair
Ann Marie Tugwell, Vice Chair
Garrett Holt, Treasurer
Adam Cook, Secretary

Jon Clark
Scott Davis
Brian Gard
Rob Glass
Steve Maddox
Chuck Severance
John Wright

November 10, 2025

To the Board of Directors of The Public Building Authority of the County of Knox and City of Knoxville, Tennessee and to the Citizens of the County of Knox and City of 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 Annual Comprehensive Financial Report (ACFR) is published to fulfill these requirements for the fiscal years ended June 30, 2025 and 2024.

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 Annual Comprehensive Financial Report

The Annual Report 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, 2025 and 2024. 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 and the County.

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 Information Technology 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 2026.

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 1,212 wholesale establishments, 1,933 retail establishments, and 11,786 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 12.05 million people were estimated to have visited the National Park in 2024, a 9% decrease from 2023, which appears to be caused by a change in the Park Service data collection methods instead of an actual decrease in visits to the Park.

The presence of the University of Tennessee, the Tennessee Valley Authority in Knoxville and the US Department of Energy in nearby Oak Ridge lends stability to the area, making the local economy less cyclical than either the national or state economy. Knox County's unemployment rate was 4.1% on June 30, 2025. This compares favorably to the national unemployment rate of 4.4% and the state rate of 3.7%.

The overall economic health of the Knoxville/Knox County area remains strong. 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 fourth highest per capita sales tax rate in the state, at roughly 192.2% of the state average. In fiscal years 2025 and 2024, respectively, sales tax collections on a countywide basis were \$1,362,705,019 and \$1,296,588,788. This represents an increase of 5.1%.

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 \$28,598,480 and \$76,524,706, respectively, in which PBA is involved.

Projects	Total Budget	FY 2026 *	FY 2027 to 2030
<u>City Projects:</u>			
Burlington Fire Station #6	\$ 750,000	\$ 750,000	\$ -
Burlington Streetscapes	10,000	10,000	-
City Parks – ADA Improvements	1,700,000	1,700,000	-
Knoxville Civic Auditorium & Coliseum (KCAC)			
KCAC – Auditorium House Lighting	350,000	350,000	-
KCAC – Cooling Tower Replacement	1,455,719	1,455,719	-
KCAC – Electrical Vault	3,600,000	3,100,000	500,000
KCAC – HVAC Chiller Replacement	851,747	851,747	-
KCAC – Rigging	830,000	830,000	-
Knoxville Convention Center South Exterior Remediation	1,337,460	1,337,460	-
KPD K9 Facility	2,496,484	2,496,484	-
Lonsdale Park Improvements	5,965,000	5,000,000	965,000
Parks – ADA Improvements Holston River Park	1,464,117	1,464,117	-
Public Works Complex – Additional owner requested improvements	154,453	154,453	-
World's Fair Park Amphitheater Reroof	7,633,500	7,633,500	-
Total City Projects	28,598,480	27,133,480	1,465,000
<u>County Projects:</u>			
CCB Trustee Interior Suite Renovations	400,000	400,000	-
Engineering & Public Works Facility	27,500,000	23,500,000	4,000,000
Halls Greenway Connector (TDOT)	3,155,000	3,155,000	-
Regional Forensic Center	30,000,000	25,000,000	5,000,000
Summer Place Complex Improvements – Facade	85,000	85,000	-
Summer Place Complex Improvements – Level S	4,265,000	4,265,000	-
Summer Place Complex Improvements – Structural	6,330,153	6,330,153	-
Three Ridges Golf Course Exterior Repairs	450,000	450,000	-
UT Tower – UT 7 th Floor Buildout	2,063,000	2,063,000	-
UT Tower – North Plaza Buildout	2,276,553	2,276,553	-
Total County Projects	76,524,706	67,524,706	9,000,000
<u>OGA Projects:</u>			
Riverwalk Garage Storm Damage	2,013,300	2,013,300	-
Total Other Projects	2,013,300	2,013,300	-
Total All Projects	\$ 107,136,486	\$ 96,671,486	\$ 10,465,000

FY 2026 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. Knox County's Senior centers and the City's Public Safety Complex are good examples where PBA transitioned from development manager to property manager as the capital projects are completed and put in service.

Major Initiatives

Knoxville is currently experiencing substantial and steady economic growth, which positively influences the public buildings managed for the City of Knoxville and Knox County. The Public Building Authority (PBA) is frequently tasked with the responsibility of taking on additional properties and expanding our services throughout the region. Our primary challenge lies in assisting our clients in the most advantageous and cost-effective manner to address their diverse needs.

As we broaden our operations, we simultaneously face the pressing need to maintain existing structures through comprehensive major maintenance projects. Effective and ongoing collaboration with both the City and County is crucial for developing sound budgets that support both operational needs and new initiatives.

The prevailing market conditions pose significant challenges in managing expenses, particularly concerning labor costs. The job market for skilled laborers has become increasingly competitive, driving up costs and making it difficult to attract and retain qualified personnel. Moreover, with a significant portion of our labor force approaching retirement age, we anticipate key personnel transitions in the near future.

To address these looming changes, succession planning will be a focal point for us in the upcoming year. We are committed to developing a strategic approach that ensures a smooth transition in leadership and operational roles. By prioritizing the growth and development of our employees, we aim to effectively meet our clients' needs in this dynamic and rapidly evolving environment.

Relevant Financial Policies

The Public Building Authority works closely 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 reflect our clients' ongoing financial plans.

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 annual comprehensive financial report for the fiscal years ended June 30, 2024 and 2023. This was the twenty-first 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 annual comprehensive 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 the annual report is a result of combined efforts of the Finance Department staff. 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.



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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

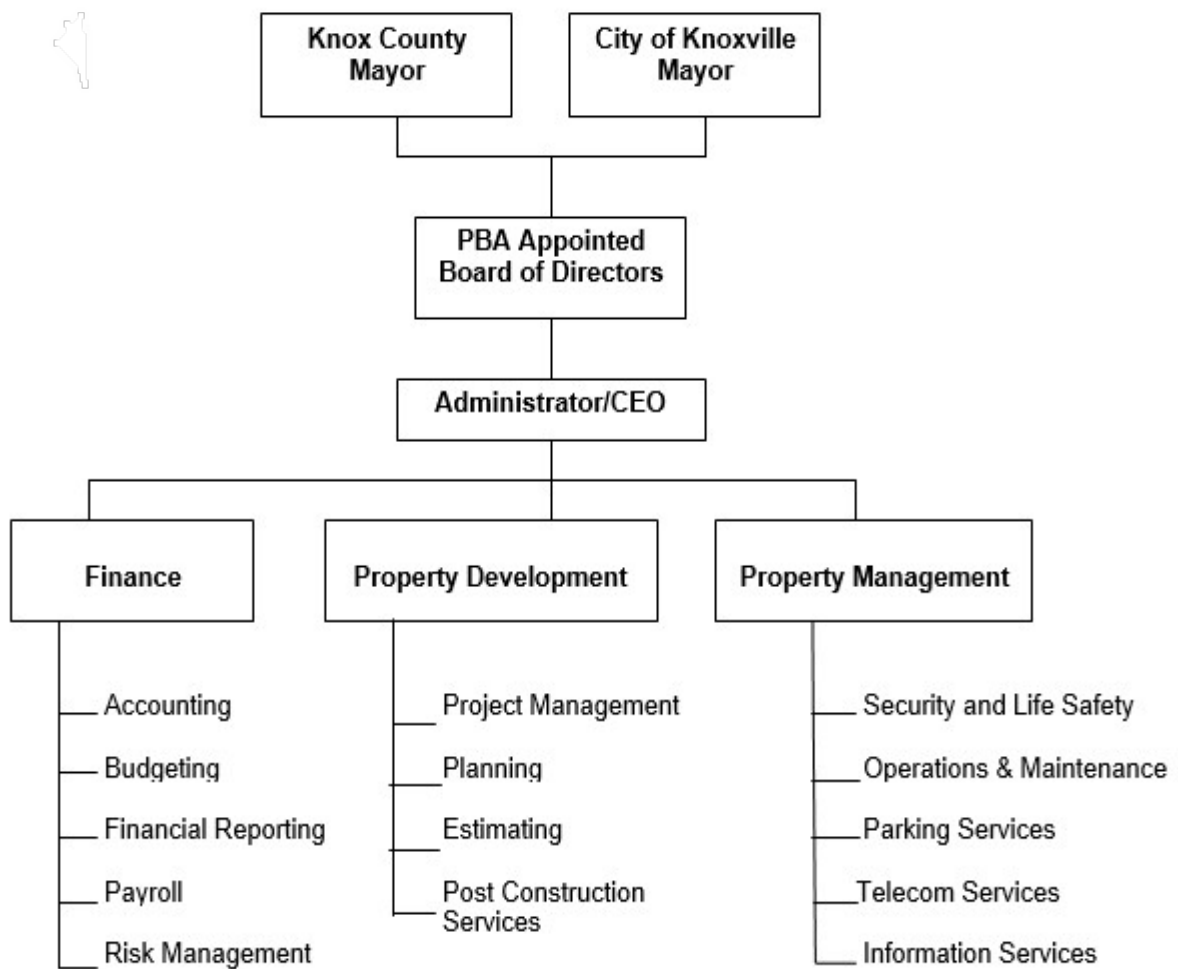
June 30, 2024

Christopher P. Morill

Executive Director/CEO

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

Organizational Chart June 30, 2025



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

ROSTER OF OFFICIALS AND OTHERS

June 30, 2025

Board of Directors	Expiration of Term
Heather Anderson, Chair	2027
Ann Marie Tugwell, Vice-Chair	2027
Adam Cook, Secretary	2029
Garrett Holt, Treasurer	2029
Jon Clark	2025
Scott Davis	2025
Brian Gard	2029
Rob Glass	2027
Steve Maddox	2025
Chuck Severance	2027
John Wright	2029

Management

Jayne Burritt, Administrator/CEO

Robyn Smith, Director of Finance

Kristin Grove, Director of Property Development

David Lively, Director of Facilities Operations and Engineering

Alex Fusaro, Director of Life Safety and Security

Independent Auditor

Mauldin & Jenkins
Certified Public Accountants
Chattanooga, Tennessee

Legal Counsel

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

FINANCIAL SECTION



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 Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities 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, 2025 and June 30, 2024, and the related notes to the financial statements, which collectively comprise PBA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of PBA as of June 30, 2025 and June 30, 2024, and the respective changes in its financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PBA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 13, PBA implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, as of July 1, 2024. This standard significantly changed the reporting of PBA's compensated absences liability. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PBA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risk. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 PBA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

-
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about PBA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-12 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise PBA's basic financial statements. The accompanying schedule of net position by activity, the schedule of revenues, expenses, and changes in net position by activity, and 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the supplementary information is fairly presented, in all material respects, in relation to the basic financial statements as a whole.

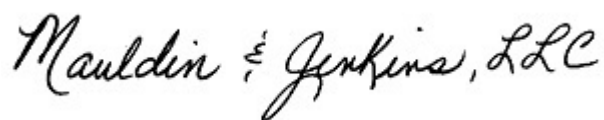
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2025, 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 PBA's internal control over financial reporting and compliance.



Chattanooga, Tennessee
November 10, 2025

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, 2025, 2024 and 2023. This information should be read in conjunction with the accompanying financial statements.

FINANCIAL HIGHLIGHTS

The following are key financial highlights:

- Total assets on June 30, 2025, 2024, and 2023 were \$26,154,861, \$24,288,678, and \$21,180,092 and exceeded liabilities (net position) by \$16,615,856, \$15,205,148, and \$13,752,670 respectively. Of the total net position, \$8,792,749, \$9,644,036, and \$8,090,616 was unrestricted and was available to support short-term operations for the years ending June 30, 2025, 2024, and 2023 respectively.
- Operating revenues were \$30,636,884, \$28,298,239, and \$25,473,029 for the years ending June 30, 2025, 2024, and 2023, an increase of 8.3%, 11.09%, and 17.19% from prior years. Revenues continue to increase due to the addition of properties, upgrades at existing properties, and rising operating costs.
- During 2025, there was an increase of \$2,261,995 in net position investment in capital assets and a decrease in unrestricted net position of \$(851,287) which combined for the overall increase in net position of \$1,410,708 from 2024. Although management fees increased in 2025, the PBA used current year capital contributions and operating income to upgrade its investment in capital assets and increase net position.
- Operating expenses before depreciation increased by \$2,774,243 and increased by \$3,019,944 from 2024 and 2023, representing a 11.6% increase and 14.4% increase from 2024 and 2023, respectively. Salary increases due to wage increases and new employee additions are a significant portion of the increase in expenses in 2025.
- Operating income was \$2,829,198, \$3,476,462, and \$3,756,282 for 2025, 2024, and 2023, respectively, representing a decrease of \$(647,264) from 2024 and \$(279,820) from 2023. The decrease in net position, before capital contributions, was \$(739,292), \$(677,522), and \$(465,030) for 2025, 2024, and 2023, respectively, representing a decrease of \$(61,770) from 2024 and a decrease of \$(212,492) from 2023. Rising operating costs, such as salaries and utilities, outpaced rising revenue in 2025.
- The ratios of operating income to total operating revenues were 9.2% for 2025, 12.3% for 2024, and 14.7% for 2023.
- Capital asset replacement reserve contributions were \$2,150,000 for 2025, \$2,130,000 for 2024, and \$2,130,000 for 2023.
- Capital contributions returned were \$4,204,781 for 2025, \$4,853,727 for 2024 and \$4,365,899 for 2023, a decrease of \$648,946 and an increase of \$487,828 when compared to 2024 and 2023. The decrease in 2025 is due to rising employee costs, contract cost increases, some unexpected repairs, and increasing energy costs.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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 property managed. Also, included is a separate schedule of revenues, expenses and changes in net position – budget to actual by property managed.

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 management fees, parking revenues, rental income, and miscellaneous charges. Management fees are annually negotiated with the County and City and certain other related governmental organizations.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL ANALYSIS

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

Condensed Statements of Net Position
(In Thousands of Dollars)
June 30, 2025, 2024 and 2023

	2025	2024 - Restated	2023 - Restated
ASSETS			
Current Assets	\$ 18,281	\$ 18,235	\$ 15,518
Net Capital Assets	<u>7,874</u>	<u>6,054</u>	<u>5,662</u>
TOTAL ASSETS	<u>\$ 26,155</u>	<u>\$ 24,289</u>	<u>\$ 21,180</u>
LIABILITIES			
Current Liabilities	\$ 9,095	\$ 8,586	\$ 6,973
Non-Current Liabilities	<u>444</u>	<u>498</u>	<u>454</u>
TOTAL LIABILITIES	<u>9,539</u>	<u>9,084</u>	<u>7,427</u>
NET POSITION			
Investment in Capital Assets	7,823	5,561	5,662
Unrestricted	<u>8,793</u>	<u>9,644</u>	<u>8,091</u>
TOTAL NET POSITION	<u>16,616</u>	<u>15,205</u>	<u>13,753</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 26,155</u>	<u>\$ 24,289</u>	<u>\$ 21,180</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Condensed Statements of Revenues, Expenses,
and Changes in Net Position
(In Thousands of Dollars) For the Fiscal Years Ended June 30, 2025, 2024 and 2023

	<u>2025</u>	<u>2024 - Restated</u>	<u>2023 - Restated</u>
Operating Revenues			
Management Fees	\$ 24,390	\$ 23,007	\$ 20,434
Parking	5,635	4,727	4,444
Other Rental/Miscellaneous	<u>612</u>	<u>564</u>	<u>595</u>
Total Operating Revenues	<u>30,637</u>	<u>28,298</u>	<u>25,473</u>
Operating Expenses			
Salaries and Benefits	14,434	12,662	10,440
Office	179	285	243
Education and Training	21	31	21
Purchased Services and Supplies	2,339	2,331	2,212
Operating Contracts	4,828	4,508	4,006
Utilities	3,487	3,065	2,816
Communications	140	142	112
Insurance	491	442	388
Professional Fees	72	72	76
Depreciation & Amortization	1,103	892	806
Maintenance Facility	149	164	145
Other	<u>565</u>	<u>228</u>	<u>452</u>
Total Operating Expenses	<u>27,808</u>	<u>24,822</u>	<u>21,717</u>
Operating Income	<u>2,829</u>	<u>3,476</u>	<u>3,756</u>
Non-Operating Revenues (Expenses)			
Interest Income	778	814	300
Bank Charges	(141)	(114)	(155)
Capital Contributions Returned	<u>(4,205)</u>	<u>(4,854)</u>	<u>(4,366)</u>
Total Non-Operating Revenues (Expenses) – Net	<u>(3,568)</u>	<u>(4,154)</u>	<u>(4,221)</u>
Decrease in Net Position Before Capital Contributions	<u>(739)</u>	<u>(678)</u>	<u>(465)</u>

(Continued)

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

	2025	2024 - Restated	2023 - Restated
Capital Contributions			
Capital Contributions	2,150	2,130	2,130
Increase (Decrease) in Net Position	1,411	1,452	1,665
Net Position, Beginning of Year	15,205	13,753	12,355
Restatement for GASB 101 implementation	-	-	(267)
Total Net Position as Adjusted July 1	15,205	13,753	12,088
Net Position, End of Year	\$ 16,616	\$ 15,205	\$ 13,753

OTHER SELECTED INFORMATION

Space (in Square Feet) Under Management	2,037,446	2,041,946	2,041,946
Number of Parking Spaces Under Management	10,533	9,162	9,152
Parks – Number of Acres Under Management	32	32	32
Employees at Year-End:			
Facilities Management	89	86	85
Safety and Security	100	93	85
Property Development	5	5	4
Telecommunications	15	14	11
Administrative	13	13	12
Total	222	211	197

	2025	2024 - Restated	2023 - Restated
Average Number of Employees	212	178	178
Per Average Employee:			
Operating Revenues	\$ 144,514	\$ 142,202	\$ 143,107
Operating Expenses	\$ 131,168	\$ 124,438	\$ 122,004
Ratio of Operating Revenues to:			
Operating Expenses	110%	114%	117%
Operating Expenses – Net of Depreciation	115%	118%	122%
Total Assets	117%	117%	120%
Net Position	184%	186%	182%

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 capital upgrade plans have been analyzed and deemed sufficient to meet future City and County requirements.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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 \$2,150,000 and \$2,130,000 for 2025 and 2024, respectively. The contributions consist of the following:

<u>June 30, 2025</u>	<u>Capital Reserves</u>
County:	
City County Building	\$ 1,426,000
Telecommunications	<u>100,000</u>
Total County	1,526,000
City:	
City County Building	574,000
Telecommunications	<u>50,000</u>
Total City	<u>624,000</u>
Others	<u>-</u>
Total	<u>\$ 2,150,000</u>
<u>June 30, 2024</u>	<u>Capital Reserves</u>
County:	
City County Building	\$ 1,426,000
Telecommunications	<u>100,000</u>
Total County	1,526,000
City:	
City County Building	574,000
Telecommunications	<u>30,000</u>
Total City	<u>604,000</u>
Others	<u>-</u>
Total	<u>\$ 2,130,000</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

RESULTS OF OPERATIONS (Continued)

Capital Contributions (Deductions) (Continued)

Reserves returned to the City and County during 2025 totaled \$4,130,500 which represented a refund of operating results above the calculated desired reserve. Additionally, operating results of \$15,817 were refunded to the Emergency Communications District, \$35,234 to the Industrial Development Board of the County of Knox, \$20,316 to the Industrial Development Board, and \$2,914 to Knoxville Community Development Corporation, also representing operating reserves above the calculated needed reserve.

Reserves returned to the City and County during 2024 totaled \$4,781,155 which represented a refund of operating results above the calculated desired reserve. Additionally, operating results of \$17,915 were refunded to the Emergency Communications District, \$24,030 to the Development Corporation Board, and \$30,627 to the Industrial Development Board, also representing operating reserves above the calculated needed reserve.

Operating Expenses

Operating expenses during 2025, 2024, and 2023 increased by \$2,985,909, \$3,105,030 and \$3,378,667 or 12%, 14.3%, and 18.4%, respectively. This was a result of increases (decreases) such as:

	2025	2024 - Restated	2023 - Restated
Salaries and Benefits	\$ 1,772,458	\$ 2,221,750	\$ 1,493,643
Purchased Services and Supplies	7,682	118,721	315,593
Operating Contracts	319,254	502,839	683,591
Utilities	422,543	248,894	587,669
Insurance	48,860	54,296	41,566
Depreciation	211,666	85,086	38,274
Other - Net	203,446	(126,556)	218,331
Total	\$ 2,985,909	\$ 3,105,030	\$ 3,378,667

In 2025, increases occurred due to the following: additional employees hired to manage new City properties, employee wage increases, increases in contract costs, specifically custodial, security and IT contracts, and rising energy costs. Depreciation increased due to the addition of capital assets in 2025. Increases in expenses occurred in 2024 due to additional employees hired to manage new City and County properties which came online during the prior year. These properties incurred a full year of operating contract, purchased services, supplies and utilities expenses in 2024.

Capital Assets

During 2025, 2024, and 2023, PBA increased producing capital assets cost by \$2,923,427, \$489,293, and \$477,702, respectively. These increases/ (decreases) consist of the following:

	2025	2024	2023
Construction in Progress	\$ (63,351)	\$ 17,556	\$ (294,721)
Building Improvements	2,060,361	662,361	674,292
Machinery and Equipment	366,497	(221,297)	(138,937)
Data Processing Equipment and Software	-	(16,798)	28,919
Vehicles	559,920	47,471	208,149
Total	\$ 2,923,427	\$ 489,293	\$ 477,702

The PBA's capital asset activity for 2025 and 2024 is described in Note 5 to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

ECONOMIC FACTORS AND NEXT FISCAL YEAR

- There is an overall 15.94% increase in budgeted salaries and benefits for fiscal year 2026 which reflects current employee wage increases, the addition of new employees and job positions in a competitive labor market. The number of properties managed by PBA continues to increase each year.
- Insurance expenses are expected to remain steady with modest increase of 4.0% in 2026 due to the increase in liability, auto and worker's compensation rates.
- Utilities expenses are expected to remain stable in 2026 with a slight decrease of 2.6% due to steadier, flatter energy costs in 2025 and less than anticipated costs for two of the largest City properties, Public Safety Complex and City Parks during 2025.
- Operating expenses are budgeted to increase by 10.5% in 2026 from 2025 budgeted levels due to specific repairs set to begin for the City County Building and other small increases for several City properties.
- Operating contracts' overall budget will increase by 4.0%. Individually, the City's increase is 7.7% for 2026, due to increased work and pricing in the City Parks, Public Works Complex, Coliseum, and Public Safety Building. The County's operating contract budget increase is .5% for 2026 with no significant pricing or work increases in County properties.
- Both City and County fiscal year 2026 property operating budgets increased over 2025 by 12.1% and 4.4%, respectively. The City added a new property, Coliseum, and further expanded the budgets of the City Parking Facilities and City Parks, particularly in security departments, for 2026. No new properties were added to the County's 2026 adopted budget from the prior year's budget.
- Fiscal year 2026 Adopted Budget is summarized as follows:

Revenues	\$	35,090,898
Expenses		<u>34,468,240</u>
Change in Net Position	\$	<u>622,658</u>

FINAL COMMENTS

The PBA is committed to providing the County and City cost effective and efficient public property development and management. The PBA is continually 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
505 Summer Place, PBA Suite G140
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, 2025 and 2024

ASSETS

	<u>2025</u>	<u>2024 - Restated</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 14,271,031	\$ 15,594,326
Receivables:		
Other Receivables	109,238	22,802
Due from City and County	3,368,401	2,421,989
Due from Other Governmental Agencies	237,621	37,677
Inventory	12,806	13,006
Prepaid Items	<u>281,905</u>	<u>145,265</u>
Total Current Assets	<u>18,281,002</u>	<u>18,235,065</u>
CAPITAL ASSETS		
Property and Equipment	18,712,642	15,725,864
Less: Accumulated Depreciation	(10,939,799)	(9,836,618)
Land	101,016	101,016
Construction in Progress	<u>-</u>	<u>63,351</u>
Net Capital Assets	<u>7,873,859</u>	<u>6,053,613</u>
TOTAL ASSETS	<u>\$ 26,154,861</u>	<u>\$ 24,288,678</u>

(Continued)

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

STATEMENTS OF NET POSITION

June 30, 2025 and 2024

LIABILITIES AND NET POSITION

	<u>2025</u>	<u>2024 - Restated</u>
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 5,065,910	\$ 3,920,203
Due to City and County	3,109,916	3,855,565
Due to Other Governmental Agencies	74,281	72,572
Unearned Revenues	387	1,702
Customer Deposits	30,609	56,203
Compensated Absences Payable, Current Portion	<u>813,966</u>	<u>679,866</u>
Total Current Liabilities	<u>9,095,069</u>	<u>8,586,111</u>
NON-CURRENT LIABILITIES		
Compensated Absences Payable	<u>443,936</u>	<u>497,419</u>
Total Non-Current Liabilities	<u>443,936</u>	<u>497,419</u>
Total Liabilities	<u>9,539,005</u>	<u>9,083,530</u>
NET POSITION		
Net Investment in Capital Assets	7,823,107	5,561,112
Unrestricted	<u>8,792,749</u>	<u>9,644,036</u>
Total Net Position	<u>16,615,856</u>	<u>15,205,148</u>
TOTAL LIABILITIES AND NET POSITION	\$ <u>26,154,861</u>	\$ <u>24,288,678</u>

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, 2025 and 2024

	<u>2025</u>	<u>2024 - Restated</u>
OPERATING REVENUES		
Management Fees from City and County	\$ 24,093,517	\$ 22,717,082
Management Fees from Other Governmental Agencies	295,962	290,615
Other Rental/Miscellaneous Revenues	612,477	563,712
Parking Revenues	<u>5,634,928</u>	<u>4,726,830</u>
Total Operating Revenues	<u>30,636,884</u>	<u>28,298,239</u>
OPERATING EXPENSES		
Salaries and Benefits	14,433,895	12,661,437
Office	179,314	284,773
Education and Training	21,109	31,510
Purchased Services and Supplies	2,338,465	2,330,783
Operating Contracts	4,827,744	4,508,490
Utilities	3,487,411	3,064,868
Communications	139,468	141,686
Insurance	491,091	442,231
Professional Fees	71,754	72,188
Depreciation & Amortization	1,103,181	891,515
Maintenance Facility	149,498	163,705
Other	<u>564,756</u>	<u>228,591</u>
Total Operating Expenses	<u>27,807,686</u>	<u>24,821,777</u>
OPERATING INCOME	\$ <u>2,829,198</u>	\$ <u>3,476,462</u>

(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, 2025 and 2024

	<u>2025</u>	<u>2024 - Restated</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	\$ 777,939	\$ 813,616
Bank Charges	(141,648)	(113,873)
Capital Returned to City and County	(4,130,500)	(4,781,155)
Capital Returned to Other Governmental Agencies	<u>(74,281)</u>	<u>(72,572)</u>
Total Non-Operating Revenues (Expenses) - Net	<u>(3,568,490)</u>	<u>(4,153,984)</u>
DECREASE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	<u>(739,292)</u>	<u>(677,522)</u>
CAPITAL CONTRIBUTIONS		
Cash:		
Capital Contributions from the City and County	<u>2,150,000</u>	<u>2,130,000</u>
INCREASE IN NET POSITION	1,410,708	1,452,478
NET POSITION, BEGINNING OF YEAR	15,205,148	14,019,988
Restatement for GASB 101 Implementation	<u>-</u>	<u>(267,318)</u>
NET POSITION, AS RESTATED, BEGINNING OF YEAR	<u>15,205,148</u>	<u>13,752,670</u>
NET POSITION, END OF YEAR	\$ <u>16,615,856</u>	\$ <u>15,205,148</u>

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, 2025 and 2024

	<u>2025</u>	<u>2024 - Restated</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from City and County	\$ 23,147,105	\$ 21,883,154
Receipts from Other Governmental Agencies	96,018	279,297
Receipts from Other Customers	6,135,375	5,408,482
Payments to Employees	(14,353,278)	(12,527,504)
Payments to Suppliers	<u>(11,262,658)</u>	<u>(10,110,561)</u>
Net Cash Provided by Operating Activities	<u>3,762,562</u>	<u>4,932,868</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Contributed by City and County	2,150,000	2,130,000
Capital Returned to City and County	(4,876,149)	(4,491,238)
Capital Returned to Other Governmental Agencies	(72,572)	(61,247)
Capital Asset Purchases	<u>(2,923,427)</u>	<u>(1,283,074)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(5,722,148)</u>	<u>(3,705,559)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received on Deposits	777,939	813,616
Bank Charges	<u>(141,648)</u>	<u>(113,873)</u>
Net Cash Provided by Investing Activities	<u>636,291</u>	<u>699,743</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(1,323,295)</u>	<u>1,927,052</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>15,594,326</u>	<u>13,667,274</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ <u>14,271,031</u>	\$ <u>15,594,326</u>

(Continued)

**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, 2025 and 2024

	<u>2025</u>	<u>2024 - Restated</u>
RECONCILIATION OF OPERATING INCOME TO:		
NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 2,829,198	\$ 3,476,462
Depreciation & Amortization	1,103,181	891,515
Changes in:		
Accounts Receivable	(86,436)	86,909
Due from City and County	(946,412)	(833,928)
Due from Other Governmental Agencies	(199,944)	(11,318)
Prepaid Items	(136,640)	(33,418)
Inventory	200	1,780
Accounts Payable and Accrued Liabilities	1,145,707	1,190,292
Customer Deposits	(25,594)	31,031
Compensated Absences Payable	80,617	133,933
Unearned Revenues	<u>(1,315)</u>	<u>(390)</u>
 Net Cash Provided by Operating Activities	 \$ <u>3,762,562</u>	 \$ <u>4,932,868</u>

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, 2025 and 2024

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 operating and property development contracts with the City, the County, and other governmental agencies 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, direct maintenance costs, including operating contracts, 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 net 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 operating and property development 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 management fees, parking revenues, and rentals.

Management fees for various City, County, and other governmental agencies' 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 monthly at gross proceeds to reflect the in-house management of parking facilities.

Rental revenues are recognized as earned over the appropriate time period.

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Depreciation is not recorded until the assets are put into use.

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

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

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. In addition to retirees' sick leave payout eligibility, employees sick leave earned that will be used as time off in future years is also part of the liability at June 30, 2025.

GASB Statement No. 101, *Compensated Absences*, issued June 2022, was adopted by the PBA beginning with its fiscal year ending June 30, 2025. Statement No. 101 provides guidance on the recognition and measurement for compensated absences. See Note 6, Compensated Absences, and Note 13, Restatement of Beginning Balance.

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.

Net Position - Net position comprises the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net positions are classified in the following two components: net investment in capital assets and unrestricted net position. Net investment in capital assets, consists of all capital assets, net of accumulated depreciation, related construction payables, 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 7.

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and amortization expense, and certain claims and judgment liabilities, among other accounts. Actual results may differ from those estimates.

NOTE 3 - 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:

- Dwight Kessel Metropolitan Parking Garage
- Election Commission
- 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
- Summer Place Complex and Parking Garage
- Teague Building
- UT Tower
- 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 Jackson Ave Parking Lot, including T-Dot Parking Lot, the CBID Parking Lots, and the Riverwalk Parking Garage. Under the terms of the agreement, the City shall reimburse the PBA for all costs and expenses. The contract may be terminated after 30 days' written notice by either party.

The Jackson Avenue Parking Lot was sold to Knoxville Community Development Corporation on April 1, 2025, and is no longer part of the City contract with PBA. See note below.

NOTE 3 - OPERATING CONTRACTS (continued)

City Operating Contracts (continued)

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 expires on June 30, 2026.

Knoxville Area Transit Center/Magnolia Facility - The PBA and the City entered into an operating contract 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 expires on July 14, 2025.

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, 2025. The City is currently preparing a master agreement which will include all City properties maintained by the PBA. New properties will then be added to the agreement via letter of assignment. The PBA has continued to provide monthly services while the master agreement is being finalized.

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 and Riverwalk Greenway- 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. Either party may terminate upon 30 days written notice. On July 1, 2022, the PBA and the City amended the contract to include the Riverwalk Greenway and agreed to an extension through June 30, 2025. The City is currently preparing a master agreement which will include all City properties maintained by the PBA. New properties will then be added to the agreement via letter of assignment. The PBA has continued to provide monthly services while the master agreement is being finalized.

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. 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. This contract expired on December 6, 2022. The City is currently preparing a master agreement which will include all City properties maintained by the PBA. New properties will then be added to the agreement via letter of assignment. The PBA has continued to provide monthly services while the master agreement is being finalized.

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.

NOTE 3 - OPERATING CONTRACTS (continued)

City Operating Contracts (continued)

Public Safety Building and Complex – The City of Knoxville police and fire departments moved to this facility and began operations from this complex in November 2022. At the City's request, the PBA is providing property management, building maintenance, security, and custodial services. The City is currently preparing a master agreement which will include all City properties maintained by the PBA. New properties will then be added to the agreement via letter of assignment. The PBA has continued to provide monthly services while the master agreement is being finalized.

Coliseum Parking – At the City's request, the PBA began providing property management, maintenance, security and custodial services on August 1, 2024. The City reimburses the PBA for costs and expenses relating to the maintenance of these parking garages, net of parking fees collected. The City is currently preparing a master agreement which will include all City properties maintained by the PBA. New properties will then be added to the agreement via letter of assignment. The PBA has continued to provide monthly services while the master agreement is being finalized.

Serene Manor – At the City's request, the PBA began providing property maintenance and security services on September 1, 2024. This property was not part of the PBA's 2025 or 2026 budget with the City. The City reimburses the PBA for all costs and expenses relating to the maintenance of the property.

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 Industrial Development Corporation of the County of Knox, 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.

Jackson Avenue Lot- Knoxville Community Development Corporation (KCDC)

The PBA and KCDC, Inc. entered into an operating contract on March 1, 2025 for management services of the Jackson Avenue Lot, which was purchased from the City. Under the terms of the contract, KCDC will reimburse the PBA for all direct and indirect costs related to property management. The PBA will submit reports regarding finances and operations to KCDC. The contract will continue unless terminated by either party. Either party may terminate by giving 30 days' written notice.

NOTE 3 - OPERATING CONTRACTS (continued)

City County Building

In July 1975, the PBA entered into an agreement with the City and County to construct and subsequently manage the operation and maintenance of the public building complex. The PBA has continued to manage the operation and maintenance of the CCB facility. The PBA, City, and County are currently working to update the existing operating agreement. Operation costs are budgeted annually by the PBA and billed to the City and the County in the agreed upon apportioned amounts of 28.7% and 71.3%, respectively. The percentages were unchanged for years ending 2025 and 2024.

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.

NOTE 4 - 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 – PBA utilizes a depository account which is swept daily into an interest earning checking account. The account is a public funds net interest account, which earns interest utilizing an earnings credit rate on available funds. The earnings credit rate fluctuates with current market conditions. The earnings credit rate of interest on the available collected balance was 4.65% and 4.15% on June 30, 2025 and 2024, respectively.

All funds are available on demand.

The PBA's cash and cash equivalents on June 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Petty Cash	\$ 2,250	\$ 2,250
Demand Deposits	<u>14,268,781</u>	<u>15,592,076</u>
Total	<u>\$ 14,271,031</u>	<u>\$ 15,594,326</u>

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

NOTE 4 - 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 \$777,939 and \$813,616 for 2025 and 2024, respectively. Bank charges are shown separately and were \$141,648 and \$113,873 for 2025 and 2024, respectively.

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NOTE 5 - CAPITAL ASSETS

Capital asset activity during the year ended June 30, 2025 was as follows:

	Balances July 1, 2024	Additions	Disposals	Transfers	Balances June 30, 2025
Capital Assets, Not Being Depreciated:					
Land	\$ 101,016	\$ -	\$ -	\$ -	\$ 101,016
Construction in Progress	63,351	1,156,037	-	(1,219,388)	-
Subtotal	164,367	1,156,037	-	(1,219,388)	101,016
Capital Assets Being Depreciated:					
Site Improvements	69,255	-	-	-	69,255
Buildings & Improvements	12,317,349	868,668	-	1,191,693	14,377,710
Machinery & Equipment	2,333,408	338,802	-	27,695	2,699,905
Data Processing Equipment & Software	256,212	-	-	-	256,212
Vehicles	749,640	559,920	-	-	1,309,560
Subtotal	15,725,864	1,767,390	-	1,219,388	18,712,642
Less: Accumulated Depreciation:					
Site Improvements	(69,255)	-	-	-	(69,255)
Building Improvements	(7,653,357)	(720,116)	-	-	(8,373,473)
Machinery & Equipment	(1,400,143)	(253,252)	-	-	(1,653,395)
Data Processing Equipment & Software	(227,026)	(19,816)	-	-	(246,842)
Vehicles	(486,837)	(109,997)	-	-	(596,834)
Subtotal	(9,836,618)	(1,103,181)	-	-	(10,939,799)
Total Capital Assets Being Depreciated – Net	5,889,246	664,209	-	1,219,388	7,772,843
Total Capital Assets - Net	\$ 6,053,613	\$ 1,820,246	\$ -	\$ -	\$ 7,873,859

The following table is a calculation of the PBA's net investment of capital assets, as reported in the Statement in Net Position and Note 7, Net Position.

	2025	2024
Capital Assets, non-depreciable	\$ 101,016	\$ 164,367
Capital Assets, depreciable	7,772,843	5,889,246
	7,873,859	6,053,613
Less:		
Accounts Payable	(50,752)	(492,501)
Net Investment in Capital Assets	\$ 7,823,107	\$ 5,561,112

NOTE 5 - CAPITAL ASSETS (continued)

Capital asset activity during the year ended June 30, 2024 was as follows:

	Balances July 1, 2023	Additions	Disposals	Transfers	Balances June 30, 2024
Capital Assets, Not Being Depreciated:					
Land	\$ 101,016	\$ -	\$ -	\$ -	\$ 101,016
Construction in Progress	45,795	331,956	-	(314,400)	63,351
Subtotal	146,811	331,956	-	(314,400)	164,367
Capital Assets Being Depreciated:					
Site Improvements	69,255	-	-	-	69,255
Buildings & Improvements	11,654,988	647,696	-	14,665	12,317,349
Machinery & Equipment	2,554,705	228,536	(749,568)	299,735	2,333,408
Data Processing Equipment & Software	273,010	-	(16,798)	-	256,212
Vehicles	702,169	74,886	(27,415)	-	749,640
Subtotal	15,254,127	951,118	(793,781)	314,400	15,725,864
Less: Accumulated Depreciation:					
Site Improvements	(69,255)	-	-	-	(69,255)
Building Improvements	(7,047,686)	(605,671)	-	-	(7,653,357)
Machinery & Equipment	(1,951,873)	(197,838)	749,568	-	(1,400,143)
Data Processing Equipment & Software	(219,875)	(23,949)	16,798	-	(227,026)
Vehicles	(450,195)	(64,057)	27,415	-	(486,837)
Subtotal	(9,738,884)	(891,515)	793,781	-	(9,836,618)
Total Capital Assets Being Depreciated – Net	5,515,243	59,603	-	314,400	5,889,246
Total Capital Assets - Net	\$ 5,662,054	\$ 391,559	\$ -	\$ -	\$ 6,053,613

Depreciation expense was charged as follows:

	2025	2024
City County Building	\$ 1,025,027	\$ 806,826
Other	11,730	11,763
Information Technology	66,424	72,926
Total	\$ 1,103,181	\$ 891,515

NOTE 6 - COMPENSATED ABSENCES PAYABLE

Compensated absences activity during the years ended June 30, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024-Restated</u>
Balance, Beginning of Year *	\$ 1,177,285	\$ 1,043,352
Earned	616,253	596,848
Used	<u>535,636</u>	<u>462,915</u>
Balance, End of Year	\$ <u>1,257,902</u>	\$ <u>1,177,285</u>
Current Portion	\$ 813,966	\$ 679,866
Non-Current Portion	<u>443,936</u>	<u>497,419</u>
Total	\$ <u>1,257,902</u>	\$ <u>1,177,285</u>

* Note – Beginning of year balances have been restated due to the implementation of GASB Statement 101, *Compensated Absences*. See Note 13, Restatement of Beginning Balance.

NOTE 7 - NET POSITION

Net position represents the difference between assets and liabilities. The net position on June 30, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024-Restated</u>
Net Investment in Capital Assets:		
Net Capital Assets	\$ <u>7,823,107</u>	\$ <u>5,561,112</u>
Unrestricted:		
Designated for Operating Reserve	1,888,153	1,351,155
Designated for Capital Asset Replacement	<u>6,904,596</u>	<u>8,292,881</u>
	<u>8,792,749</u>	<u>9,644,036</u>
Total	\$ <u>16,615,856</u>	\$ <u>15,205,148</u>

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 on June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024-Restated</u>
City	\$ 5,342,450	\$ 4,750,916
County	11,259,296	10,440,122
Others:		
Development Corp. of Knox County	4,610	4,610
Emergency Communications District	<u>9,500</u>	<u>9,500</u>
Total	\$ <u>16,615,856</u>	\$ <u>15,205,148</u>

NOTE 8 – OPERATING REVENUES

Operating revenues earned during the years ended June 30, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Management Fees from the City and County	\$ <u>24,093,517</u>	\$ <u>22,717,082</u>
Management Fees from Other Governmental Agencies	<u>295,962</u>	<u>290,615</u>
Other Rental/Miscellaneous Income	<u>612,477</u>	<u>563,712</u>
Parking Revenues	<u>5,634,928</u>	<u>4,726,830</u>
Total	\$ <u>30,636,884</u>	\$ <u>28,298,239</u>

NOTE 9 – CAPITAL CONTRIBUTIONS AND DEDUCTIONS

During the year ended June 30, 2025, capital contributions and deductions were as follows:

	<u>City</u>	<u>County</u>	<u>Others</u>	<u>Total</u>
Capital Contributions				
Capital Asset Replacement Reserves	\$ 624,000	\$ 1,526,000	\$ -	\$ 2,150,000
Capital Deductions				
Capital Contributions Returned	<u>(2,662,015)</u>	<u>(1,468,485)</u>	<u>(74,281)</u>	<u>(4,204,781)</u>
Total – Net	\$ <u>(2,038,015)</u>	\$ <u>57,515</u>	\$ <u>(74,281)</u>	\$ <u>(2,054,781)</u>

During the year ended June 30, 2024, capital contributions and deductions were as follows:

	<u>City</u>	<u>County</u>	<u>Others</u>	<u>Total</u>
Capital Contributions				
Capital Asset Replacement Reserves	\$ 604,000	\$ 1,526,000	\$ -	\$ 2,130,000
Capital Deductions				
Capital Contributions Returned	<u>(2,927,835)</u>	<u>(1,853,320)</u>	<u>(72,572)</u>	<u>(4,853,727)</u>
Total – Net	\$ <u>(2,323,835)</u>	\$ <u>(327,320)</u>	\$ <u>(72,572)</u>	\$ <u>(2,723,727)</u>

During the year ended June 30, 2025, the PBA returned to the City, the County, the Emergency Communications District, the Industrial Development Board of the County of Knox, 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; \$2,662,015 was returned to the City, \$1,468,485 was returned to the County, \$15,817 was returned to the Emergency Communications District, \$35,234 was returned to the Industrial Development Board of the County of Knox, \$2,914 was returned to the Knoxville Community Development Corporation Board, and \$20,316 was returned to the Industrial Development Board.

During the year ended June 30, 2024, the PBA returned to the City, the County, the Emergency Communications District, the Development Corporation Board, and the Industrial Development Board operating funds in excess of those agreed upon to be held in separate operating reserves; \$2,927,835 was returned to the City, \$1,853,320 was returned to the County, \$17,915 was returned to the Emergency Communications District, \$24,030 was returned to the Development Corporation Board, and \$30,627 was returned to the Industrial Development Board.

NOTE 10 – 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 11 – RELATED PARTY TRANSACTIONS AND ECONOMIC CONCENTRATION

PBA's two joint venture "owners," Knox County and the City of Knoxville, had the following activity during 2025 and 2024:

June 30, 2025	City	County	Total
Due From, End of Year	\$ 865,574	\$ 2,502,827	\$ 3,368,401
Due To, End of Year	1,641,431	1,468,485	3,109,916
Management Fees	12,693,997	11,399,520	24,093,517
Parking Revenues	4,234,416	1,380,052	5,614,468
June 30, 2024	City	County	Total
Due From, End of Year	\$ 1,164,431	\$ 1,257,558	\$ 2,421,989
Due To, End of Year	2,002,245	1,853,320	3,855,565
Management Fees	11,786,225	10,930,857	22,717,082
Parking Revenues	3,506,595	1,220,235	4,726,830

During the years ended June 30, 2025 and 2024, approximately 55.3% and 54.0% of operating revenues, respectively, were from the City. During the years ended June 30, 2025 and 2024, approximately 41.7% and 42.9% of operating revenues, respectively, were from the County. The increase for the City relates to the addition of new properties. The City has also seen an increased usage of their parking facilities, resulting in more revenue. Management fees for both the City and the County also increased due to higher operating costs.

NOTE 12 - 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.

NOTE 12 - RETIREMENT PLANS (continued)

Overview (continued)

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.

The financial statements of the County's retirement plans are reported within Knox County's Annual Report for the year ended June 30, 2025. The annual report 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 ending June 30, 2025 and 2024, PBA employees made contributions of \$631,584 and \$581,329, respectively. During 2025 and 2024, PBA made matching employer contributions of \$631,584 and \$581,329, 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, 2025 and 2024, PBA employees made voluntary contributions of \$139,239 and \$159,416, respectively. During 2025 and 2024, PBA made matching employer contributions of \$108,798 and \$93,342, 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 percentage approved by the Board for the year in question.

The minimum participant annual contribution for the years ended June 30, 2025 and 2024 is \$208. The County DC Plan will make matching contributions of 50% of the participants, up to a maximum of \$416 for 2025 and 2024. During 2025 and 2024, the Retirement and Pension Board contributions were \$8,930 and \$8,522, respectively.

Participants are always 100% vested in voluntary and matching contributions. During 2025 and 2024, PBA employees made voluntary contributions of \$17,860 and \$17,044, respectively.

NOTE 13 – RESTATEMENT OF BEGINNING BALANCE

During the current year, the PBA implemented GASB Statement 101, *Compensated Absences*. In addition to the value of the unused vacation time owed to employees upon separation of employment and sick leave owed to employees upon retirement up to \$10,000, the PBA now recognizes an estimated amount of earned sick leave that will be used by employees as time off in future years as part of the compensated absences liability.

The effect of the change in accounting principle restated the compensated absence liability as of June 30, 2024 with an increase in the liability of \$325,998. Of this amount \$267,318 would have been the effect as of June 30, 2023 and is shown in the comparative restatement footnote below.

Total Net Position – July 1, 2023 – Fiscal Year 2024	\$	14,019,988
Restatement for GASB 101 Implementation		<u>(267,318)</u>
Total Net Position – July 1, 2023, As Adjusted – Fiscal Year 2024	\$	<u><u>13,752,670</u></u>

**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, 2025**

Property Management - City Properties											
	Parking Facilities	Police Department	Parks	Transit Facilities	Downtown Cinema	On Street Parking	Public Works Complex	Public Safety Building	Coliseum Parking	Serene Manor	Total City Properties
Assets:											
Current Assets											
Cash and Cash Equivalents	\$ 586,767	\$ 2,169	\$ 1,055,100	\$ 297,962	\$ 55,218	\$ 203,494	\$ 50,459	\$ 783,865	\$ 71,051	\$ (15,327)	\$ 3,090,758
Receivables:											
Other Receivables	71,675	-	-	-	4,775	-	-	-	-	-	76,450
Due from County	-	-	-	-	-	-	-	-	-	-	-
Due from City	-	-	24,438	-	-	-	-	-	-	15,434	39,872
Due from Other Governmental Agencies	-	-	-	-	-	-	-	-	-	-	-
Due from Other Departments	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	658,442	2,169	1,079,538	297,962	59,993	203,494	50,459	783,865	71,051	107	3,207,080
Capital Assets											
Land	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-
Building Improvements	-	-	-	-	-	-	-	-	-	-	-
Site Improvements	-	-	-	-	-	-	-	-	-	-	-
Data Processing Equipment and Software	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	50,825	-	-	-	-	-	-	-	50,825
Vehicles	-	-	130,038	-	-	-	-	-	-	-	130,038
Total Capital Assets	-	-	180,863	-	-	-	-	-	-	-	180,863
Less: Accumulated Depreciation	-	-	(180,863)	-	-	-	-	-	-	-	(180,863)
Net Capital Assets	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 658,442	\$ 2,169	\$ 1,079,538	\$ 297,962	\$ 59,993	\$ 203,494	\$ 50,459	\$ 783,865	\$ 71,051	\$ 107	\$ 3,207,080
Liabilities:											
Current Liabilities											
Accounts Payable and Accrued Liabilities	\$ 96,940	\$ 6	\$ 146,896	\$ 53,611	\$ 3,117	\$ 8,816	\$ 7,795	\$ 154,356	\$ 2,796	\$ -	\$ 474,333
Due to City	-	-	-	-	-	-	-	-	-	-	-
Due to County	-	-	-	-	-	-	-	-	-	-	-
Due to Other Governmental Agencies	-	-	-	-	-	-	-	-	-	-	-
Due to (from) Other Departments	420,295	2,021	683,258	189,839	50,920	170,174	32,156	494,418	60,951	107	2,104,139
Unearned Revenues	220	-	-	-	-	-	-	-	-	-	220
Customer Deposits	2,500	-	24,162	-	3,947	-	-	-	-	-	30,609
Compensated Absences Payable	89,613	92	145,737	35,274	1,300	15,856	6,799	87,415	4,726	-	386,812
Total Current Liabilities	609,568	2,119	1,000,053	278,724	59,284	194,846	46,750	736,189	68,473	107	2,996,113
Non-Current Liabilities											
Compensated Absences Payable	48,874	50	79,485	19,238	709	8,648	3,709	47,676	2,578	-	210,967
Total Non-Current Liabilities	48,874	50	79,485	19,238	709	8,648	3,709	47,676	2,578	-	210,967
Total Liabilities	658,442	2,169	1,079,538	297,962	59,993	203,494	50,459	783,865	71,051	107	3,207,080
Net Position:											
Net Investment in Capital Assets	-	-	-	-	-	-	-	-	-	-	-
Unrestricted:											
Designated for Operating Reserve	-	-	-	-	-	-	-	-	-	-	-
Designated for Capital Asset Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-
Total Net Position	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities and Net Position	\$ 658,442	\$ 2,169	\$ 1,079,538	\$ 297,962	\$ 59,993	\$ 203,494	\$ 50,459	\$ 783,865	\$ 71,051	\$ 107	\$ 3,207,080

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

**SCHEDULE OF NET POSITION BY ACTIVITY (Continued)
June 30, 2025**

Property Management - County Properties																	
Dwight Kessel Metropolitan Parking Garage	Election Commission	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	Summer Place Garage	Teague Building	UT Tower	West Knox Senior Center	Total County Properties
\$ 567,444	\$ 25,440	\$ 34,306	\$ 93,133	\$ 992	\$ 171,313	\$ 97,200	\$ 90,802	\$ 74,823	\$ 165,630	\$ 9,196	\$ 77,345	\$ 18,489	\$ 126,358	\$ 24,170	\$ 406,280	\$ 52,228	\$ 2,035,149
-	-	-	-	-	-	-	-	-	-	-	-	-	23,500	-	-	-	23,500
-	-	5,803	-	-	-	-	-	-	1,085	-	-	-	-	-	-	-	6,888
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,604	6,604
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
567,444	25,440	40,109	93,133	992	171,313	97,200	90,802	74,823	166,715	9,196	77,345	18,489	149,858	24,170	406,280	58,832	2,072,141
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19,620	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,620
-	-	-	5,028	-	-	6,656	-	-	-	-	-	-	-	-	-	-	11,684
-	-	-	-	-	41,000	10,000	-	-	10,200	-	-	-	-	-	-	-	61,200
19,620	-	-	5,028	-	41,000	16,656	-	-	10,200	-	-	-	-	-	-	-	92,504
(19,620)	-	-	(5,028)	-	(41,000)	(16,656)	-	-	(10,200)	-	-	-	-	-	-	-	(92,504)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>\$ 567,444</u>	<u>\$ 25,440</u>	<u>\$ 40,109</u>	<u>\$ 93,133</u>	<u>\$ 992</u>	<u>\$ 171,313</u>	<u>\$ 97,200</u>	<u>\$ 90,802</u>	<u>\$ 74,823</u>	<u>\$ 166,715</u>	<u>\$ 9,196</u>	<u>\$ 77,345</u>	<u>\$ 18,489</u>	<u>\$ 149,858</u>	<u>\$ 24,170</u>	<u>\$ 406,280</u>	<u>\$ 58,832</u>	<u>\$ 2,072,141</u>
\$ 2,738	\$ 1,439	\$ 11,123	\$ 12,861	\$ 3,850	\$ 20,890	\$ 17,437	\$ 11,772	\$ 25,116	\$ 31,328	\$ 397	\$ 11,784	\$ 4,686	\$ 18,304	\$ 1,836	\$ 44,975	\$ 9,275	\$ 229,811
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
553,207	22,691	24,606	65,589	(9,839)	110,903	70,339	69,959	44,683	99,752	6,795	44,081	12,548	79,258	21,965	313,780	45,593	1,575,910
-	-	-	-	-	-	-	-	-	-	-	-	-	167	-	-	-	167
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7,441	848	2,834	9,501	4,517	25,573	6,098	5,870	3,251	23,059	1,297	13,899	812	33,732	239	30,752	2,565	172,288
563,386	24,978	38,563	87,951	(1,472)	157,366	93,874	87,601	73,050	154,139	8,489	69,764	18,046	131,461	24,040	389,507	57,433	1,978,176
4,058	462	1,546	5,182	2,464	13,947	3,326	3,201	1,773	12,576	707	7,581	443	18,397	130	16,773	1,399	93,965
4,058	462	1,546	5,182	2,464	13,947	3,326	3,201	1,773	12,576	707	7,581	443	18,397	130	16,773	1,399	93,965
567,444	25,440	40,109	93,133	992	171,313	97,200	90,802	74,823	166,715	9,196	77,345	18,489	149,858	24,170	406,280	58,832	2,072,141
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>\$ 567,444</u>	<u>\$ 25,440</u>	<u>\$ 40,109</u>	<u>\$ 93,133</u>	<u>\$ 992</u>	<u>\$ 171,313</u>	<u>\$ 97,200</u>	<u>\$ 90,802</u>	<u>\$ 74,823</u>	<u>\$ 166,715</u>	<u>\$ 9,196</u>	<u>\$ 77,345</u>	<u>\$ 18,489</u>	<u>\$ 149,858</u>	<u>\$ 24,170</u>	<u>\$ 406,280</u>	<u>\$ 58,832</u>	<u>\$ 2,072,141</u>

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

**SCHEDULE OF NET POSITION BY ACTIVITY (Continued)
June 30, 2025**

	Property Management - Other								
	City County Building	Emergency Communi- cations District	Fairview Technology Center	Jackson Ave- KCDC Lot	Total Property Management	Property Development	Information Technology	Corporate	Total
Assets:									
Current Assets									
Cash and Cash Equivalents	\$ 6,897,599	\$ 40,787	\$ 46,310	\$ 9,308	\$ 12,119,911	\$ 116,212	\$ 1,187,414	\$ 847,494	\$ 14,271,031
Receivables:									
Other Receivables	2,810	-	-	-	102,760	-	-	6,478	109,238
Due from County	-	-	-	-	6,888	-	40,188	2,455,751	2,502,827
Due from City	-	-	-	-	39,872	-	19,230	806,472	865,574
Due from Other Governmental Agencies	-	-	-	-	6,604	-	-	231,017	237,621
Due from Other Departments	-	-	-	-	-	-	-	3,969,786	3,969,786
Inventory	-	-	-	-	-	-	12,806	-	12,806
Prepaid Items	-	-	-	-	-	-	-	281,905	281,905
Total Current Assets	6,900,409	40,787	46,310	9,308	12,276,035	116,212	1,259,638	8,598,903	22,250,788
Capital Assets									
Land	-	-	-	-	-	-	-	101,016	101,016
Buildings	-	-	-	-	-	-	-	528,264	528,264
Building Improvements	13,836,645	-	-	-	13,836,645	-	-	12,801	13,849,446
Site Improvements	69,255	-	-	-	69,255	-	-	-	69,255
Data Processing Equipment and Software	188,922	-	-	-	208,542	-	47,670	-	256,212
Machinery and Equipment	1,664,171	-	-	-	1,726,680	-	973,225	-	2,699,905
Vehicles	1,067,190	-	-	-	1,258,428	-	51,132	-	1,309,560
Total Capital Assets	16,826,183	-	-	-	17,099,550	-	1,072,027	642,081	18,813,658
Less: Accumulated Depreciation	(9,637,137)	-	-	-	(9,910,504)	-	(811,064)	(218,231)	(10,939,799)
Construction in Process	-	-	-	-	-	-	-	-	-
Net Capital Assets	7,189,046	-	-	-	7,189,046	-	260,963	423,850	7,873,859
Total Assets	\$ 14,089,455	\$ 40,787	\$ 46,310	\$ 9,308	\$ 19,465,081	\$ 116,212	\$ 1,520,601	\$ 9,022,753	\$ 30,124,647
Liabilities:									
Current Liabilities									
Accounts Payable and Accrued Liabilities	\$ 277,090	\$ 8,000	\$ 1,817	\$ 1,281	\$ 992,332	\$ 2,372	\$ 76,500	\$ 3,994,706	\$ 5,065,910
Due to City	-	-	-	-	-	-	-	1,641,431	1,641,431
Due to County	-	-	-	-	-	-	-	1,468,485	1,468,485
Due to Other Governmental Agencies	-	-	-	-	-	-	-	74,281	74,281
Due to (from) Other Departments	68,951	18,323	36,599	4,624	3,808,546	62,902	98,338	-	3,969,786
Unearned Revenues	-	-	-	-	387	-	-	-	387
Customer Deposits	-	-	-	-	30,609	-	-	-	30,609
Compensated Absences Payable	163,903	3,212	2,125	2,202	730,542	32,961	50,463	-	813,966
Total Current Liabilities	509,944	29,535	40,541	8,107	5,562,416	98,235	225,301	7,178,903	13,064,855
Non-Current Liabilities									
Compensated Absences Payable	89,393	1,752	1,159	1,201	398,437	17,977	27,522	-	443,936
Total Non-Current Liabilities	89,393	1,752	1,159	1,201	398,437	17,977	27,522	-	443,936
Total Liabilities	599,337	31,287	41,700	9,308	5,960,853	116,212	252,823	7,178,903	13,508,791
Net Position									
Net Investment in Capital Assets	7,138,294	-	-	-	7,138,294	-	260,963	423,850	7,823,107
Unrestricted:									
Designated for Operating Reserve	454,043	9,500	4,610	-	468,153	-	-	1,420,000	1,888,153
Designated for Capital Asset Replacement Reserve	5,897,781	-	-	-	5,897,781	-	1,006,815	-	6,904,596
Total Net Position	13,490,118	9,500	4,610	-	13,504,228	-	1,267,778	1,843,850	16,615,856
Total Liabilities and Net Position	\$ 14,089,455	\$ 40,787	\$ 46,310	\$ 9,308	\$ 19,465,081	\$ 116,212	\$ 1,520,601	\$ 9,022,753	\$ 30,124,647

**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, 2025

Property Management - City Properties											
	Parking Facilities	Police Department	Parks	Transit Facilities	Downtown Cinema	On Street Parking	Public Works Complex	Public Safety Building	Coliseum Parking	Serene Manor	Total City Properties
Operating Revenues:											
Management Fees from City and County	\$ -	\$ 4,712	\$ 3,734,805	\$ 1,277,086	\$ 24,920	\$ 819,766	\$ 384,262	\$ 3,847,531	\$ -	\$ 15,434	\$ 10,108,516
Management Fees from Other											
Governmental Agencies	-	-	-	-	45,508	-	-	-	-	-	45,508
Rental and Event Revenues	39,060	-	148,149	-	57,306	-	-	-	-	-	244,515
Parking Revenues	3,800,049	-	183,153	-	-	-	-	-	215,045	-	4,198,247
Miscellaneous Revenues	-	-	57,825	200	-	-	-	1,450	-	-	59,475
Total Operating Revenues	3,839,109	4,712	4,123,932	1,277,286	127,734	819,766	384,262	3,848,981	215,045	15,434	14,656,261
Operating Expenses:											
Direct:											
<u>Property Management</u>											
Management	1,011,221	50	229,557	12,264	1,768	5,368	4,212	49,490	50,217	-	1,364,147
Safety and Services	406,600	2,371	900,709	451,173	6,652	619,599	25,306	1,226,523	30,490	3,556	3,672,979
Operations and Maintenance	499,329	-	1,906,956	347,291	32,612	-	116,578	1,578,922	33,813	11,878	4,527,379
Facilities Management	258,082	-	260,946	219,410	29,882	-	185,887	343,780	33,884	-	1,331,871
<u>Other Management Services</u>											
Property Development	-	-	-	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-	-	-	-
Total Direct Operating Expenses	2,175,232	2,421	3,298,168	1,030,138	70,914	624,967	331,983	3,198,715	148,404	15,434	10,896,376
Indirect:											
Corporate Administration	54,374	127	74,910	27,431	2,641	17,250	7,970	79,039	2,691	-	266,433
Finance	93,559	216	128,968	47,190	4,546	29,695	13,724	135,882	4,634	-	458,414
MIS	48,453	111	66,831	24,415	2,355	15,385	7,114	70,255	2,430	-	237,349
Total Indirect Operating Expenses	196,386	454	270,709	99,036	9,542	62,330	28,808	285,176	9,755	-	962,196
Total Operating Expenses	2,371,618	2,875	3,568,877	1,129,174	80,456	687,297	360,791	3,483,891	158,159	15,434	11,858,572
Operating Income (Loss)	1,467,491	1,837	555,055	148,112	47,278	132,469	23,471	365,090	56,886	-	2,797,689
Non-Operating Revenues (Expenses):											
Interest Income	25,792	91	51,442	14,230	2,202	10,091	3,183	35,393	2,470	-	144,894
Bank Charges	(109,906)	(1)	(5,566)	(167)	(22)	(115)	(37)	(445)	(3,627)	-	(119,886)
Capital Returned to City, County and Other Governmental Agencies	(1,383,377)	(1,927)	(600,931)	(162,175)	(49,458)	(142,445)	(26,617)	(400,038)	(55,729)	-	(2,822,697)
Total Non-Operating Revenues (Expenses) - Net	(1,467,491)	(1,837)	(555,055)	(148,112)	(47,278)	(132,469)	(23,471)	(365,090)	(56,886)	-	(2,797,689)
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2025**

Property Management - County Properties																	
Dwight Kessel Metropolitan Parking Garage	Election Commission	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	Summer Place Garage	Teague Building	UT Tower	West Knox Senior Center	Total County Properties
\$ -	\$ 57,237	\$ 150,046	\$ 356,144	\$ 274,218	\$ 929,653	\$ 309,370	\$ 278,101	\$ 571,456	\$ 891,140	\$ 52,589	\$ 329,952	\$ 43,517	\$ 480,191	\$ 57,506	\$ 1,178,476	\$ 154,970	\$ 6,114,566
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,350	21,350
-	-	-	8,589	-	-	-	-	-	-	-	-	-	210,035	-	-	-	218,624
801,034	-	-	-	-	-	-	-	-	-	-	-	-	489,160	-	-	-	1,290,194
-	-	-	6,760	-	-	-	-	-	1,648	-	-	-	199	-	-	-	8,607
801,034	57,237	150,046	371,493	274,218	929,653	309,370	278,101	571,456	892,788	52,589	329,952	43,517	1,179,585	57,506	1,178,476	176,320	7,653,341
169,738	1,088	2,885	7,973	6,446	15,167	8,967	5,283	14,461	12,604	1,406	4,969	1,226	302,814	1,407	12,191	6,626	575,251
15,322	734	7,069	25,085	5,840	243,307	15,605	825	-	332,897	-	21,733	-	255,347	3,710	441,380	5,875	1,374,729
25,460	17,510	69,024	219,364	166,898	344,290	143,790	137,691	-	260,491	42,351	123,745	28,913	349,125	11,031	112,669	85,718	2,138,070
27,006	13,267	40,923	36,916	91,119	180,241	58,985	53,870	484,329	146,413	-	123,983	-	148,381	17,217	249,019	24,859	1,696,528
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
237,526	32,599	119,901	289,338	270,303	783,005	227,347	197,669	498,790	752,405	43,757	274,430	30,139	1,055,667	33,365	815,259	123,078	5,784,578
7,044	1,216	3,068	7,453	5,659	19,306	6,342	5,702	11,671	20,550	1,103	6,831	850	24,653	1,209	24,446	4,038	151,141
12,108	2,097	5,306	12,844	9,736	33,196	10,910	9,818	20,064	35,381	1,900	11,752	1,467	42,423	2,064	42,150	6,956	260,172
6,259	1,090	2,768	6,665	5,041	17,172	5,647	5,089	10,375	18,335	985	6,083	763	21,969	1,056	21,888	3,608	134,793
25,411	4,403	11,142	26,962	20,436	69,674	22,899	20,609	42,110	74,266	3,988	24,666	3,080	89,045	4,329	88,484	14,602	546,106
262,937	37,002	131,043	316,300	290,739	852,679	250,246	218,278	540,900	826,671	47,745	299,096	33,219	1,144,712	37,694	903,743	137,680	6,330,684
538,097	20,235	19,003	55,193	(16,521)	76,974	59,124	59,823	30,556	66,117	4,844	30,856	10,298	34,873	19,812	274,733	38,640	1,322,657
20,978 (12,974)	1,386 (13)	2,493 (24)	5,839 (58)	1,844 (17)	12,471 (124)	4,989 (53)	5,082 (51)	6,407 (64)	11,788 (119)	869 (8)	5,344 (52)	1,146 (11)	11,397 (108)	1,430 (14)	21,049 (217)	4,012 (42)	118,524 (13,949)
(546,101)	(21,608)	(21,472)	(60,974)	14,694	(89,321)	(64,060)	(64,854)	(36,899)	(77,786)	(5,705)	(36,148)	(11,433)	(46,162)	(21,228)	(295,565)	(42,610)	(1,427,232)
(538,097)	(20,235)	(19,003)	(55,193)	16,521	(76,974)	(59,124)	(59,823)	(30,556)	(66,117)	(4,844)	(30,856)	(10,298)	(34,873)	(19,812)	(274,733)	(38,640)	(1,322,657)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2025

	Property Management - Other								
	City County Building	Emergency Communic. District	Fairview Technology Center	Jackson Ave- KCDC Lot	Total Property Management	Property Development	Information Technology	Corporate	Total
Operating Revenues:									
Management Fees from City and County	\$ 6,002,617	\$ -	\$ -	\$ -	\$ 22,225,699	\$ 740,298	\$ 1,127,520	\$ -	\$24,093,517
Management Fees from Other									
Governmental Agencies	-	143,367	85,737	-	295,962	-	-	-	295,962
Rental and Event Revenues	-	-	-	-	463,139	-	-	-	463,139
Parking Revenues	126,027	-	-	20,460	5,634,928	-	-	-	5,634,928
Miscellaneous Revenues	34,281	-	-	-	102,363	-	46,975	-	149,338
Total Operating Revenues	6,162,925	143,367	85,737	20,460	28,722,091	740,298	1,174,495	-	30,636,884
Operating Expenses:									
Direct:									
Property Management									
Management	1,426,714	1,892	833	5,356	3,374,193	-	-	(314,268)	3,059,925
Safety and Services	1,225,310	9,733	2,451	4,798	6,290,000	-	-	-	6,290,000
Operations and Maintenance	3,839,497	56,952	31,767	3,408	10,597,073	-	-	-	10,597,073
Facilities Management	779,457	50,668	11,178	2,267	3,871,969	-	-	-	3,871,969
Other Management Services									
Property Development	-	-	-	-	-	619,229	-	-	619,229
Telecom Services	-	-	-	-	-	-	1,148,190	-	1,148,190
Total Direct Operating Expenses	7,270,978	119,245	46,229	15,829	24,133,235	619,229	1,148,190	(314,268)	25,586,386
Indirect:									
Corporate Administration	133,958	3,018	1,780	342	556,672	24,180	34,211	-	615,063
Finance	230,370	5,190	3,065	547	957,758	41,576	58,957	-	1,058,291
MIS	119,187	2,686	1,588	242	495,845	21,506	30,595	-	547,946
Total Indirect Operating Expenses	483,515	10,894	6,433	1,131	2,010,275	87,262	123,763	-	2,221,300
Total Operating Expenses	7,754,493	130,139	52,662	16,960	26,143,510	706,491	1,271,953	(314,268)	27,807,686
Operating Income (Loss)	(1,591,568)	13,228	33,075	3,500	2,578,581	33,807	(97,458)	314,268	2,829,198
Non-Operating Revenues (Expenses):									
Interest Income	434,137	2,615	2,180	94	702,444	8,433	67,062	-	777,939
Bank Charges	(6,374)	(26)	(22)	(679)	(140,936)	(88)	(624)	-	(141,648)
Capital Returned to City, County and Other Governmental Agencies	-	(15,817)	(35,233)	(2,915)	(4,303,894)	(42,152)	(69,735)	211,000	(4,204,781)
Total Non-Operating Revenues (Expenses) - Net	427,763	(13,228)	(33,075)	(3,500)	(3,742,386)	(33,807)	(3,297)	211,000	(3,568,490)
Increase (Decrease) in Net Position Before Capital Contributions	(1,163,805)	-	-	-	(1,163,805)	-	(100,755)	525,268	(739,292)
Capital Contributions (Deductions)									
Cash:									
Capital Asset Replacement Reserves from City and County	2,000,000	-	-	-	2,000,000	-	150,000	-	2,150,000
Total Capital Contributions	2,000,000	-	-	-	2,000,000	-	150,000	-	2,150,000
Increase (Decrease) in Net Position	836,195	-	-	-	836,195	-	49,245	525,268	1,410,708
Net Position, Beginning of Year, July 1	12,653,923	9,500	4,610	-	12,668,033	-	1,218,533	1,644,580	15,531,146
Restatement for GASB 101 Implementation	-	-	-	-	-	-	-	(325,998)	(325,998)
Net Position, Beginning of Year, As Restated	12,653,923	9,500	4,610	-	12,668,033	-	1,218,533	1,318,582	15,205,148
Net Position, End of Year	\$ 13,490,118	\$ 9,500	\$ 4,610	\$ -	\$ 13,504,228	\$ -	\$ 1,267,778	\$ 1,843,850	\$16,615,856

** Note: Restatement includes a (\$267,318) prior period adjustment and a (\$58,680) operating expense for fiscal year 2024. See Note 13.

**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, 2025**

	City Parking Facilities		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Parking Revenue	\$ 3,405,750	\$ 3,800,049	\$ 394,299
Tenant Rental Income	36,828	39,060	2,232
Total Operating Revenues	3,442,578	3,839,109	396,531
Operating Expenses			
Direct:			
Salaries and Wages	1,157,580	1,124,894	32,686
Employee Benefits	433,842	314,498	119,344
Office Expenses	22,311	17,593	4,718
Education and Training	9,726	1,316	8,410
Operating Expenses	224,582	150,343	74,239
Operating Contracts	329,049	260,009	69,040
Utilities	249,650	260,016	(10,366)
Communications	42,943	13,840	29,103
Insurance	18,813	18,321	492
Professional Services	4,538	8,140	(3,602)
Maintenance Facility	8,842	6,262	2,580
Total Direct Operating Expenses	2,501,876	2,175,232	326,644
Total Indirect Operating Expenses	220,126	196,386	23,740
Total Operating Expenses	2,722,002	2,371,618	350,384
Operating Income (Loss)	720,576	1,467,491	746,915
Non-Operating Revenues (Expenses)			
Interest Income	32,980	25,792	(7,188)
Bank Charges	(87,750)	(109,906)	(22,156)
Transfer of Operating Reserves	(665,806)	(1,383,377)	(717,571)
Capital Asset Retirement	-	-	-
Net Non-Operating Revenues (Expenses)	(720,576)	(1,467,491)	(746,915)
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, 2025**

	The Knoxville Police Department		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	\$ 4,712	\$ 4,712	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	1,476	1,302	174
Employee Benefits	546	434	112
Office Expenses	500	3	497
Education and Training	200	-	200
Operating Expenses	1,500	626	874
Communications	50	6	44
Insurance	50	50	-
Professional Services	85	-	85
Total Direct Operating Expenses	4,407	2,421	1,986
Total Indirect Operating Expenses	404	454	(50)
Total Operating Expenses	4,811	2,875	1,936
Operating Income (Loss)	(99)	1,837	1,936
Non-Operating Revenues (Expenses)			
Interest Income	104	91	(13)
Bank Charges	(5)	(1)	4
Transfer of Operating Reserves	-	(1,927)	(1,927)
Net Non-Operating Revenues (Expenses)	99	(1,837)	(1,936)
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, 2025**

	City Parks		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	\$ 3,734,805	\$ 3,734,805	\$ -
Parking Revenues	58,800	183,153	124,353
Rental and Event Income	113,189	148,149	34,960
Miscellaneous Revenues	-	57,825	57,825
Total Operating Revenues	<u>3,906,794</u>	<u>4,123,932</u>	<u>217,138</u>
Operating Expenses			
Direct:			
Salaries and Wages	1,444,125	1,477,289	(33,164)
Employee Benefits	531,338	426,342	104,996
Office Expenses	29,255	15,025	14,230
Education and Training	5,000	512	4,488
Operating Expenses	698,681	578,953	119,728
Operating Contracts	311,527	254,545	56,982
Utilities	550,000	468,130	81,870
Communications	18,500	21,266	(2,766)
Insurance	33,219	32,386	833
Professional Services	5,500	1,870	3,630
Maintenance Facility	32,545	21,850	10,695
Total Direct Operating Expenses	<u>3,659,690</u>	<u>3,298,168</u>	<u>361,522</u>
Total Indirect Operating Expenses	<u>304,969</u>	<u>270,709</u>	<u>34,260</u>
Total Operating Expenses	<u>3,964,659</u>	<u>3,568,877</u>	<u>395,782</u>
Operating Income (Loss)	<u>(57,865)</u>	<u>555,055</u>	<u>612,920</u>
Non-Operating Revenue (Expenses)			
Interest Income	58,765	51,442	(7,323)
Bank Charges	(900)	(5,566)	(4,666)
Transfer of Reserves	-	(600,931)	(600,931)
Net Non-Operating Revenues (Expenses)	<u>57,865</u>	<u>(555,055)</u>	<u>(612,920)</u>
Increase (Decrease) in Net Position	\$ <u><u>-</u></u>	-	\$ <u><u>-</u></u>
Net Position, Beginning of Year		<u>-</u>	
Net Position, End of Year		\$ <u><u>-</u></u>	

**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, 2025**

	Knoxville Area Transit Facilities		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	\$ 1,277,086	\$ 1,277,086	\$ -
Miscellaneous Revenues	-	200	200
Total Operating Revenues	1,277,086	1,277,286	200
Operating Expenses			
Direct:			
Salaries and Wages	463,071	412,415	50,656
Employee Benefits	173,651	122,880	50,771
Office Expenses	4,750	3,590	1,160
Education and Training	2,000	655	1,345
Operating Expenses	118,000	97,112	20,888
Operating Contracts	279,400	244,897	34,503
Utilities	110,000	122,305	(12,305)
Communications	12,300	14,666	(2,366)
Insurance	7,700	7,507	193
Maintenance Facility	5,797	4,111	1,686
Total Direct Operating Expenses	1,176,669	1,030,138	146,531
Total Indirect Operating Expenses	116,349	99,036	17,313
Total Operating Expenses	1,293,018	1,129,174	163,844
Operating Income (Loss)	(15,932)	148,112	164,044
Non-Operating Revenues (Expenses)			
Interest Income	16,014	14,230	(1,784)
Bank Charges	(82)	(167)	(85)
Transfer of Operating Reserves	-	(162,175)	(162,175)
Net Non-Operating Revenues (Expenses)	15,932	(148,112)	(164,044)
Capital Asset Replacement Reserve	-	-	-
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, 2025**

	Downtown Cinema		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Rental and Event Revenues	\$ 57,306	\$ 57,306	\$ -
Management Fees from City	24,920	24,920	-
Management Fees from Other Governmental Agencies	45,508	45,508	-
Total Operating Revenues	127,734	127,734	-
Operating Expenses			
Direct:			
Salaries and Wages	9,854	9,706	148
Employee Benefits	3,646	2,804	842
Office Expenses	225	-	225
Operating Expenses	38,500	6,562	31,938
Operating Contracts	61,798	48,726	13,072
Utilities	1,500	1,326	174
Communications	900	22	878
Insurance	1,200	1,170	30
Professional Services	500	-	500
Maintenance Facility	853	598	255
Total Direct Operating Expenses	118,976	70,914	48,062
Total Indirect Operating Expenses	10,814	9,542	1,272
Total Operating Expenses	129,790	80,456	49,334
Operating Income (Loss)	(2,056)	47,278	49,334
Non-Operating Revenues (Expenses)			
Interest Income	2,066	2,202	136
Bank Charges	(10)	(22)	(12)
Transfer of Operating Reserves	-	(49,458)	(49,458)
Net Non-Operating Revenues (Expenses)	2,056	(47,278)	(49,334)
Increase (Decrease) in Net Position	\$ <u>-</u>	-	\$ <u>-</u>
Net Position, Beginning of Year		<u>-</u>	
Net Position, End of Year		\$ <u>-</u>	

**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, 2025**

	On Street Parking		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	\$ 819,766	\$ 819,766	\$ -
Total Operating Revenues	819,766	819,766	-
Operating Expenses			
Direct:			
Salaries and Wages	533,270	432,114	101,156
Employee Benefits	199,976	135,502	64,474
Office Expenses	1,000	5,696	(4,696)
Education and Training	-	566	(566)
Operating Expenses	21,000	32,436	(11,436)
Communications	8,000	13,285	(5,285)
Insurance	4,000	3,897	103
Professional Services	-	1,471	(1,471)
Total Direct Operating Expenses	767,246	624,967	142,279
Total Indirect Operating Expenses	70,242	62,330	7,912
Total Operating Expenses	837,488	687,297	150,191
Operating Income (Loss)	(17,722)	132,469	150,191
Non-Operating Revenues (Expenses)			
Interest Income	17,812	10,091	(7,721)
Bank Charges	(90)	(115)	(25)
Transfer of Operating Reserves	-	(142,445)	(142,445)
Net Non-Operating Revenues (Expenses)	17,722	(132,469)	(150,191)
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, 2025**

	Public Works Complex		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	\$ 384,262	\$ 384,262	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	74,734	78,242	(3,508)
Employee Benefits	28,024	22,842	5,182
Office Expenses	1,500	27	1,473
Education and Training	-	451	(451)
Operating Expenses	64,575	40,800	23,775
Operating Contracts	182,345	185,517	(3,172)
Communications	1,075	774	301
Insurance	1,850	1,805	45
Maintenance Facility	2,152	1,525	627
Total Direct Operating Expenses	356,255	331,983	24,272
Total Indirect Operating Expenses	32,419	28,808	3,611
Total Operating Expenses	388,674	360,791	27,883
Operating Income (Loss)	(4,412)	23,471	27,883
Non-Operating Revenues (Expenses)			
Interest Income	4,434	3,183	(1,251)
Bank Charges	(22)	(37)	(15)
Transfer of Operating Reserves	-	(26,617)	(26,617)
Net Non-Operating Revenues (Expenses)	4,412	(23,471)	(27,883)
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, 2025**

	Public Safety Building		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	\$ 3,847,531	\$ 3,847,531	\$ -
Miscellaneous Revenues	-	1,450	1,450
Total Operating Revenues	3,847,531	3,848,981	1,450
Operating Expenses			
Direct:			
Salaries and Wages	1,269,680	1,246,216	23,464
Employee Benefits	476,130	366,705	109,425
Office Expenses	23,200	9,172	14,028
Education and Training	2,500	1,175	1,325
Operating Expenses	350,000	241,400	108,600
Operating Contracts	507,071	425,891	81,180
Utilities	868,258	855,471	12,787
Communications	12,000	13,083	(1,083)
Insurance	18,600	18,131	469
Professional Services	1,000	1,430	(430)
Maintenance Facility	30,002	20,041	9,961
Total Direct Operating Expenses	3,558,441	3,198,715	359,726
Total Indirect Operating Expenses	325,778	285,176	40,602
Total Operating Expenses	3,884,219	3,483,891	400,328
Operating Income (Loss)	(36,688)	365,090	401,778
Non-Operating Revenues (Expenses)			
Interest Income	36,878	35,393	(1,485)
Bank Charges	(190)	(445)	(255)
Transfer of Operating Reserves	-	(400,038)	(400,038)
Net Non-Operating Revenues (Expenses)	36,688	(365,090)	(401,778)
Increase (Decrease) in Net Position	\$ <u>-</u>	-	\$ <u>-</u>
Net Position, Beginning of Year		<u>-</u>	
Net Position, End of Year		\$ <u>-</u>	

**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, 2025**

	Coliseum Parking		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City	\$ 67,640	\$ -	\$ (67,640)
Parking Revenue	164,300	215,045	50,745
Total Operating Revenues	231,940	215,045	(16,895)
Operating Expenses			
Direct:			
Salaries and Wages	53,847	75,764	(21,917)
Employee Benefits	20,193	21,126	(933)
Office Expenses	7,500	227	7,273
Education and Training	-	130	(130)
Operating Expenses	39,000	21,817	17,183
Operating Contracts	35,400	22,086	13,314
Utilities	30,000	-	30,000
Communications	1,500	159	1,341
Insurance	2,000	1,466	534
Professional Services	-	3,163	(3,163)
Maintenance Facility	25,000	2,466	22,534
Total Direct Operating Expenses	214,440	148,404	66,036
Total Indirect Operating Expenses	13,500	9,755	3,745
Total Operating Expenses	227,940	158,159	69,781
Operating Income (Loss)	4,000	56,886	52,886
Non-Operating Revenues (Expenses)			
Interest Income	1,000	2,470	1,470
Bank Charges	(5,000)	(3,627)	1,373
Transfer of Operating Reserves	-	(55,729)	(55,729)
Net Non-Operating Revenues (Expenses)	(4,000)	(56,886)	(52,886)
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
For the Fiscal Year Ended June 30, 2025**

	Serene Manor		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Management Fees from City	\$ -	\$ 15,434	\$ 15,434
Operating Expenses			
Direct:			
Salaries and Wages	-	11,865	(11,865)
Employee Benefits	-	3,519	(3,519)
Operating Contracts	-	50	(50)
Total Direct Operating Expenses	-	15,434	(15,434)
Operating Income (Loss)	-	-	-
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, 2025**

	Dwight Kessel Metropolitan Parking Garage		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Parking Revenues	\$ 699,600	\$ 801,034	\$ 101,434
Total Operating Revenues	699,600	801,034	101,434
Operating Expenses			
Direct:			
Salaries and Wages	159,384	137,032	22,352
Employee Benefits	59,768	41,638	18,130
Office Expenses	3,250	1,705	1,545
Education and Training	2,500	211	2,289
Operating Expenses	33,000	10,044	22,956
Operating Contracts	46,070	42,013	4,057
Communications	3,000	979	2,021
Insurance	2,900	2,828	72
Professional Services	500	-	500
Maintenance Facility	1,526	1,076	450
Total Direct Operating Expenses	311,898	237,526	74,372
Total Indirect Operating Expenses	28,415	25,411	3,004
Total Operating Expenses	340,313	262,937	77,376
Operating Income (Loss)	359,287	538,097	178,810
Non-Operating Revenues (Expenses)			
Interest Income	21,408	20,978	(430)
Bank Charges	(1,500)	(12,974)	(11,474)
Transfer of Operating Reserves	(379,195)	(546,101)	(166,906)
Net Non-Operating Revenues (Expenses)	(359,287)	(538,097)	(178,810)
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, 2025**

	Election Commision		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 57,237	\$ 57,237	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	9,150	9,450	(300)
Employee Benefits	3,431	2,803	628
Office Expenses	325	-	325
Operating Expenses	16,000	1,922	14,078
Operating Contracts	21,192	15,003	6,189
Communications	2,700	2,334	366
Insurance	580	564	16
Professional Services	75	-	75
Maintenance Facility	739	523	216
Total Direct Operating Expenses	54,192	32,599	21,593
Total Indirect Operating Expenses	4,894	4,403	491
Total Operating Expenses	59,086	37,002	22,084
Operating Income (Loss)	(1,849)	20,235	22,084
Non-Operating Revenues (Expenses)			
Interest Income	1,858	1,386	(472)
Bank Charges	(9)	(13)	(4)
Transfer of Operating Reserves	-	(21,608)	(21,608)
Net Non-Operating Revenues (Expenses)	1,849	(20,235)	(22,084)
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, 2025**

	Family Investment Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 150,046	\$ 150,046	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	43,685	38,880	4,805
Employee Benefits	14,383	11,752	2,631
Office Expenses	850	-	850
Education and Training	-	1	(1)
Operating Expenses	17,000	19,634	(2,634)
Operating Contracts	57,903	44,364	13,539
Communications	4,100	2,797	1,303
Insurance	1,050	1,023	27
Professional Services	490	-	490
Maintenance Facility	2,043	1,450	593
Total Direct Operating Expenses	141,504	119,901	21,603
Total Indirect Operating Expenses	12,768	11,142	1,626
Total Operating Expenses	154,272	131,043	23,229
Operating Income (Loss)	(4,226)	19,003	23,229
Non-Operating Revenues (Expenses)			
Interest Income	4,248	2,493	(1,755)
Bank Charges	(22)	(24)	(2)
Transfer of Operating Reserves	-	(21,472)	(21,472)
Net Non-Operating Revenues (Expenses)	4,226	(19,003)	(23,229)
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, 2025**

	Health Department		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 356,144	\$ 356,144	\$ -
Rental Income	9,799	8,589	(1,210)
Miscellaneous Revenues	-	6,760	6,760
Total Operating Revenues	365,943	371,493	5,550
Operating Expenses			
Direct:			
Salaries and Wages	117,912	111,885	6,027
Employee Benefits	44,217	33,047	11,170
Office Expenses	4,000	1,340	2,660
Operating Expenses	73,500	70,162	3,338
Operating Contracts	83,393	60,671	22,722
Communications	7,000	4,370	2,630
Insurance	2,500	2,436	64
Professional Services	500	-	500
Maintenance Facility	7,649	5,427	2,222
Total Direct Operating Expenses	340,671	289,338	51,333
Total Indirect Operating Expenses	30,488	26,962	3,526
Total Operating Expenses	371,159	316,300	54,859
Operating Income (Loss)	(5,216)	55,193	60,409
Non-Operating Revenues (Expenses)			
Interest Income	5,244	5,839	595
Bank Charges	(28)	(58)	(30)
Transfer of Operating Reserves	-	(60,974)	(60,974)
Net Non-Operating Revenues (Expenses)	5,216	(55,193)	(60,409)
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, 2025**

	Forensic Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 274,218	\$ 274,218	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	58,382	57,793	589
Employee Benefits	21,893	17,176	4,717
Office Expenses	2,200	142	2,058
Education and Training	-	1	(1)
Operating Expenses	54,000	74,003	(20,003)
Operating Contracts	109,419	114,606	(5,187)
Communications	1,000	137	863
Insurance	3,300	3,216	84
Maintenance Facility	4,548	3,229	1,319
Total Direct Operating Expenses	254,742	270,303	(15,561)
Total Indirect Operating Expenses	22,905	20,436	2,469
Total Operating Expenses	277,647	290,739	(13,092)
Operating Income (Loss)	(3,429)	(16,521)	(13,092)
Non-Operating Revenues (Expenses)			
Interest Income	3,448	1,844	(1,604)
Bank Charges	(19)	(17)	2
Transfer of Operating Reserves	-	14,694	14,694
Net Non-Operating Revenues (Expenses)	3,429	16,521	13,092
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, 2025**

	Juvenile Justice Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 929,653	\$ 929,653	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	369,517	354,644	14,873
Employee Benefits	138,568	105,248	33,320
Office Expenses	3,000	2,680	320
Education and Training	-	116	(116)
Operating Expenses	122,000	96,594	25,406
Operating Contracts	209,970	207,741	2,229
Communications	2,000	1,136	864
Insurance	7,500	7,311	189
Professional Services	500	-	500
Maintenance Facility	10,634	7,535	3,099
Total Direct Operating Expenses	863,689	783,005	80,684
Total Indirect Operating Expenses	78,098	69,674	8,424
Total Operating Expenses	941,787	852,679	89,108
Operating Income (Loss)	(12,134)	76,974	89,108
Non-Operating Revenues (Expenses)			
Interest Income	12,196	12,471	275
Bank Charges	(62)	(124)	(62)
Transfer of Operating Reserves	-	(89,321)	(89,321)
Net Non-Operating Revenues (Expenses)	12,134	(76,974)	(89,108)
Increase (Decrease) in Net Position	\$ -	-	\$ -
Net Position, Beginning 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, 2025**

	Knox Central		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 309,370	\$ 309,370	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	87,460	71,314	16,146
Employee Benefits	32,798	21,274	11,524
Office Expenses	8,100	2,675	5,425
Education and Training	-	1	(1)
Operating Expenses	49,000	45,726	3,274
Operating Contracts	94,357	74,147	20,210
Communications	5,500	4,393	1,107
Insurance	4,200	4,095	105
Professional Services	500	-	500
Maintenance Facility	5,247	3,722	1,525
Total Direct Operating Expenses	287,162	227,347	59,815
Total Indirect Operating Expenses	25,809	22,899	2,910
Total Operating Expenses	312,971	250,246	62,725
Operating Income (Loss)	(3,601)	59,124	62,725
Non-Operating Revenues (Expenses)			
Interest Income	3,620	4,989	1,369
Bank Charges	(19)	(53)	(34)
Transfer of Operating Reserves	-	(64,060)	(64,060)
Net Non-Operating Revenues (Expenses)	3,601	(59,124)	(62,725)
Increase (Decrease) in Net Position	\$ -	-	\$ -
Net Position, Beginning of Year		-	
NetPosition, 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, 2025**

	Knox County Public Works Complex		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 278,101	\$ 278,101	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	71,170	72,001	(831)
Employee Benefits	26,689	20,841	5,848
Office Expenses	2,500	-	2,500
Operating Expenses	57,900	34,622	23,278
Operating Contracts	93,352	62,362	30,990
Communications	1,000	2,560	(1,560)
Insurance	1,800	1,755	45
Maintenance Facility	4,979	3,528	1,451
Total Direct Operating Expenses	259,390	197,669	61,721
Total Indirect Operating Expenses	23,292	20,609	2,683
Total Operating Expenses	282,682	218,278	64,404
Operating Income (Loss)	(4,581)	59,823	64,404
Non-Operating Revenues (Expenses)			
Interest Income	4,604	5,082	478
Bank Charges	(23)	(51)	(28)
Transfer of Operating Reserves	-	(64,854)	(64,854)
Net Non-Operating Revenues (Expenses)	4,581	(59,823)	(64,404)
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, 2025**

	Libraries		Variance Positive (Negative)
	Budget	Actual	
Operating Revenues			
Management Fees from County	\$ 571,456	\$ 571,456	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	46,960	59,367	(12,407)
Employee Benefits	17,610	17,667	(57)
Office Expenses	859	-	859
Operating Expenses	9,525	204	9,321
Operating Contracts	436,246	407,092	29,154
Communications	725	644	81
Insurance	2,900	2,828	72
Maintenance Facility	15,493	10,988	4,505
Total Direct Operating Expenses	530,318	498,790	31,528
Total Indirect Operating Expenses	47,133	42,110	5,023
Total Operating Expenses	577,451	540,900	36,551
Operating Income (Loss)	(5,995)	30,556	36,551
Non-Operating Revenues (Expenses)			
Interest Income	6,024	6,407	383
Bank Charges	(29)	(64)	(35)
Transfer of Operating Reserves	-	(36,899)	(36,899)
Net Non-Operating Revenues (Expenses)	5,995	(30,556)	(36,551)
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, 2025**

	Old Court House		Variance Positive (Negative)
	Budget	Actual	
Operating Revenues			
Management Fees from County	\$ 891,140	\$ 891,140	\$ -
Miscellaneous Revenues	-	1,648	1,648
Total Operating Revenues	891,140	892,788	1,648
Operating Expenses			
Direct:			
Salaries and Wages	391,772	399,333	(7,561)
Employee Benefits	148,873	118,577	30,296
Office Expenses	2,900	970	1,930
Education and Training	-	474	(474)
Operating Expenses	86,500	74,968	11,532
Operating Contracts	167,597	144,247	23,350
Communications	8,500	2,019	6,481
Insurance	6,400	6,241	159
Professional Services	1,000	-	1,000
Maintenance Facility	7,870	5,576	2,294
Total Direct Operating Expenses	821,412	752,405	69,007
Total Indirect Operating Expenses	83,635	74,266	9,369
Total Operating Expenses	905,047	826,671	78,376
Operating Income (Loss)	(13,907)	66,117	80,024
Non-Operating Revenue (Expenses)			
Interest Income	13,980	11,788	(2,192)
Bank Charges	(73)	(119)	(46)
Transfer of Operating Reserves	-	(77,786)	(77,786)
Net Non-Operating Revenue (Expenses)	13,907	(66,117)	(80,024)
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, 2025**

	Public Defender		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 52,589	\$ 52,589	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	15,036	24,031	(8,995)
Employee Benefits	5,639	7,162	(1,523)
Office Expenses	250	-	250
Operating Expenses	25,000	9,539	15,461
Operating Contracts	763	730	33
Communications	800	889	(89)
Insurance	400	389	11
Maintenance Facility	1,437	1,017	420
Total Direct Operating Expenses	49,325	43,757	5,568
Total Indirect Operating Expenses	4,384	3,988	396
Total Operating Expenses	53,709	47,745	5,964
Operating Income (Loss)	(1,120)	4,844	5,964
Non-Operating Revenues (Expenses)			
Interest Income	1,126	869	(257)
Bank Charges	(6)	(8)	(2)
Transfer of Operating Reserves	-	(5,705)	(5,705)
Net Non-Operating Revenues (Expenses)	1,120	(4,844)	(5,964)
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, 2025**

	Senior Centers		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 329,952	\$ 329,952	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	113,897	109,157	4,740
Employee Benefits	42,712	31,482	11,230
Office Expenses	550	-	550
Operating Expenses	41,000	35,804	5,196
Operating Contracts	101,763	92,854	8,909
Communications	700	164	536
Insurance	1,800	1,755	45
Maintenance Facility	4,521	3,214	1,307
Total Direct Operating Expenses	306,943	274,430	32,513
Total Indirect Operating Expenses	27,687	24,666	3,021
Total Operating Expenses	334,630	299,096	35,534
Operating Income (Loss)	(4,678)	30,856	35,534
Non-Operating Revenues (Expenses)			
Interest Income	4,702	5,344	642
Bank Charges	(24)	(52)	(28)
Transfer of Operating Reserves	-	(36,148)	(36,148)
Net Non-Operating Revenues (Expenses)	4,678	(30,856)	(35,534)
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, 2025**

	Young Williams Animal Welfare Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 43,517	\$ 43,517	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	9,989	12,697	(2,708)
Employee Benefits	3,796	3,711	85
Office Expenses	250	-	250
Operating Expenses	25,000	12,491	12,509
Communications	250	14	236
Insurance	400	389	11
Maintenance Facility	1,189	837	352
Total Direct Operating Expenses	40,874	30,139	10,735
Total Indirect Operating Expenses	3,633	3,080	553
Total Operating Expenses	44,507	33,219	11,288
Operating Income (Loss)	(990)	10,298	11,288
Non-Operating Revenues (Expenses)			
Interest Income	1,000	1,146	146
Bank Charges	(10)	(11)	(1)
Transfer of Operating Reserves	-	(11,433)	(11,433)
Net Non-Operating Revenues (Expenses)	990	(10,298)	(11,288)
Increase (Decrease) in Net Position	\$ -	-	\$ -
Net Position, Beginning of Year		-	
Net Position, End of Year		\$ -	

**THE PUBLIC BUILDING AUTHORITY OF THE COUNTY
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**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET TO ACTUAL BY ACTIVITY (Continued)
For the Fiscal Year Ended June 30, 2025**

	Summer Place Complex		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 480,191	\$ 480,191	\$ -
Parking Revenues	406,560	489,160	82,600
Rental Income	295,575	210,035	(85,540)
Miscellaneous Revenues	-	199	199
Total Operating Revenues	<u>1,182,326</u>	<u>1,179,585</u>	<u>(2,741)</u>
Operating Expenses			
Direct:			
Salaries and Wages	493,357	529,574	(36,217)
Employee Benefits	185,009	152,253	32,756
Office Expenses	4,800	13,439	(8,639)
Education and Training	500	1,382	(882)
Operating Expenses	123,827	97,260	26,567
Operating Contracts	245,557	226,406	19,151
Communications	27,200	16,968	10,232
Insurance	8,000	7,799	201
Professional Services	5,000	3,754	1,246
Maintenance Facility	9,638	6,832	2,806
Total Direct Operating Expenses	<u>1,102,888</u>	<u>1,055,667</u>	<u>47,221</u>
Total Indirect Operating Expenses	<u>100,088</u>	<u>89,045</u>	<u>11,043</u>
Total Operating Expenses	<u>1,202,976</u>	<u>1,144,712</u>	<u>58,264</u>
Operating Income (Loss)	<u>(20,650)</u>	<u>34,873</u>	<u>55,523</u>
Non-Operating Revenues (Expenses)			
Interest Income	21,156	11,397	(9,759)
Bank Charges	(506)	(108)	398
Transfer of Operating Reserves	-	(46,162)	(46,162)
Net Non-Operating Revenues (Expenses)	<u>20,650</u>	<u>(34,873)</u>	<u>(55,523)</u>
Increase (Decrease) in Net Position	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Net Position, Beginning of Year		<u>-</u>	
Net Position, End of Year		<u>\$ -</u>	

**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, 2025**

	Teague Building		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 57,506	\$ 57,506	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	1,046	2,251	(1,205)
Employee Benefits	392	654	(262)
Office Expenses	2,500	-	2,500
Operating Expenses	21,000	5,665	15,335
Operating Contracts	24,616	20,765	3,851
Communications	2,000	2,623	(623)
Insurance	1,000	973	27
Professional Services	500	-	500
Maintenance Facility	609	434	175
Total Direct Operating Expenses	53,663	33,365	20,298
Total Indirect Operating Expenses	4,857	4,329	528
Total Operating Expenses	58,520	37,694	20,826
Operating Income (Loss)	(1,014)	19,812	20,826
Non-Operating Revenues (Expenses)			
Interest Income	1,020	1,430	410
Bank Charges	(6)	(14)	(8)
Transfer of Operating Reserves	-	(21,228)	(21,228)
Net Non-Operating Revenues (Expenses)	1,014	(19,812)	(20,826)
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, 2025**

	UT Tower		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 1,178,476	\$ 1,178,476	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	384,284	275,573	108,711
Employee Benefits	142,185	78,531	63,654
Office Expenses	11,000	4,865	6,135
Education and Training	1,000	1,011	(11)
Operating Expenses	74,000	24,383	49,617
Operating Contracts	471,379	416,785	54,594
Utilities	1,000	603	397
Communications	2,600	1,318	1,282
Insurance	6,600	6,434	166
Maintenance Facility	8,123	5,756	2,367
Total Direct Operating Expenses	1,102,171	815,259	286,912
Total Indirect Operating Expenses	100,161	88,484	11,677
Total Operating Expenses	1,202,332	903,743	298,589
Operating Income (Loss)	(23,856)	274,733	(298,589)
Non-Operating Revenues (Expenses)			
Interest Income	23,978	21,049	(2,929)
Bank Charges	(122)	(217)	(95)
Transfer of Operating Reserves	-	(295,565)	(295,565)
Net Non-Operating Revenues (Expenses)	23,856	(274,733)	(298,589)
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, 2025**

	West Knox Senior Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from County	\$ 154,970	\$ 154,970	\$ -
Management Fees Other Government Agencies	42,225	21,350	(20,875)
Total Operating Revenues	197,195	176,320	(20,875)
Operating Expenses			
Direct:			
Salaries and Wages	25,785	18,137	7,648
Employee Benefits	9,670	5,434	4,236
Office Expenses	190	-	190
Operating Expenses	93,211	57,836	35,375
Operating Contracts	45,592	32,668	12,924
Communications	4,500	2,376	2,124
Insurance	2,500	2,436	64
Professional Services	-	1,664	(1,664)
Maintenance Facility	3,569	2,527	1,042
Total Direct Operating Expenses	185,017	123,078	61,939
Total Indirect Operating Expenses	16,612	14,602	2,010
Total Operating Expenses	201,629	137,680	63,949
Operating Income	(4,434)	38,640	43,074
Non-Operating Revenues (Expenses)			
Interest Income	4,456	4,012	(444)
Bank Charges	(22)	(42)	(20)
Transfer of Operating Reserves	-	(42,610)	(42,610)
Net Non-Operating Expenses	4,434	(38,640)	(43,074)
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, 2025

	City County Building		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City and County	\$ 6,002,617	\$ 6,002,617	\$ -
Parking Revenues	94,920	126,027	31,107
Miscellaneous Revenues	-	34,281	34,281
Total Operating Revenues	6,097,537	6,162,925	65,388
Operating Expenses			
Direct:			
Salaries and Wages	1,636,810	1,841,508	(204,698)
Employee Benefits	613,804	535,335	78,469
Office Expenses	46,000	22,520	23,480
Education and Training	15,000	5,401	9,599
Operating Expenses	552,500	404,479	148,021
Operating Contracts	1,015,715	836,680	179,035
Utilities	1,775,000	1,779,410	(4,410)
Communications	13,025	11,079	1,946
Insurance	255,000	248,565	6,435
Professional Services	5,000	2,668	2,332
Maintenance Facility	39,322	27,882	11,440
Capital Asset Replacement Reserve Expenditures	2,000,000	530,424	1,469,576
Depreciation Expense	-	1,025,027	(1,025,027)
Total Direct Operating Expenses	7,967,176	7,270,978	696,198
Total Indirect Operating Expenses	542,699	483,515	59,184
Total Operating Expenses	8,509,875	7,754,493	755,382
Operating Income (Loss)	(2,412,338)	(1,591,568)	820,770
Non-Operating Revenues (Expenses)			
Interest Income	415,138	434,137	18,999
Bank Charges	(2,800)	(6,374)	(3,574)
Net Non-Operating Revenues (Expenses)	412,338	427,763	15,425
Increase (Decrease) in Net Position Before Capital Contributions	(2,000,000)	(1,163,805)	836,195
Capital Contributions			
Capital Asset Replacement Reserve Contributions from City and County	2,000,000	2,000,000	-
Increase (Decrease) in Net Position	\$ -	836,195	\$ 836,195
Net Position, Beginning of Year		12,653,923	
Net Position, End of Year		\$ 13,490,118	

**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, 2025**

	Emergency Communications District		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from Other Governmental Agencies	\$ 143,367	\$ 143,367	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	36,086	32,398	3,688
Employee Benefits	13,532	9,470	4,062
Office Expenses	125	11	114
Education and Training	-	81	(81)
Operating Expenses	26,075	18,925	7,150
Operating Contracts	55,429	56,413	(984)
Communications	750	699	51
Insurance	650	635	15
Professional Services	250	-	250
Maintenance Facility	875	613	262
Total Direct Operating Expenses	133,772	119,245	14,527
Total Indirect Operating Expenses	12,167	10,894	1,273
Total Operating Expenses	145,939	130,139	15,800
Operating Income (Loss)	(2,572)	13,228	15,800
Non-Operating Revenues (Expenses)			
Interest Income	2,586	2,615	29
Bank Charges	(14)	(26)	(12)
Transfer of Operating Reserves	-	(15,817)	(15,817)
Net Non-Operating Revenues (Expenses)	2,572	(13,228)	(15,800)
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, 2025**

	Fairview Technology Center		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from Other Governmental Agencies	\$ 85,737	\$ 85,737	\$ -
Operating Expenses			
Direct:			
Salaries and Wages	34,206	18,492	15,714
Employee Benefits	12,827	5,503	7,324
Office Expenses	725	-	725
Operating Expenses	10,500	3,743	6,757
Operating Contracts	17,410	15,112	2,298
Communications	3,300	2,547	753
Insurance	425	414	11
Maintenance Facility	588	418	170
Total Direct Operating Expenses	79,981	46,229	33,752
Total Indirect Operating Expenses	7,268	6,433	835
Total Operating Expenses	87,249	52,662	34,587
Operating Income (Loss)	(1,512)	33,075	34,587
Non-Operating Revenues (Expenses)			
Interest Income	1,522	2,180	658
Bank Charges	(10)	(22)	(12)
Transfer of Operating Reserves	-	(35,233)	(35,233)
Net Non-Operating Revenues (Expenses)	1,512	(33,075)	(34,587)
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, 2025**

	Jackson Ave - KCDC Lot		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from Other Governmental Agencies	\$ 21,750	\$ 20,460	\$ (1,290)
Operating Expenses			
Direct:			
Salaries and Wages	8,089	9,641	(1,552)
Employee Benefits	3,035	2,228	807
Office Expenses	214	8	206
Education and Training	174	23	151
Operating Expenses	1,118	1,346	(228)
Operating Contracts	1,748	2,122	(374)
Utilities	350	149	201
Communications	103	45	58
Insurance	187	205	(18)
Professional Services	12	-	12
Maintenance Facility	69	62	7
Total Direct Operating Expenses	15,099	15,829	(730)
Total Indirect Operating Expenses	1,706	1,131	575
Total Operating Expenses	16,805	16,960	(155)
Operating Income (Loss)	4,945	3,500	(1,445)
Non-Operating Revenues (Expenses)			
Interest Income	334	94	(240)
Bank Charges	(925)	(679)	246
Transfer of Operating Reserves	(4,354)	(2,915)	1,439
Net Non-Operating Revenues (Expenses)	(4,945)	(3,500)	1,445
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, 2025**

	Property Development		Variance Positive (Negative)
	Budget	Actual	
Operating Revenues			
Management Fees from City and County	\$ 740,298	\$ 740,298	\$ -
Total Operating Revenues	740,298	740,298	-
Operating Expenses			
Direct:			
Salaries and Wages	446,662	466,052	(19,390)
Employee Benefits	162,132	134,191	27,941
Office Expenses	11,500	6,814	4,686
Education and Training	10,000	492	9,508
Operating Expenses	10,000	4,034	5,966
Communications	1,306	767	539
Insurance	400	389	11
Professional Services	10,000	6,490	3,510
Total Direct Operating Expenses	652,000	619,229	32,771
Total Indirect Operating Expenses	97,800	87,262	10,538
Total Operating Expenses	749,800	706,491	43,309
Operating Income (Loss)	(9,502)	33,807	43,309
Non-Operating Revenues (Expenses)			
Interest Income	9,552	8,433	(1,119)
Bank Charges	(50)	(88)	(38)
Transfer of Operating Reserves	-	(42,152)	(42,152)
Net Non-Operating Revenues (Expenses)	9,502	(33,807)	(43,309)
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, 2025

	Information Technology		
	Budget	Actual	Variance Positive (Negative)
Operating Revenues			
Management Fees from City and County	\$ 1,127,520	\$ 1,127,520	\$ -
Miscellaneous Revenues	-	46,975	46,975
Total Operating Revenues	1,127,520	1,174,495	46,975
Direct Operating Expenses			
Salaries and Wages	446,929	494,234	(47,305)
Employee Benefits	168,017	144,961	23,056
Office Expenses	10,200	4,364	5,836
Education and Training	6,000	3,798	2,202
Operating Expenses	28,000	27,977	23
Operating Contracts	369,958	357,099	12,859
Communications	4,650	381	4,269
Insurance	15,000	14,621	379
Professional Services	2,000	-	2,000
Capital Purchases	150,000	34,331	115,669
Depreciation Expense	-	66,424	(66,424)
Total Direct Operating Expenses	1,200,754	1,148,190	52,564
Total Indirect Operating Expenses	139,852	123,763	16,089
Total Operating Expenses	1,340,606	1,271,953	68,653
Operating Income (Loss)	(213,086)	(97,458)	115,628
Non-Operating Revenues (Expenses)			
Interest Income	63,408	67,062	3,654
Bank Charges	(322)	(624)	(302)
Transfer of Operating Reserves	-	(69,735)	(69,735)
Net Non-Operating Revenues (Expenses)	63,086	(3,297)	(66,383)
Increase (Decrease) in Net Position Before Capital Contributions	(150,000)	(100,755)	49,245
Capital Contributions			
Capital Asset Replacement Reserve Contributions from City and County	150,000	150,000	-
Increase (Decrease) in Net Position	\$ -	49,245	\$ 49,245
Net Position, Beginning of Year		1,218,533	
Net Position, End of Year		\$ 1,267,778	

STATISTICAL SECTION (UNAUDITED)

This part of PBA's Annual Comprehensive Financial Report (ACFR) 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.

<u>Contents</u>	<u>Pages</u>
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.....	73-74
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.....	75-78
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 ACFRs.	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.	79-80
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.	81

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive 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**

<u>Fiscal Year</u>	<u>Investment in Capital Assets</u>	<u>Unrestricted</u>	<u>Total</u>
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
2021	5,266,872	5,240,934	10,507,806
2022	5,568,492	6,786,526	12,355,018
2023- restated	5,662,054	8,090,616	13,752,670
2024- restated	5,561,112	9,644,036 **	15,205,148
2025	7,823,107	8,792,749	16,615,856

**Note: Restated due to implementation of GASB 101, Compensated Absences.
See Note 13.

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

**CHANGES IN NET POSITION
Last Ten Fiscal Years**

	2025	2024 - Restated *	2023	2022	2021	2020	2019	2018	2017	2016
Operating Revenues										
Rental Income	\$ 463,139	\$ 563,712	\$ 594,692	\$ 586,755	\$ 431,385	\$ 188,499	\$ 209,896	\$ 248,321	\$ 229,219	\$ 252,697
Management Fees from City and County	24,093,517	22,717,082	20,163,347	17,097,370	15,214,791	14,638,000	13,581,473	13,160,454	12,026,545	11,505,580
Management Fees from Other										
Governmental Agencies	295,962	290,615	270,706	255,009	255,857	289,476	334,736	332,988	312,006	313,766
Parking Revenues	5,634,928	4,726,830	4,444,284	3,796,804	3,100,765	3,839,892	4,082,777	3,961,511	3,795,842	3,083,416
Miscellaneous Revenues	149,338	-	-	-	-	-	-	-	-	-
Total Operating Revenues	30,636,884	28,298,239	25,473,029	21,735,938	19,002,798	18,955,867	18,208,882	17,703,274	16,363,612	15,155,459
Operating Expenses										
Salaries and Benefits	14,433,895	12,661,437	10,439,687	8,946,044	8,793,721	8,807,975	8,528,384	7,927,605	7,728,965	6,476,717
Office	179,314	284,773	243,383	134,406	165,614	112,751	136,712	119,614	141,114	146,403
Education and Training	21,109	31,510	20,607	19,152	23,466	17,023	14,705	14,765	6,306	13,360
Purchased Services and Supplies	2,338,465	2,330,783	2,212,062	1,895,469	2,030,255	1,667,733	1,759,935	1,489,749	1,540,417	1,577,232
Operating Contracts	4,827,744	4,508,490	4,005,651	3,322,060	3,279,082	3,192,925	2,767,609	2,510,628	2,057,739	1,905,427
Utilities	3,487,411	3,064,868	2,815,974	2,228,305	2,043,689	2,222,445	2,325,886	2,204,288	2,232,055	2,134,130
Communications	139,468	141,686	112,366	113,353	94,202	148,860	106,258	125,015	148,030	111,963
Insurance	491,091	442,231	387,935	346,369	312,686	287,901	283,150	306,291	310,951	309,888
Professional Fees	71,754	72,188	75,911	110,122	115,673	80,073	64,141	67,601	69,992	251,921
Depreciation	1,103,181	891,515	806,429	768,155	766,668	765,610	737,020	704,866	727,718	1,117,721
Maintenance Facility	149,498	163,705	144,693	143,641	105,591	113,950	109,715	119,686	129,310	106,568
Other	564,756	228,591	452,049	311,004	601,261	572,554	1,290,563	878,978	622,371	411,929
Total Operating Expenses	27,807,686	24,821,777	21,716,747	18,338,080	18,331,908	17,989,800	18,124,078	16,469,086	15,714,968	14,563,259
Operating Income (Loss)	2,829,198	3,476,462	3,756,282	3,397,858	670,890	966,067	84,804	1,234,188	648,644	592,200
Non-Operating Revenues (Expenses)										
Interest Income	777,939	813,616	299,992	18,643	161	90,197	47,380	35,683	28,043	21,844
Bank Charges	(141,648)	(113,873)	(155,405)	(115,861)	(94,053)	(104,866)	(100,339)	(89,436)	(89,499)	(62,065)
Capital Returned to the City and County	(4,130,500)	(4,781,155)	(4,299,730)	(3,641,492)	(1,427,232)	(1,656,944)	(2,517,156)	(2,239,273)	(1,761,154)	(1,829,891)
Capital Returned to Other										
Governmental Agencies	(74,281)	(72,572)	(66,169)	(41,936)	(73,136)	(102,318)	(93,577)	(64,693)	(28,544)	(38,695)
Noncash:										
Capital Asset Retirements from the City and County	-	-	-	-	-	-	(16,902)	-	-	-
Total Non-Operating Revenues (Expenses) - Net	(3,568,490)	(4,153,984)	(4,221,312)	(3,780,646)	(1,594,260)	(1,773,931)	(2,680,594)	(2,357,719)	(1,851,154)	(1,908,807)
Increase (Decrease) in Net Position Before Capital Contributions and Extraordinary Item	(739,292)	(677,522)	(465,030)	(382,788)	(923,370)	(807,864)	(2,595,790)	(1,123,531)	(1,202,510)	(1,316,607)
Capital Contributions										
Capital Contributions from the City and County	2,150,000	2,130,000	2,130,000	2,230,000	2,300,000	1,300,000	2,190,579	1,168,656	1,150,000	1,298,538
Total Capital Contributions	2,150,000	2,130,000	2,130,000	2,230,000	2,300,000	1,300,000	2,190,579	1,168,656	1,150,000	1,298,538
Extraordinary Item	-	-	-	-	-	-	-	-	(2,174,945)	-
Increase (Decrease) in Net Position	1,410,708	1,452,478	1,664,970	1,847,212	1,376,630	492,136	(405,211)	45,125	(2,227,455)	(18,069)
Net Position, Beginning of Year, July 1	15,205,148	14,019,988	12,355,018	10,507,806	9,131,176	8,639,040	9,044,251	8,999,126	11,226,581	11,244,650
Restatement for GASB 101 Implementation	-	(267,318)	-	-	-	-	-	-	-	-
Net Position, Beginning of Year, As Restated	15,205,148	13,752,670	12,355,018	10,507,806	9,131,176	8,639,040	9,044,251	8,999,126	11,226,581	11,244,650
Net Position, End of Year	<u>\$ 16,615,856</u>	<u>\$ 15,205,148</u>	<u>\$ 14,019,988</u>	<u>\$ 12,355,018</u>	<u>\$ 10,507,806</u>	<u>\$ 9,131,176</u>	<u>\$ 8,639,040</u>	<u>\$ 9,044,251</u>	<u>\$ 8,999,126</u>	<u>\$ 11,226,581</u>

** Note: Restated due to implementation of GASB 101, Compensated Absences. See Note 13.

**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		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
County Owned											
Andrew Johnson Building	1	-	-	-	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 (5)		32,233	32,233	32,233	32,233	32,233	38,940	38,940	38,940	38,940	38,940
Health Department (1 main facility, 3 community clinics, and air quality lab)		152,800	152,800	152,800	157,800	157,800	157,800	157,800	157,800	157,800	157,800
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 and 7 Convenience Centers		20,458	20,458	20,458	18,930	18,930	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	2	7,584	12,084	12,084	12,084	12,084	12,084	12,084	12,084	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	19,435	19,435	19,435	19,435
Public Defender's Office		23,405	23,405	23,405	23,405	23,405	23,405	23,405	23,405	23,405	23,405
Young Williams Animal Center		21,308	21,308	21,308	21,308	21,308	21,308	21,308	21,308	21,308	21,308
Teague Building		5,000	5,000	5,000	-	-	-	-	-	-	-
UT Tower		211,667	211,667	211,667	211,667	211,667	-	-	-	-	-
Summer Place Complex Office Space		116,740	116,740	116,740	100,000	100,000	-	-	-	-	-
West Knox Senior Center		12,605	12,605	12,605	12,605	12,605	12,605	-	-	-	-
Election Commission		6,707	6,707	6,707	6,707	6,707	-	-	-	-	-
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	71,525	71,525	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	35,000
Public Safety Building		192,890	192,890	192,890	-	-	-	-	-	-	-
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		<u>2,037,446</u>	<u>2,041,946</u>	<u>2,041,946</u>	<u>1,976,449</u>	<u>1,976,449</u>	<u>1,664,782</u>	<u>1,652,177</u>	<u>1,633,247</u>	<u>1,606,971</u>	<u>1,561,411</u>

(continued)

1 Property sold on August 1, 2022.

2 3 satellite offices in FY25; 5 satellite offices in FY24 & Prior

Source: PBA Property Management Department.

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

PROPERTIES MANAGED (Continued)

Last Ten Fiscal Years

Location	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
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
Summer Place Garage	665	665	665	665	704	-	-	-	-	-
City Owned										
Hill Avenue Parking Lot	16	16	16	16	16	16	16	16	16	16
		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	461	475	475	475	475	475	475	475	475	475
Market Square Garage	700	700	700	700	677	677	677	677	677	677
Promenade Garage	-	-	-	-	-	262	262	262	262	277
State Street Garage	1,718	1,718	1,718	1,718	1,718	1,718	1,718	1,082	1,082	1,082
World's Fair Parking Lots	272	272	272	264	201	201	201	201	698	698
Tennessee Department of Transportation (TDOT)	459	459	459	459	469	469	469	469	469	469
Supreme Court Parking Lot	-	-	-	-	-	-	159	159	159	159
KCDC Vine Lot	¹ -	-	-	74	74	74	-	-	-	-
CBID	548	548	538	535	535	535	535	535	-	-
Riverwalk Parking Garage	804	804	804	804	804	804	804	804	-	-
Public Safety Building	856	856	856							
Coliseum Parking Garages A & B	1,385									
Other Gov't Agencies Owned										
Jackson Avenue Parking Lot sold to KCDC 4/1	190									
City County Jointly Owned										
City County Building Garage	850	850	850	850	850	850	850	850	850	850
Totals	10,533	9,162	9,152	8,359	8,605	8,163	8,248	7,612	6,770	6,785
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	247,500	315,815	449,940	116,407	29,825 A	136,960 A	214,565	239,945	262,945	699,608

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

¹ Property sold on November 14, 2022.

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	
Carter Park ADA Improvements	\$ 2,665,659
CCB 6th Floor Policy & Finance Suites Renovations (KC portion)	132,640
CCB DA Reconfigurations	109,416
CCB Fitness Center	855,000
East Tower & Fritts Lot - Additions and Renovations (KC)	15,285,000
East Tower & Fritts Lot - Additions and Renovations (UT)	10,699,132
IC King Expansion	1,350,000
Jail Assessment & Feasibility Study	65,000
Knox-Blount Greenway (TDOT)	1,344,772
Parks & Rec Administration Building Structural Repairs	175,000
South Doyle Middle School Athletic Fields	1,020,000
Summer Place Complex Improvements - Garage Improvements	440,000
Summer Place Complex Improvements - HVAC	3,900,000
Summer Place Complex Improvements - KCS Tenant	3,650,000
Summer Place Complex Improvements - PBA Improvements	3,050,000
West Knox Senior Center Relocation & Renovation	2,600,000
Young Williams/Zoo Knoxville – Livestock Holding (50/50)	75,000
County Subtotal	\$ 47,416,619
CITY PROJECTS	
CCB 6th Floor Policy & Finance Suites Renovations (CoK portion)	\$ 1,175,201
Dog Parks (5)	427,908
Fort Kid Slope Repair	300,000
Harriet Tubman Park Improvements	450,000
Harriet Tubman Park Tennis Court Shelters	75,000
Inskip Pool Resurfacing	170,000
KCAC Mechanical Piping (Assessment portion only)	32,000
Knoxville Civic Auditorium & Coliseum	10,755,000
Knoxville Civic Auditorium & Coliseum - Garage B Repairs	200,000
Knoxville Civic Auditorium & Coliseum - Garage C Ventilation	1,000,000
Milton Roberts Rec Center Repairs	1,238,000
Ned McWherter Boat Ramp Repair	542,000
Public Works Complex - current: owner-requested improvements	154,453
Suttree Landing Pavilion & Shoreline	2,086,000
World's Fair Performance Lawn	2,525,000
World's Fair Park Amphitheater & Sunsphere	2,500,000
World's Fair Exhibition Hall (WFEH) Concessions Renovations	650,000
Young Williams/Zoo Knoxville – Livestock Holding (50/50)	75,000
City Subtotal	\$ 24,355,562
Total All Projects	\$ 71,772,181

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

**TELECOMMUNICATION SERVICES
Last Ten Fiscal Years**

	2025	2024	2023	2022	Fiscal Year		2019	2018	2017	2016
					2021	2020				
CITY AND COUNTY										
Total Extensions	7,018 *	7,291 *	7,459 *	7,612	7,643 *	8,241	8,241	8,297	8,313	8,305
Telephone Lines	305	407	697	728	753 **	822	822	822	822	811
Cellular Telephones	113	78	94	52	52	51	80	76	109	95
Pagers	-	-	-	1	8	8	8	8	33	33
Repair Work Orders	1,167	1,160	1,384	1,474	1,404	1,492	1,741	1,436	1,477	1,387
SCHOOLS *										
Total Extensions	-	-	-	-	-	42	269	473	598	797
Telephone Lines	-	-	-	-	-	42	775	1,604	2,041	2,242
Repair Work Orders	-	-	-	-	-	187	369	472	662	614

Source: PBA Telecommunications Services Department.

NOTE: FY 24, FY 23 and FY21 decreases are due to Knox County choosing another communications host for some County departments. See Below.

* FY21 Knox County has ported the following Dept's to Altus' hosted solution

- Information Technology
- Human Resources
- Benefits
- Codes
- Health Dept
- Engineering & Public Works
- Purchasing
- Veteran Affairs
- Property Management
- Records Management

** Knox County's Altus port allowed for 3 PRI's (the equivalent of 69 phone lines) to be removed

* FY23 Knox County has ported the following Dept's to Altus' hosted solution

- Employee Credit Union
- Regional Forensics Center
- Parks and Recreation
- Probation
- Fire Prevention

* FY24 Knox County has ported the following Dept's to Altus' hosted solution

- Risk Management
- Finance Dept
- County Commission
- Election Commission
- Retirement
- Mail Services
- Internal Audit
- Mayor Office
- ADA
- Grants/Community Development

* FY25 Knox County has ported the following Dept's to Altus' hosted solution

- East Tennessee Historical Center
- Juvenile Justice Library
- Lawson McGhee Library

**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
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	24,342,690	51,863	2.9	3.3
2020	475,609	25,988,024	54,642	5.0	5.6
2021	486,677	29,168,574	59,934	2.6	3.6
2022	494,574	31,402,606	63,494	2.6	3.5
2023	500,669	33,706,390	67,323	2.8	3.4
2024	506,764	N/A	N/A	3.2	3.7

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**

Employer (a)	Industry	2024		2015	
		Number of Employees	% of Total Knox County Workforce	Number of Employees	% of Total Knox County Workforce
U.S. DOE - Oak Ridge	Government	16,975	6.67 %	11,986	5.23 %
Covenant Health	Health Care	12,231	4.80	10,304	4.49
The University of Tennessee	Education	11,671	4.58	6,609	2.88
Knox County Schools	Education	10,070	3.96	7,241	3.16
Walmart	Retail	5,863	2.30	5,951	2.60
University Health Systems	Health Care	5,387	2.12	4,941	2.16
Clayton Homes	Manufacturing	5,104	2.01	N/A	N/A
DENSO Manufacturing	Manufacturing	5,000	1.96	3,800	1.66
K-VA-T Food Stores	Retail Grocery	4,366	1.72	3,913	1.71
State of Tennessee	Government	3,811	1.50	3,153	1.38
Tennova Healthcare	Health Care	N/A	N/A	3,997	1.74
Total		80,478	31.62 %	61,895	27.01 %

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**

Department	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Facilities Management	89	86	85	74	70	73	73	69	65	67
Safety and Security	100	93	85	61	64	63	66	58	59	53
Property Development	5	5	4	4	4	4	5	5	5	4
Information Technology/MIS/PBX	15	14	11	10	13	12	12	11	10	11
Administrative	13	13	12	12	11	11	10	9	8	7
Total	<u>222</u>	<u>211</u>	<u>197</u>	<u>161</u>	<u>162</u>	<u>163</u>	<u>166</u>	<u>152</u>	<u>147</u>	<u>142</u>

Source: PBA Payroll Department.

**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**

**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 business-type activities 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, 2025, and the related notes to the financial statements, which collectively comprise PBA's basic financial statements, and have issued our report thereon dated November 10, 2025.

Report on 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

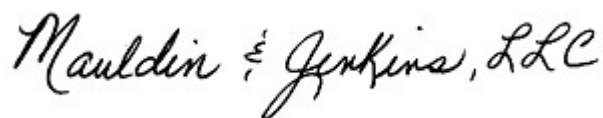
As part of obtaining reasonable assurance about whether PBA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 matter that is required to be reported under *Government Auditing Standards*.

PBA's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on PBA's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. PBA's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



Chattanooga, Tennessee
November 10, 2025

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

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial
statements were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? ☒ Yes ☐ No
- Significant deficiencies identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

PBA did not have expenditures of federal awards equal or greater than \$750,000 for the fiscal year ended June 30, 2025.

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

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS

2025-001 Payables Control Process

Criteria: PBA's internal controls and vendor management policies require a mandatory, out-of-band verification (e.g. phone call to a known contact) before changing critical vendor payment information, such as bank routing and account numbers, to prevent Business Email Compromise (BEC) fraud.

Condition: PBA's Accounts Payable department received an email request, purportedly from one of their construction contractors, instructing them to change the bank routing number for all future ACH payments. PBA personnel changed the vendor's banking information in the system based solely on the email instruction.

Context/Cause: A fraudster accessed or spoofed the construction contractor's email system, identified PBA as a payer, and successfully socially engineered PBA's Accounts Payable personnel into updating the payment instructions without secondary verification.

Effects: An ACH payment of \$758,075 for a construction invoice was submitted to the fraudulent bank account. After receiving notification that the routing number was incorrect and updated by the receiving bank, PBA contacted the construction company. The legitimate construction contractor did not receive the payment, resulting in a direct financial loss of PBA of at least the insurance deductible amount of \$65,000.

Recommendation: We recommend PBA's Accounts Payable department receive training on the policy requiring dual-factor, out-of-band verification (e.g. a phone call to a known, pre-approved contact number for the vendor) for all changes to vendor banking information, regardless of the amount.

Auditee's Response: PBA Finance has updated the ACH/EFT Authorization form to require documentation of the verification of banking information. Additionally, the verification process will be reviewed by the Finance Office Manager or the Director of Finance. Any changes to the banking information in the accounting system will be made by the Finance Office Manager or the Director of Finance. As for training, we are working to update our training system to include more scenarios of spoofing and increasing the frequency of training company wide.

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

SCHEDULE OF PRIOR FISCAL YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

None reported in the prior year.



Jayne Burritt, Administrator/CEO

MANAGEMENT'S CORRECTIVE ACTION PLAN

Board of Directors

Heather Anderson, Chair

Ann Marie Tugwell, Vice Chair

Garrett Holt, Treasurer

Adam Cook, Secretary

2025-001 Payables Control Process

Person Responsible for Corrective Action Plan: Robyn Smith, Director of Finance

Signature: _____

Corrective Action Plan: PBA Finance has updated the ACH/EFT Authorization form to require documentation of the verification of banking information. Additionally, the verification process will be reviewed by the Finance Office Manager or the Director of Finance. Any changes to the banking information in the accounting system will be made by the Finance Office Manager or the Director of Finance. As for training, we are working to update our training system to include more scenarios of spoofing and increasing the frequency of training company wide.

Anticipated Completion Date: June 30, 2026.

Jon Clark

Scott Davis

Brian Gard

Rob Glass

Steve Maddox

Chuck Severance

John Wright