City of Bellevue, Washington

Annual Comprehensive Financial Report

For the fiscal year ended December 31, 2025

(This page is intentionally left blank.)

Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2025

Prepared by the Accounting Team,

Finance and Asset Management Department

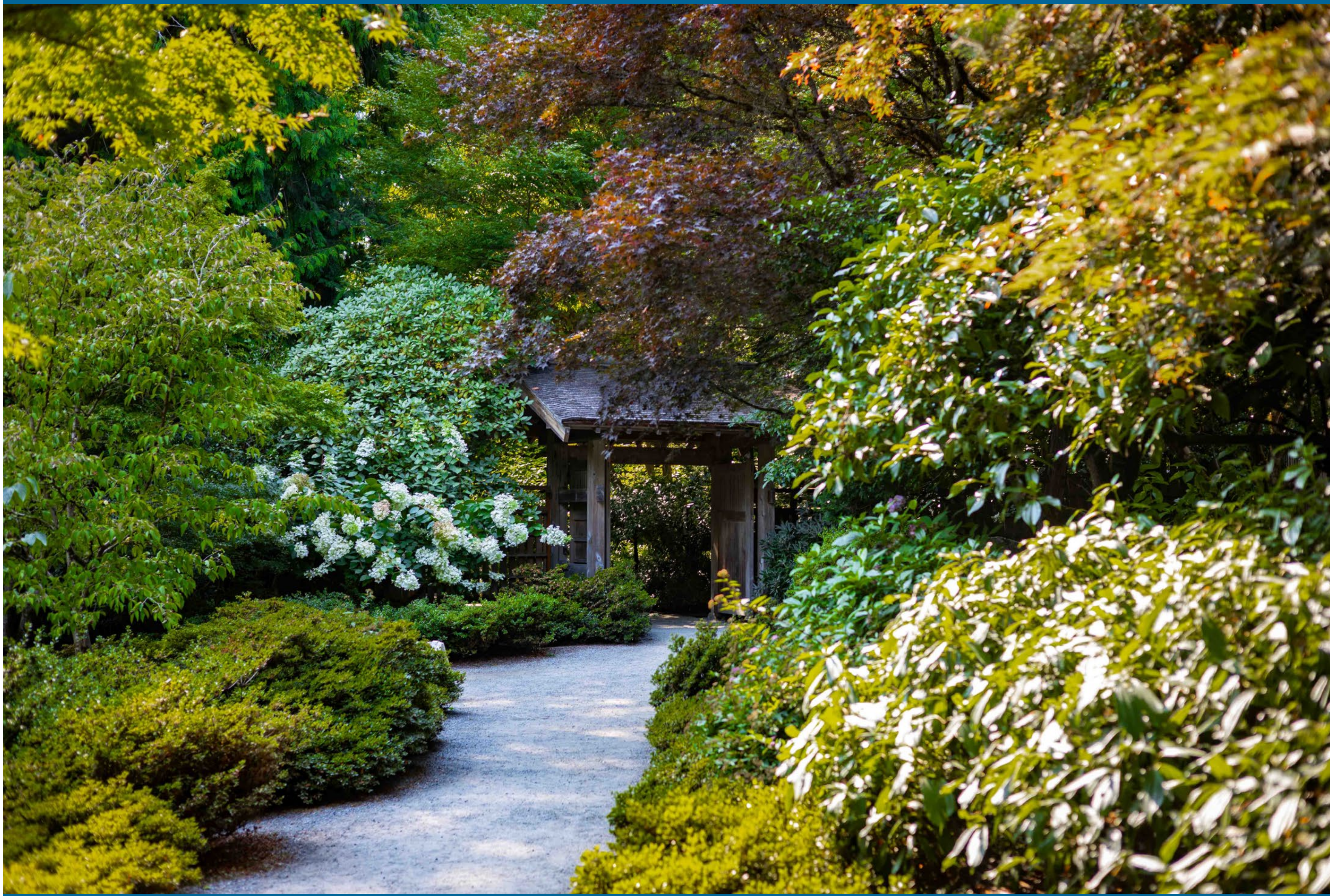
(This page is intentionally left blank.)

City of Bellevue, WA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended December 31, 2025
TABLE OF CONTENTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended December 31, 2025
TABLE OF CONTENTS

Introduction Section



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bellevue
Washington

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

City of Bellevue

September 24, 2026

Honorable Mayor, City Councilmembers, and Community Members of the City of Bellevue,

The City of Bellevue (the city) Annual Comprehensive Financial Report for the fiscal year ended December 31, 2025, is hereby submitted. Responsibility for the accuracy of the data, the completeness and fairness of the presentation, and all disclosures rests with the city's management. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds and agencies of the city. All disclosures necessary to enable the reader to gain an understanding of the city's financial activities have been included.

The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal complements the MD&A and should be read in conjunction with it.

Profile of the Government

Incorporated in 1953, Bellevue is the fifth most populous city in the State of Washington, with a population of approximately 158,000. The city encompasses 33.51 square miles and is located on the eastern shore of Lake Washington, 11 miles east of Seattle, Washington, 175 miles north of Portland, Oregon, 230 miles south of Vancouver, Canada, and 275 miles west of Spokane, Washington. There are 16 identified neighborhoods within the city: BelRed, Bridle Trails, Cougar Mountain/Lakemont, Crossroads, Downtown, Eastgate, Factoria, Lake Hills, Newport, Northeast Bellevue, Northwest Bellevue, Somerset, West Bellevue, West Lake Sammamish, Wilburton, and Woodridge.

The City of Bellevue is a noncharter code city operating under Revised Code of Washington (RCW) Section 35A. Bellevue utilizes the Council-Manager form of government with a seven-member City Council elected at large. Councilmembers serve four-year terms, set general policy direction, and elect a Mayor and Deputy Mayor from within their ranks. The City Council appoints the City Manager as the city's chief executive officer who is responsible for carrying out Council policies and direction, including the enforcement of laws and ordinances, the execution of contracts and agreements, and maintenance of peace and order in the city. Bellevue's six core values are exceptional public service, stewardship, commitment to employees, integrity, innovation, and diversity, equity, and inclusion.

The city provides a full range of local government services, including police and fire protection; emergency medical services; construction and maintenance of streets and municipal infrastructure; planning and zoning; parks and recreational activities; and cultural events. The city also operates an equipment rental fund and provides water, sewer, storm and surface water, and solid waste utility services. Certain city services such as public safety, utilities, information technology, and equipment rental and maintenance are provided on a fee basis to other governmental agencies and neighboring taxing districts. Conversely, other governmental agencies provide the city with jail and court services through interlocal agreements. Library services are provided to Bellevue residents from the King County Library System.

PO Box 90012 • Bellevue, Washington • 98009-9012
Offices located at 450 110th Avenue NE

Bellevue's economy includes a diverse mix of industries such as department stores, financial institutions, technology firms, automobile dealerships, engineering firms, and manufacturing. The city is home to several major businesses, including Amazon, T-Mobile, Meta, and Salesforce.

Discrete Component Unit

The city is financially accountable for the Bellevue Convention Center Authority (BCCA), which is reported as a discrete component unit of the city. The BCCA accounts for revenues and expenses associated with the operation of Meydenbauer Center, a Downtown Bellevue facility comprising a 54,000-square-foot convention and trade show space, a 410-seat theater, and a 434-stall underground parking garage.

Economic Condition and Outlook

In 2025, the City of Bellevue's economic condition remained stable despite a challenging and uncertain economic environment. Rising uncertainty in the job market and elevated inflation exerted negative pressures; however, the city continued to proactively mitigate these conditions while maintaining its commitment to thoughtful, community-focused investments.

A significant driver of economic uncertainty during the year was the evolution of federal policies. Reductions in federal funding and delays in grant awards affected multiple sectors, including research and development, social assistance programs, and infrastructure initiatives. In addition, newly imposed tariffs introduced further potential disruptions to the economic outlook. Ongoing implementation delays and fluctuating tariff rates make it difficult to fully assess the long-term impacts at this time.

The City of Bellevue's labor market remained comparatively strong. The city's average unemployment rate for 2025 was 3.8 percent, a slight improvement from the previous year's rate of 3.9 percent and well below the national average of 4.5 percent.

The city's revenues are expected to remain modest in the upcoming year. The city's 2025–2026 budget reflects a balanced approach that prioritizes essential and immediate needs while continuing to support strategic investments that promote long-term stability and resilience.

Long-Term Financial Planning

In 2025, the city conducted a comprehensive review of its budget development process, resulting in a redesigned framework for the 2027–2028 budget cycle. This updated approach refines the city's investment prioritization, emphasizing current operations and maintenance, debt service, planned new investments, long-term growth planning, and, lastly, new pilot programs and service delivery demonstrations. The city also continues to strengthen the integration of budget equity principles into its financial planning, ensuring that resource allocation decisions support equitable outcomes across the community.

PO Box 90012 • Bellevue, Washington • 98009-9012
Offices located at 450 110th Avenue NE

The city prepares a six-year operational financial forecast for the General Fund, Storm and Surface Water Utility Fund, Water Utility Fund, Sewer Utility Fund, and Solid Waste Fund to ensure that economic conditions and long-term trends are fully incorporated into Bellevue's financial planning. The city utilizes these operational forecasts, along with the six-year Capital Improvement Program Plan, as key long-term financial planning tools. Together, these provide essential information that enables city leadership to evaluate options and make informed decisions with a clear understanding of their financial implications.

Major Initiatives

The city has many initiatives that continued into 2025 under the 2025–2026 Adopted Budget. As a "city in a park," Bellevue continued its long-standing investment in parks and open spaces by acquiring land for future park development in the Cougar Mountain/Lakemont neighborhood. The city also advanced work on Ashwood Park and Meydenbauer Bay Park Phase II in Downtown Bellevue, expanded off-leash park facilities citywide, and supported significant improvements at Robinswood Community Park in the Eastgate neighborhood.

In 2025, the city also created the Office of the Grand Connection (OGC), a major step in the initiative to transform public spaces along the corridor between Meydenbauer Bay and Eastrail. The OGC oversees the planning and implementation of the Grand Connection Crossing, a pedestrian corridor that will span Interstate 405 and links Downtown Bellevue to more than 175 miles of regional trails. During 2025, the OGC refined design concepts and updated the project delivery schedule, added key staff positions, and received approval from the State Capital Projects Advisory Review Board to utilize the General Contractor/Construction Manager delivery method.

The city also established the Office of Housing to consolidate its affordable housing and homelessness-related programs into a single, coordinated entity. This organizational change strengthens the city's ability to align resources and advances the goal of ensuring that residents of all income levels can afford to live in Bellevue. In 2025, the Office of Housing continued issuing community funding through the Housing Stability Program, invested in the Safe Parking Program that supports residents experiencing homelessness and living in vehicles, and undertook updates to the city's Affordable Housing Strategy.

The city continued the advancement several major infrastructure projects supported by the $99.6 million Transportation Infrastructure Finance and Innovation Act (TIFIA) loan. As of August 2025, these projects—focused on roadway enhancements, sidewalks, bike lanes, and ADA-compliant pedestrian improvements such as upgraded curb ramps—are substantially complete. The city continued repayment of the refinanced TIFIA loan, which was restructured in 2021, yielding more than $20 million in interest savings over its 30-year term.

Financial Management and Controls

City management is responsible for establishing and maintaining an internal control structure designed to ensure assets of the city are protected from loss, theft, or misuse; and to ensure adequate accounting records are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of the relative costs and benefits of the control system requires estimates and judgments by management.

Budget Process Summary

The City of Bellevue budgets on a biennial basis, with each budget beginning in an odd-numbered year. Appropriations for operating funds are authorized for two years but must be reviewed and reauthorized by the City Council in the middle of the biennial period.

The budget was developed with guiding principles of transparency, stewardship, professionalism, a balanced risk portfolio, and nimbleness. In addition, the city implemented an Accountability and Strategic Framework to keep the city's vision aligned with the Strategic Target Areas:

- High Performance Government
- Vibrant Economy
- Safe and Efficient Transportation System
- High Quality Built and Natural Environment
- Community Safety and Health
- Thriving People and Communities

Budgetary Controls

For the 2025–2026 budget, the city maintains budgetary controls in accordance with RCW 35A.34. The objective of these controls is to ensure compliance with legal provisions embodied in the budget appropriations established by the City Council. The General Fund and Restricted Special Purpose Fund are included in the biennially appropriated operating budget. Project-length financial plans are adopted for the remaining special revenue, capital, and proprietary funds.

Biennially Budgeted Governmental Funds:

- General Fund
- Separately appropriated funds, reported in the General Fund per the Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions":
    - Human Services Fund
    - LEOFF I Medical Reserve Fund
    - Land Purchase Revolving Fund
- Restricted Special Purpose Fund

As demonstrated by the statements and schedules included in the financial section of this report, the city continues to meet its responsibility for sound financial management.

Other Information

Independent Audit

Washington State law requires an annual audit of the city's financial records and transactions by the Washington State Auditor, an independent elected state official. The audit of the city is complete and was performed in conformance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards. The financial statements of all city funds and agencies were included in this audit. The city received an unmodified opinion for 2025. Please see the Auditor's Opinion at the beginning of the Financial Section of this report.

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 City of Bellevue for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024. The city has earned this prestigious award for 45 out of 48 Annual Report submissions. This was the 42nd consecutive annual award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting the 2025 Annual Comprehensive Financial Report to the GFOA to determine its eligibility for the certificate.

The GFOA has also awarded the Distinguished Budget Presentation Award to the City of Bellevue for its 2025-26 biennial budget document for the 26th consecutive year/biennium. The GFOA gives this award to those governments whose budget document meets the GFOA's criteria as an effective policy document, operations guide, financial plan, and communication device.

Acknowledgements

Preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of Finance & Asset Management Department staff and other employees throughout the city who assisted in and contributed to its preparation. Thank you to the City Council and City Management for their fiscal stewardship and policy direction in conducting the financial operations of the city in a sound and progressive manner. A special note of thanks is given to Michael Chandler, Controller; Abigail Richardson, Assistant Accounting Manager; Nicole Mason, Senior Financial Analyst; Colin Miller, Senior Financial Analyst; and Eva Anderson, Financial Analyst, who served as the main ACFR preparers and coordinators. Finally, thank you to the Washington State Auditor's Office for their professional assistance during the year.

Respectfully submitted,

John Resha
Finance and Asset Management Director
Chief Financial Officer

(This page is intentionally left blank.)

City Officials and Administrative Staff

As of December 31, 2025

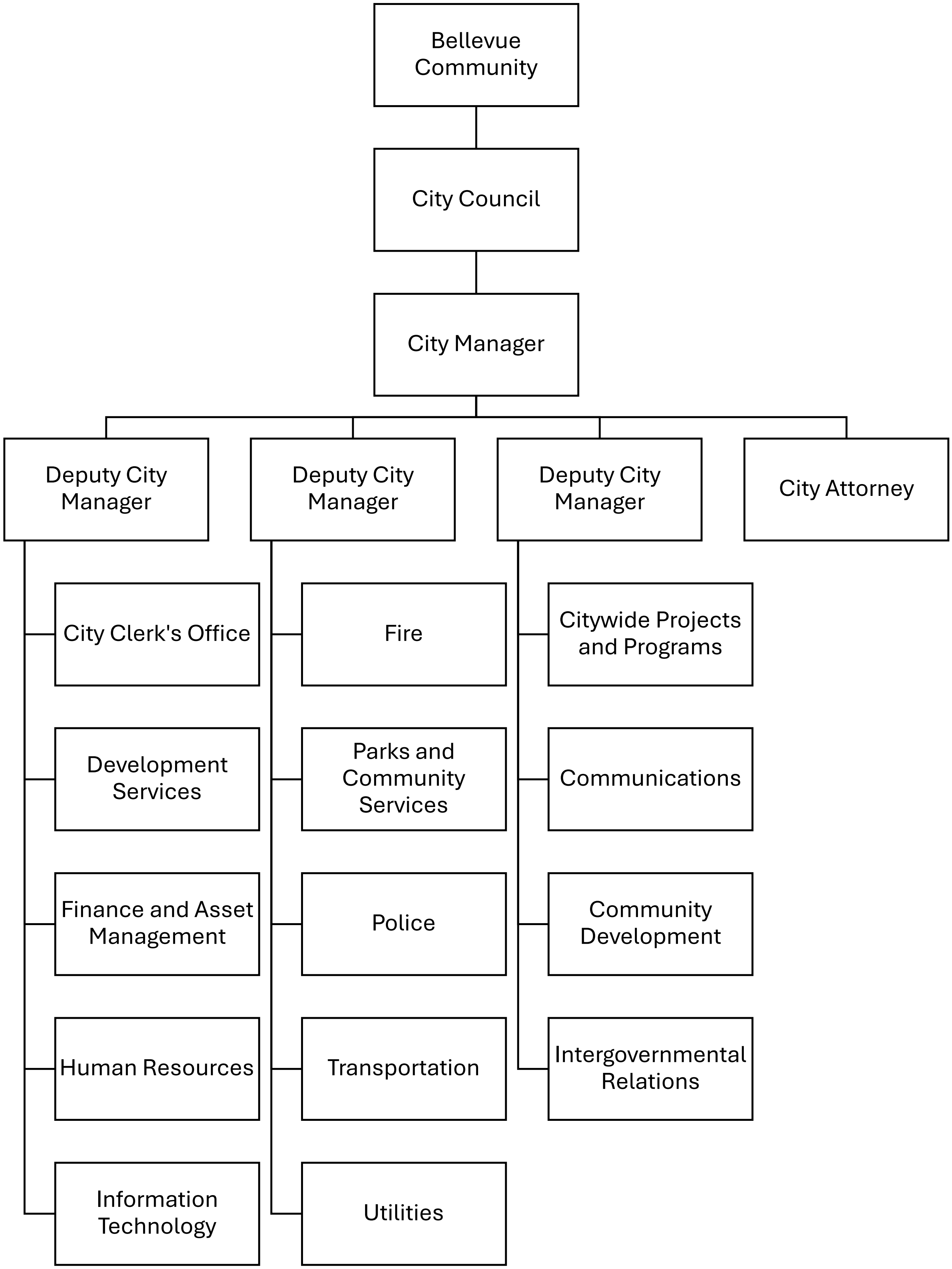
Elected City Council:

Mayor	Lynne Robinson
Deputy Mayor	Mo Malakoutian
Councilmembers	Dave Hamilton Conrad Lee Jared Nieuwenhuis Vishal Bhargava Claire Sumadiwirya

Appointed Administrative Staff

City Manager	Diane Carlson
Deputy City Managers	Joseph Todd Genesee Adkins Nathan McCommon
Chief Information Officer	Sabra Schneider
City Attorney	Trisna Tanus
City Clerk	Charmaine Arredondo
Community Development Director	Emil King
Development Services Director	Rebecca Horner
Finance & Asset Management Director	John Resha
Fire Chief	Dave Tait
Human Resources Director	Bindi Lassige
Parks & Community Services Director	Michael Shiosaki
Police Chief	Wendell Shirley
Transportation Director	Andrew Singelakis
Utilities Director	Lucy Liu

City Hierarchical Organization Chart



(This page is intentionally left blank.)

Financial Section

Office of the Washington State Auditor
Pat McCarthy

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Council
City of Bellevue
Bellevue, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of the City of Bellevue as of and for the year then ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City'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 governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the City of Bellevue, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Municipal Employees' Benefit Trust fund, which represents 88 percent, and 88 percent, respectively, of the assets and net position, of the Aggregate Remaining Funds opinion unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Municipal Employees' Benefit Trust fund, is based solely on the report of the other auditors. The financial statements of the Municipal Employees' Benefit Trust fund were not audited in accordance with *Government Auditing Standards*.

Basis for Opinions

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. 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 the City 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 opinions.

Matters of Emphasis

As discussed in Note 19 to the financial statements, in 2025, the City elected to consolidate reporting of certain funds into the general fund for operational reasons. 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 the City'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 Responsibilities for the Audit 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 judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment 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 risks. 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 the City'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents 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 opinions on the financial statements that collectively comprise the City's basic financial statements. The combining financial statements and schedules 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. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The other information comprises Introductory and Statistical Sections but does not include the basic financial statements and our auditor's report thereon. Management is responsible for the other information included in the financial statements. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

In connection with the audit 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 will also issue our report dated September 24, 2026, on our consideration of the City'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. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,

Pat McCarthy

Pat McCarthy, State Auditor

Olympia, WA

September 24, 2026

Management's Discussion and Analysis (MD&A)

This narrative provides an overview and analysis of the City of Bellevue's financial activities for the fiscal year ended December 31, 2025. The purpose is to highlight significant financial issues, major financial activities and resulting changes in financial position, and economic factors affecting the city. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the letter of transmittal in the introductory section, the financial statements, and the accompanying notes.

Financial Highlights

- The city's total net position increased $174.8 million, or 5.0 percent, from 2024.
- The city's total revenues increased 4.6 percent from the prior year and expenses increased less than one percent.
- Tax revenues increased $5.6 million and assessed property values increased $2.1 billion or 2.3 percent since 2024.
- The city implemented a new fund structure. The impact of the movement of funds and activities into the new structure will be notable in areas across the governmental funds and governmental activities statements, the related footnotes, and statistical sections. Details of these changes can be found throughout the report and are highlighted in Note 19: Accounting Changes.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Bellevue's basic financial statements. The basic statements include three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements and required information.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the city's financial position in a manner like that of a private-sector business. These statements are reported on the full accrual basis of accounting. On a full accrual basis, certain revenues and expenses are reported that will not affect cash flows until future periods.

The government-wide financial statements distinguish governmental activities from business-type activities. Governmental activities of the city are principally supported by taxes and revenues from other agencies. These functions include general government, public safety, physical and economic environment, transportation, health and human services, and culture and recreation. The city's business-type activities are intended to recover all or a significant portion of their costs through user fees and charges. These functions include storm and surface water utility, water utility, sewer utility, and solid waste utility. The component unit is Bellevue Convention Center Authority (BCCA), which operates Meydenbauer Center.

The Government-Wide Statement of Net Position presents information on the city's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The differences between these categories are reported as net position. Evaluating increases or decreases over time can serve as a useful indicator of whether the financial position of the city is improving or declining.

The Government-Wide Statement of Activities presents information on the net cost of each governmental and business-type function during the fiscal year. The statement also identifies the amount of general revenues needed to fully fund each governmental function.

Fund Financial Statements

The fund financial statements focus on the governmental funds and proprietary funds separately. The city's major governmental funds are presented in separate columns, and the remaining funds are combined into a column titled Nonmajor Governmental Funds. Statements for the city's proprietary funds and fiduciary funds follow the governmental funds.

The City of Bellevue has two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to account for goods and services provided to community members. Internal service funds are used to account for goods and services provided internally to city departments.

Fiduciary funds account for activities the city conducts for the benefit of others and for certain pension arrangements. These funds hold assets in a trustee or custodial capacity for individuals, private organizations, or other governments. Fiduciary funds are not included in the government-wide financial statements because their assets are not available to support the City of Bellevue's activities. The city has two types of fiduciary funds: pension trust funds and custodial funds. Statements for the fiduciary funds are reported using the full accrual basis of accounting.

Notes to the Financial Statements

The notes provide additional information that is essential to the reader for a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information (RSI).

Combining Statements

The combining statements for nonmajor governmental funds, internal service funds, and fiduciary funds are presented immediately following the RSI.

Statistical Section

This section includes unaudited trend information and demographics.

Government-Wide Financial Analysis

The Government-Wide Statement of Net Position of the city as of December 31, 2025 and December 31, 2024 are summarized in the following table, in thousands:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current & other assets	$ 666,293	$ 684,738	$ 562,753	$ 511,343	$ 1,229,046	$ 1,196,081
Capital assets, net	2,301,953	2,215,336	575,087	548,222	2,877,040	2,763,558
Total assets	2,968,246	2,900,074	1,137,840	1,059,565	4,106,086	3,959,639
Deferred outflows	75,242	68,442	6,008	5,013	81,250	73,455
Total deferred outflows	75,242	68,442	6,008	5,013	81,250	73,455
Total assets & deferred outflows	$ 3,043,488	$ 2,968,516	$ 1,143,848	$ 1,064,578	$ 4,187,336	$ 4,033,094
Long-term liabilities	$ 323,521	$ 410,091	$ 2,090	$ 4,842	$ 325,611	$ 414,933
Other liabilities	126,334	56,502	11,627	9,277	137,961	65,779
Total liabilities	449,855	466,593	13,717	14,119	463,572	480,712
Deferred inflows	27,509	31,003	1,618	1,523	29,127	32,526
Total deferred inflows	27,509	31,003	1,618	1,523	29,127	32,526
Total liabilities & deferred inflows	$ 477,364	$ 497,596	$ 15,335	$ 15,642	$ 492,699	$ 513,238
Net investment in capital assets	$ 2,030,495	$ 1,930,876	$ 569,355	$ 540,422	$ 2,599,850	$ 2,471,298
Restricted	193,355	209,789	4,747	3,825	198,102	213,614
Unrestricted	342,274	330,255	554,411	504,689	896,685	834,944
Total net position	$ 2,566,124	$ 2,470,920	$ 1,128,513	$ 1,048,936	$ 3,694,637	$ 3,519,856

Governmental Activities

Governmental activities' net position increased $95.2 million, or 3.9 percent, in 2025. The restricted net position consists of $88.1 million for capital projects, $68.1 million for net pension assets, $9.1 million for culture and recreation, $19.2 million for general governments, $5.3 million for public safety, and the remaining $3.6 million covers a variety of municipal purposes.

Factors contributing to the changes in net position include:

Capital assets increased $86.6 million due to major construction development and investments in infrastructure throughout the City of Bellevue. Detailed explanation of some of these projects can be found below in the Capital Asset activity section of the MD&A.

The city participates in the Washington State Department of Retirement Services (DRS) pension funds, which impact the city's Government-Wide Statement of Net Position. The impact for 2025 included an increase in net pension assets of $5.4 million, a decrease in net pension liability of $4.4 million, an increase in the deferred outflows of resources of $7.1 million, and a decrease in deferred inflows of resources $1.9 million. In 2025, DRS reported a liability for PERS 1 and assets for PERS 2/3, PSERS 2, LEOFF 1, and LEOFF 2. More information on these plans can be found in Note 6: Pension Plans.

Additional impacts on the net position include an increase in the compensated absences liability for $6.4 million, a decrease in the lease liability for $7.6 million, and an increase in the asset retirement obligation liability of $3.7 million. More information on these balances can be found in the respective footnotes.

Business-Type Activities

Business-type activities' net position increased by $79.6 million, or 7.6 percent, in 2025. Contributing factors of the increase in net position were:

Total cash increased $47.7 million as a result of the city's effort to build reserves for future utility infrastructure replacement according to the utility's 75-year plan.

Capital assets increased $26.9 million due to investments in infrastructure. The Capital Asset activity section of the MD&A contains a detailed explanation of infrastructure projects.

The city participates in the DRS pension funds, which impact the city's Government-Wide Statement of Net Position. The impact for 2025 included an increase in net pension assets of $0.9 million, an increase in net pension liability of $1.2 million, an increase in the deferred outflows of resources of $1.0 million, and an increase in deferred inflows of resources $0.1 million. In 2025, DRS reported a liability for PERS 1 and assets for PERS 2/3. More information on these plans can be found in Note 6: Pension Plans.

Additional impacts on the net position include a decrease in the subscription-based information technology arrangements of $1.4 million and an increase in interest receivable of $2.2 million.

Changes in Net Position

The table below, in thousands, provides condensed information on revenues, expenses, and changes in net position with governmental and business-type activities shown separately.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 126,009	$ 111,487	$ 213,596	$ 188,857	$ 339,605	$ 300,344
Operating grants & contributions	39,170	44,441	3,461	8,458	42,631	52,899
Capital grants & contributions	34,486	26,396	8,638	7,483	43,124	33,879
General revenues:						
Property taxes	92,994	90,911	-	-	92,994	90,911
Sales taxes	99,503	105,517	-	-	99,503	105,517
Other taxes	148,700	139,176	-	-	148,700	139,176
Investment interest	15,164	24,283	19,884	19,619	35,048	43,902
Miscellaneous	4,490	4,536	1,913	1,264	6,403	5,800
Total revenues	560,516	546,747	247,492	225,681	808,008	772,428
Expenses:						
General government	130,228	99,417	-	-	130,228	99,417
Public safety	135,189	149,724	-	-	135,189	149,724
Physical environment	7,079	3,404	-	-	7,079	3,404
Transportation	64,146	60,751	-	-	64,146	60,751
Economic environment	59,062	83,969	-	-	59,062	83,969
Health & human services	10,550	9,343	-	-	10,550	9,343
Culture & recreation	55,119	57,049	-	-	55,119	57,049
Unallocated interest on long-term debt	7,316	8,596	-	-	7,316	8,596
Water utility	-	-	65,564	62,968	65,564	62,968
Sewer utility	-	-	70,084	62,049	70,084	62,049
Storm & surface water utility	-	-	19,666	22,462	19,666	22,462
Solid waste	-	-	770	938	770	938
Marina	-	-	-	420	-	420
Total expenses	468,689	472,253	156,084	148,837	624,773	621,090
Excess (deficiency) before transfers	91,827	74,494	91,408	76,844	183,235	151,338
Transfers	1,332	421	(1,332)	(421)	-	-
Change in net position	93,159	74,915	90,076	76,423	183,235	151,338
Net position - beginning, as previously reported	2,470,920	2,399,806	1,048,936	968,712	3,519,856	3,368,518
Change within financial reporting entity	10,499	(3,801)	(10,499)	3,801	-	-
Correction of error	(8,454)	-	-	-	(8,454)	-
Net position - beginning, as restated	2,472,965	2,396,005	1,038,437	972,513	3,511,402	3,368,518
Net position - ending	$ 2,566,124	$ 2,470,920	$ 1,128,513	$ 1,048,936	$ 3,694,637	$ 3,519,856

Governmental Activities

Total revenues increased $13.8 million over 2024. Components of the changes in revenues include:

- Charges for services increased $14.5 million. Activities contributing to the change include:
    - Plan review fee collections increased $2.8 million due to an increase in building permit activity. Inspection fees fell by approximately $2.0 million.
    - Charges for service were impacted by the absorption of internal service fund activities into the general fund. Charges were related to facilities, information technology services, maintenance contracts, fuel charges, interfund fire and transportation services.
    - Advanced Life Support (ALS) aid revenue decreased by $2.4 million.
    - Traffic infraction revenue increased $0.6 million.
    - Right of way lease collections declined by $1.9 million.

- Operating grants and contributions decreased $5.3 million. Activities contributing to the change include:
    - Recognition of American Rescue Plan Act and Federal Emergency Management Agency grant revenue related to federal COVID-19 funding decreased by $2.3 million due to a slow-down in spending on contracts with service providers.
    - Self-insurance premium collections were $4.7 million lower due to the inclusion of internal service funds in the general fund.
    - There was an additional $1.0 million in grant fundings from the Washington State Department of Commerce.
    - The city's apportionment of the Opioid Settlement funds decreased $1.1 million. In 2024, the city received lump sum revenue from the plaintiffs who opted to pay their settlement in full. Other plaintiffs are paying settlement amounts over multiple years based on the terms of the agreement.

- Capital grants and contributions increased $8.1 million. Activities contributing to the change include:
    - The investment in subscription-based information technology arrangements (SBITA) decreased $2.8 million mainly due to a significant implementation of police body camera software in 2024 when compared to smaller investments in software during the current fiscal year.
    - Federal and state funding of transportation projects increased $6.6 million and $1.5 million, respectively, due to execution of capital projects.
    - The city received contributions from King County Conservation Futures grant for the acquisition of two properties.
    - Funding for capital projects from investment earnings of the city increased $5.9 million.
    - The Eastside Public Safety Communications Agency (EPSCA) completed the dissolution of the Agency resulting in the city receiving its residual interest in EPSCA totaling $2.6 million in 2025.

- General revenues decreased $3.6 million. Activities contributing to the change include:
  - Property taxes continue to be stable, producing approximately 1 percent growth year-over-year. Growth from new construction improved property tax values and corresponding tax revenue.
  - The city experienced a slowdown in consumer spending within several sectors, including auto sales, food, and accommodation sectors, decreasing collections of retail sales tax. Additionally, the impacts of tariffs resulted in lower consumer discretionary spending.
  - Business & occupancy tax remained strong, with an increase of approximately $5.0 million.

Total expenses decreased $3.6 million. Activities contributing to this change include:

- Salaries and wages are adjusted each January to reflect a General Wage Increase (GWI). In January 2025, the GWI rate was 3.5 percent for all non-represented employees.
- Medical and pharmacy related medical claims increased by $4.6 million based on overall increase in claims activity and payments.
- The city discontinued use of the Lincoln Center building with plans for demolition of the building in 2026 or 2027. This resulted in an impairment charge of $4.6 million in 2025.
- Current year changes in pension activity caused an increase in pension expense.
- There were fewer new SBITA and lease agreements executed, resulting in a $5.0 million reduction in expense.
- In 2024, the city contributed to two large developments with ARCH, resulting in $8.7 million more costs in that year.
- Contracts for human service projects funded with the American Rescue Plan Act grant completed the end of 2024, resulting in $4.1 million less spending in 2025.

Business-Type Activities

The revenues for business-type activities increased $21.8 million The highlights of these activities are:

- Charges for services increased $24.7 million due to utility rate increases for water, sewer and storm and surface water funds.
- Operating grants and contributions decreased $5.0 million due to the exhaustion of King County funds from 2024 used to expand and refurbish the storm drainage on Factoria Boulevard.
- Capital grants and contributions increased by $1.2 million in large part due to increases in capital recovery charges and developer contributions of constructed infrastructure.

Total expenses increased by $7.2 million. Activities contributing to this change include:

- Salaries and wages are adjusted each January to reflect a General Wage Increase (GWI). In January 2025, the GWI rate was 3.5 percent for all non-union represented employees.
- Capital spending increased due to the completion of construction projects. Detailed explanation of some of these projects can be found below in the Capital Asset activity section of the MD&A.
- Sewer treatment capacity charges from King County were $7.4 million higher than the previous year due to increasing per residential customer equivalent.

Financial Analysis of the Government's Funds

Governmental Funds

The governmental fund statements report on a near-term financial resource basis. This information helps determine the city's financial requirements in the near future. Unassigned fund balance is a good indicator of the city's resources available for spending at the end of the year. Restrictions on fund balance do not significantly affect the availability of fund resources for future use.

The changes in the individual funds are reflected in the Statement of Activities information for Governmental Activities.

The General Fund has an ending fund balance of $187.7 million, including an increase of $8.0 million from the prior year fund balance with the addition of $43.1 million for the change in financial entity. Revenues increased by $84.6 million and expenditures increased by $64.0 million.

The Operating Grants, Donations, and Special Revenues Fund has a fund balance of $18.0 million, a decrease of $2.6 million from the prior year fund balance of $20.6 million. Revenues increased by $1.9 million and expenditures increased by $7.5 million.

The General Capital Investment Program Fund has a fund balance of $254.5 million, a decrease of $24.8 million from the prior year fund balance of $279.3 million. Revenues decreased by $39.5 million while expenditures increased by $7.2 million.

Business-Type Funds

The changes in the business type fund financial statements are reflected in the Statement of Activities information for Business Type Funds. All notable activities overlap these sections.

Storm and Surface Water Utility Fund had an ending net position of $321.4 million, a $26.4 million increase from the prior year.

Water Utility Fund had an ending net position of $422.9 million, a $30.0 million increase from the prior year.

Sewer Utility Fund has an ending net position of $379.5 million, a $33.0 million increase from the prior year.

Capital Asset Activity

The City of Bellevue's investment in capital assets for the end of 2025 was $2.9 billion. The following table shows the balances by category for governmental activities, business activities, and the city as a whole, in thousands:

	Governmental Activities		Business-Type Activities		Total	Total
	2025	2024	2025	2024	2025	2024
Land	$ 971,923	$ 942,222	$ 16,217	$ 25,587	$ 988,140	$ 967,809
Construction in progress	73,029	82,235	58,991	67,581	132,020	149,816
Development in progress	-	55	-	-	-	55
Nondepreciable infrastructure	877,535	842,971	-	-	877,535	842,971
Buildings	104,077	111,184	1,798	2,952	105,875	114,136
Improvements other than buildings	122,135	109,220	-	-	122,135	109,220
Intangible assets	745	854	-	-	745	854
Machinery & equipment	49,311	37,569	4,342	3,107	53,653	40,676
Leasehold improvements	641	718	-	-	641	718
Infrastructure	91,054	72,124	492,135	446,316	583,189	518,440
Lease asset	5,763	10,743	-	-	5,763	10,743
Subscription asset	5,740	5,441	1,604	2,679	7,344	8,120
Total	$ 2,301,953	$ 2,215,336	$ 575,087	$ 548,222	$ 2,877,040	$ 2,763,558

Governmental Funds

Capital assets from governmental activities increased $86.6 million. Highlights of the capital asset additions include:

- Land acquisitions in the Cougar Mountain/Lakemont area totaling $19.1 million were made for the development of a future park.
- Completion of work at 124th Avenue Northeast at Spring Boulevard to Ichigo Way for $21.5 million, constructing roadways, sidewalks, a bridge, traffic control systems, irrigation, and retaining walls.
- Completion of work at 124th Avenue Northeast at Ichigo Way to Northup Way for $37.3 million, constructing roadways, sidewalks, traffic control systems, and retaining walls.
- Additional traffic control systems were put into service, including:
  - $5.8 million at Bellevue Transit Center to support the Eastlink Rail system
  - $2.7 million for the on and off ramp for Interstate 405 at Northeast 8th Avenue
  - $2.8 million at Bellevue Way Southeast as part of the Neighborhood Safety and Connection program
  - $1.3 million as part of the Rectangular Rapid Flashing Beacons program
- Over $2.0 million was used to replace playground equipment at multiple parks throughout the city.
- Routine purchases of vehicles and equipment were made according to the city's fleet replacement schedule.

The city has elected to report its transportation infrastructure capital assets using the modified approach. The modified approach is an alternative to the standard depreciation model normally used to report the usage of capital assets as an expense. The modified approach requires that the city have an up-to-date inventory of eligible infrastructure assets; perform condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale; and estimate each year the annual amount to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the city. The city performs a biennial condition assessment of its transportation infrastructure. In the off years, the assessment computation is provided by the city's Pavement Management System.

The city has classified its transportation infrastructure capital assets into two systems: arterial roadways and residential roadways. The standard performance rating for the two systems is noted below:

	Satisfactory	Unsatisfactory
Arterial	50-100	0-49
Residential	30-100	0-29

The average condition and satisfaction ratings have not changed significantly over the previous year. The city's minimum acceptable condition levels have been defined as having at least 60 percent of arterial roadways, and 75 percent of residential roadways at or above satisfactory condition.

Business-type Activities

The Utilities Department annually replaces a portion of the city's aging infrastructure. The net increase of $26.9 million in capital assets was related to completed infrastructure projects and construction projects currently underway. Highlights of some of the major additions are:

- Replacement of aging infrastructure, totaling $16.3 million
- Replacement of drinking water reservoirs and recoating existing reservoirs, totaling $4.8 million
- Rehabilitation and replacement of water pump stations, totaling $1.7 million
- Replacement of vaults for high volume commercial water meters, totaling $1.3 million
- Completion of the deficient water pressure project on 170th Place Southeast, totaling $2.0 million
- Completion of fish habitat improvements in streams at Factoria Boulevard, totaling $14.8 million

For more detailed information about the City of Bellevue's capital assets, please refer to Note 5: Capital Assets.

Debt Outstanding

At year-end, the city had $302.1 million in limited tax general obligation (LTGO) bonds, notes payable, leases, and SBITA. The following table shows the balances by category for governmental activities, business activities, and the city as a whole, in thousands:

	Governmental Activities		**Business-Type Activities**		**Total**	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
LTGO	$ 289,962	$ 299,815	$ -	$ -	$ 289,962	$ 299,815
Lease	5,848	13,424	-	-	5,848	13,424
SBITA	5,631	5,410	582	2,018	6,213	7,428
Public Works Trust Fund	40	80	-	-	40	80
Total	$ 301,481	$ 318,729	$ 582	$ 2,018	$ 302,063	$ 320,747

Governmental Activities

In 2025, the city issued new debt for the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan of $12.2 million. Of the bonded debt outstanding as of December 31, 2025, $21.8 million is due within one year.

Business-type Activities

The utilities funds are building reserves to pay for repair and replacement of infrastructure assets in lieu of issuing new bonded debt.

Debt Capacity

Washington State statutes limit the amount of debt a governmental entity may issue to 7.5 percent of its total assessed valuation, subject to a 60 percent majority vote of qualified electors. Of the 7.5 percent limit, 2.5 percent is for general purposes, 2.5 percent for open space/park facilities, and 2.5 percent for utilities. Non-voted general-purpose indebtedness is limited to 1.5 percent of assessed valuation and the combination of voted and non-voted general-purpose indebtedness cannot exceed 2.5 percent of assessed valuation.

The city's assessed valuation for 2025 was $94.8 billion and the total amount of additional debt the city may issue is $6.8 billion. This debt capacity is categorized as follows, in millions:

General debt	$	2,087
Open space/Parks facilities		2,371
Utilities		2,371
Total	$	6,829

Bond Rating

The City of Bellevue has favorable bond ratings which allows for lower borrowing costs in the future. The bond ratings for 2025 are:

Bond Type	S&P Global Ratings	Moody's
Unlimited Tax General Obligation	AAA	Aaa
Limited Tax General Obligation	AAA	Aa1
Revenue	N/A	Aa1

For more detailed information about the City of Bellevue's long-term debt, please refer to Note 12: Long-Term Debt.

General Fund Budgetary Highlights

The city's 2025-2026 adopted General Fund budget reflects a balanced budget. The most notable impact on the adopted budget is uncertainty in the availability of federal funding. Changes between the adopted budget and spending involved transfers of funds out of the General Fund to other city funds to create reserves to plan for future spending.

Request for Information

The city's financial statements are designed to present users, including community members, taxpayers, customers, investors, and creditors, with a general overview of the city's finances and to demonstrate the city's accountability. If you have questions about the report or need additional financial information, please contact the city's Finance and Asset Management Department at P.O. Box 90012, Bellevue, WA 98009.

(This page is intentionally left blank.)

Basic Financial Statements

Government-Wide Statement of Net Position

As of December 31, 2025
(in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bellevue Convention Center Authority
Assets:				
Current assets:				
Cash & equity in pooled investments	$ 411,016	$ 516,327	$ 927,343	$ 13,248
Receivables (net of allowances):				
Taxes	52,606	-	52,606	-
Accounts	15,437	37,949	53,386	478
Interest	2,109	2,160	4,269	-
Due from other governments	14,425	-	14,425	-
Leases receivable	-	37	37	-
Other	-	-	-	685
Internal balances	24	(24)	-	-
Inventory	987	1,322	2,309	90
Prepaids	2,755	8	2,763	533
Restricted cash & equity in pooled investments:				
For debt service	2,945	-	2,945	-
For customer deposits	264	31	295	-
For capital projects	88,061	79	88,140	1,769
Total current assets	590,629	557,889	1,148,518	16,803
Noncurrent assets:				
Net pension asset	68,065	4,747	72,812	-
Leases receivable	3,625	55	3,680	-
Other noncurrent receivable	3,974	62	4,036	-
Capital assets:				
Land	971,923	16,217	988,140	-
Depreciable capital assets (net)	276,909	6,140	283,049	30,003
Depreciable infrastructure (net)	91,054	492,135	583,189	-
Nondepreciable infrastructure	877,535	-	877,535	-
Works of art	-	-	-	156
Lease assets (net)	5,763	-	5,763	-
Subscription assets (net)	5,740	1,604	7,344	87
Construction in progress	73,029	58,991	132,020	5,620
Total noncurrent assets	2,377,617	579,951	2,957,568	35,866
Total assets	2,968,246	1,137,840	4,106,086	52,669
Deferred outflows of resources:				
Loss on debt refunding	1,509	-	1,509	-
Pensions	73,401	6,008	79,409	-
Asset retirement obligation	332	-	332	-
Total deferred outflows	75,242	6,008	81,250	-
Total assets & deferred outflows	$ 3,043,488	$ 1,143,848	$ 4,187,336	$ 52,669

The notes to the financial statements are an integral part of this statement.

Government-Wide Statement of Net Position

As of December 31, 2025
(in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bellevue Convention Center Authority
Liabilities:				
Current liabilities:				
Accounts payable	$ 25,005	$ 7,214	$ 32,219	$ 396
Retainage payable	-	-	-	23
Accrued payroll	11,613	1,156	12,769	314
Other accrued liabilities	2,097	-	2,097	74
Deposits payable	6,326	-	6,326	740
Unearned revenue	11,248	-	11,248	-
Other current liabilities	81	-	81	-
Accrued bond interest payable	1,236	-	1,236	-
Current portion of long term liabilities:				
General obligation bonds	21,816	-	21,816	-
Other postemployment benefits	1,480	-	1,480	-
Compensated absences	33,763	2,756	36,519	42
Estimated claims payable	8,056	-	8,056	-
Lease liability	1,204	-	1,204	-
Subscription liability	1,934	386	2,320	42
Notes payable	40	-	40	-
Liabilities payable from restricted assets:				
Customer deposits	264	31	295	-
Retainage payable	171	84	255	-
Total current liabilities	126,334	11,627	137,961	1,631
Noncurrent liabilities:				
General obligation bonds	268,146	-	268,146	-
Net pension liability	6,431	1,152	7,583	-
Other postemployment benefits	17,939	-	17,939	-
Compensated absences	9,318	742	10,060	380
Estimated claims payable	5,759	-	5,759	-
Asset retirement obligation	7,587	-	7,587	-
Lease liability	4,644	-	4,644	-
Subscription liability	3,697	196	3,893	43
Deposits payable	-	-	-	103
Total noncurrent liabilities	323,521	2,090	325,611	526
Total liabilities	449,855	13,717	463,572	2,157
Deferred inflows of resources:				
Debt	4,635	-	4,635	-
Pensions	19,627	1,539	21,166	-
Leases	3,247	79	3,326	-
Total deferred inflows	27,509	1,618	29,127	-
Total liabilities & deferred inflows	$ 477,364	$ 15,335	$ 492,699	$ 2,157
Net position:				
Net investment in capital assets	$ 2,030,495	$ 569,355	$ 2,599,850	$ 35,764
Restricted for:				
Debt service	2,945	-	2,945	-
Capital projects	88,061	-	88,061	-
General government	19,210	-	19,210	-
Public safety	5,253	-	5,253	-
Physical environment	183	-	183	-
Transportation	1	-	1	-
Economic environment	191	-	191	-
Health & human services	329	-	329	-
Culture & recreation	9,117	-	9,117	-
Net pension asset	68,065	4,747	72,812	-
Unrestricted	342,274	554,411	896,685	14,748
Total net position	$ 2,566,124	$ 1,128,513	$ 3,694,637	$ 50,512

The notes to the financial statements are an integral part of this statement.

Government-Wide Statement of Activities

For the Year Ended December 31, 2025

(in thousands)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions
Primary government:				
Governmental activities:				
General government	$ 130,228	$ 44,810	$ 12,773	$ 11,839
Public safety	135,189	30,738	12,704	235
Physical environment	7,079	489	782	2
Transportation	64,146	7,697	3,326	17,665
Economic environment	59,062	27,739	7,543	263
Health & human services	10,550	81	1,509	-
Culture & recreation	55,119	14,455	533	4,482
Interest on long-term debt	7,316	-	-	-
Total governmental activities	468,689	126,009	39,170	34,486
Business-type activities:				
Water utility	65,564	86,940	361	3,893
Sewer utility	70,084	91,392	-	2,555
Storm & surface water utility	19,666	34,241	3,100	2,190
Solid waste utility	770	1,023	-	-
Total business-type activities	156,084	213,596	3,461	8,638
Total primary government	$ 624,773	$ 339,605	$ 42,631	$ 43,124
Component unit:				
Bellevue Convention Center Authority	$ 19,790	$ 18,595	$ 1,931	$ -
Total component unit	$ 19,790	$ 18,595	$ 1,931	$ -

The notes to the financial statements are an integral part of this statement.

Government-Wide Statement of Activities

For the Year Ended December 31, 2025

(in thousands)

	Net Expense, Revenue & Changes in Net Position			
	Primary Government			Component Unit
Functions/Programs	Governmental Activities	Business-type Activities	Total	Bellevue Convention Center Authority
Primary government:				
Governmental activities:				
General government	$ (60,806)	$ -	$ (60,806)	$ -
Public safety	(91,512)	-	(91,512)	-
Physical environment	(5,806)	-	(5,806)	-
Transportation	(35,458)	-	(35,458)	-
Economic environment	(23,517)	-	(23,517)	-
Health & human services	(8,960)	-	(8,960)	-
Culture & recreation	(35,649)	-	(35,649)	-
Interest on long-term debt	(7,316)	-	(7,316)	-
Total governmental activities	(269,024)	-	(269,024)	-
Business-type activities:				
Water utility	-	25,630	25,630	-
Sewer utility	-	23,863	23,863	-
Storm & surface water utility	-	19,865	19,865	-
Solid waste utility	-	253	253	-
Total business-type activities	-	69,611	69,611	-
Total primary government	(269,024)	69,611	(199,413)	-
Component unit:				
Bellevue Convention Center Authority	-	-	-	736
Total component unit	-	-	-	736
General revenues:				
Property tax	92,994	-	92,994	-
Retail sales & use tax	99,503	-	99,503	-
Utility tax	34,833	-	34,833	-
Business & occupation tax	77,536	-	77,536	-
Excise taxes	22,546	-	22,546	-
Hotel/Motel tax	12,969	-	12,969	-
Other taxes	816	-	816	-
Unrestricted grants & contributions	1,156	-	1,156	-
Unrestricted investment interest	15,164	19,884	35,048	524
Net increase (decrease) in fair value of investments	(71)	881	810	-
Miscellaneous	3,080	975	4,055	-
Gain on sale of capital assets	325	57	382	-
Transfers	1,332	(1,332)	-	-
Total general revenues & transfers	362,183	20,465	382,648	524
Change in net position	93,159	90,076	183,235	1,260
Net position at beginning of year, as previously reported	2,470,920	1,048,936	3,519,856	49,252
Change within financial reporting entity	10,499	(10,499)	-	-
Correction of error	(8,454)	-	(8,454)	-
Net position at beginning of year, as restated	2,472,965	1,038,437	3,511,402	49,252
Net position at end of year	$ 2,566,124	$ 1,128,513	$ 3,694,637	$ 50,512

Governmental Funds Balance Sheet

As of December 31, 2025
(in thousands)

	General Fund	Operating Grants & Donations Fund
Assets:		
Cash & equity in pooled investments	$ 159,893	$ 12,843
Receivables (net of allowances):		
Taxes	43,940	5
Accounts	9,686	2,771
Interest	675	54
Lease receivables	3,625	-
Due from other funds	14,972	-
Due from other governments	-	7,592
Other current assets	2,755	-
Housing rehabilitation loans receivable	-	3,974
Total assets	$ 235,546	$ 27,239
Liabilities:		
Accounts payable	$ 12,425	$ 390
Retainage payable	17	-
Due to other funds	1,636	7,218
Due to component unit	-	-
Due to other governments	144	1,248
Accrued payroll	11,481	12
Accrued taxes	439	-
Deposits payable	6,421	-
Other current liabilities	14	-
Customer deposits	55	-
Unearned revenue	10,802	-
Total liabilities	43,434	8,868
Deferred inflows:		
For grants	-	373
For taxes	1,200	-
For leases	3,247	-
Total deferred inflows	4,447	373
Total liabilities & deferred inflows	47,881	9,241
Fund balance:		
Nonspendable	2,755	-
Restricted	20,532	11,074
Committed	83,193	6,870
Assigned	6,885	54
Unassigned	74,300	-
Total fund balance	187,665	17,998
Total liabilities, deferred inflows, & fund balance	$ 235,546	$ 27,239

The notes to the financial statements are an integral part of this statement.

Governmental Funds Balance Sheet

As of December 31, 2025

(in thousands)

	General CIP Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:			
Cash & equity in pooled investments	$ 259,879	$ 47,538	$ 480,153
Receivables (net of allowances):			
Taxes	4,103	3,445	51,493
Accounts	1,210	1,770	15,437
Interest	1,096	192	2,017
Lease receivables	-	-	3,625
Due from other funds	-	-	14,972
Due from other governments	6,835	-	14,427
Other current assets	-	-	2,755
Housing rehabilitation loans receivable	-	-	3,974
Total assets	$ 273,123	$ 52,945	$ 588,853
Liabilities:			
Accounts payable	$ 10,382	$ 1,283	$ 24,480
Retainage payable	154	-	171
Due to other funds	5,634	1,854	16,342
Due to component unit	-	260	260
Due to other governments	-	-	1,392
Accrued payroll	18	102	11,613
Accrued taxes	4	-	443
Deposits payable	-	60	6,481
Other current liabilities	-	-	14
Customer deposits	-	-	55
Unearned revenue	446	-	11,248
Total liabilities	16,638	3,559	72,499
Deferred inflows:			
For grants	1,200	-	1,573
For taxes	762	-	1,962
For leases	-	-	3,247
Total deferred inflows	1,962	-	6,782
Total liabilities & deferred inflows	18,600	3,559	79,281
Fund balance:			
Nonspendable	-	-	2,755
Restricted	88,061	5,623	125,290
Committed	147,899	6,045	244,007
Assigned	18,563	37,718	63,220
Unassigned	-	-	74,300
Total fund balance	254,523	49,386	509,572
Total liabilities, deferred inflows, & fund balance	$ 273,123	$ 52,945	$ 588,853

(This page is intentionally left blank.)

Reconciliation of the Governmental Fund Balance Sheet to the Government-Wide Statement of Net Position

As of December 31, 2025
(in thousands)

Total governmental fund balances		$	509,572
Capital assets used in governmental activities are not financial resources and these assets consist of:			
Land	971,923		
Depreciable capital assets	244,479		
Depreciable infrastructure	91,054		
Non-depreciable infrastructure	877,535		
Lease asset	5,763		
SBITA asset	5,113		
Construction in progress	73,029		
Total capital assets			2,268,896
Certain other assets are reported in the government-wide statements because they are not considered financial assets. As a result, they are not reported in the governmental funds balance sheet. These include:			
Net pension asset	68,065		
Receivable for property taxes	1,113		
Material inventory	987		
Total other assets			70,165
Deferred outflows of resources represent the consumption of net assets that applies to future periods and therefore are reported only in the government-wide financial statements. These items are not reported in the governmental funds because they do not represent current financial resources. Deferred outflows include:			
For debt	1,509		
For pensions	73,401		
For asset retirement obligation	332		
Total deferred outflows			75,242
Long-term general obligation bonds are not due and payable in the current period & therefore are not reported in the funds. These long-term liabilities consist of:			
Bonds payable	(271,972)		
Unamortized bond premium	(17,990)		
Accrued interest	(1,236)		
Notes payable	(40)		
Compensated absences	(43,081)		
Net pension liabilities	(6,431)		
OPEB liability	(19,419)		
Asset retirement obligation	(7,587)		
Lease liability	(5,848)		
SBITA liability	(4,926)		
Estimated claims payable	(13,815)		
Total long-term liabilities			(392,345)
Deferred inflows of resources represent the acquisition of net assets that applies to future periods and are also reported only in the government-wide financial statements. Because they do not represent current financial resources, they are not reported in the governmental funds. Deferred inflows include:			
For debt	(4,635)		
For pensions	(19,627)		
For taxes	1,962		
For grants	1,573		
Total deferred outflows of resources			(20,727)
Internal service funds are used by management to charge the costs of equipment rental services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position:			55,321
Net position of governmental activities		$	2,566,124

The notes to the financial statements are an integral part of this statement.

Governmental Funds- Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2025
(in thousands)

	General Fund	Operating Grants & Donations Fund
Revenues:		
Taxes & special assessments	$ 259,450	$ -
Licenses & permits	16,044	-
Intergovernmental	34,748	15,445
Service charges & fees	39,939	122
Fines & forfeitures	2,714	-
Interest & penalties	6,766	485
Net change in fair value of investments	(687)	22
Rent	9,580	-
Judgments & settlements	-	-
Insurance recovery	258	-
Premiums/contributions	36,532	529
Other	2,928	725
Total revenues	408,272	17,328
Expenditures:		
Current:		
General government	113,469	74
Public safety	136,924	2,979
Physical environment	641	5,820
Transportation	41,191	7,542
Economic environment	45,900	1,409
Health & human services	8,440	307
Culture & recreation	43,586	577
Debt service:		
Principal	3,012	-
Interest & fiscal charges	220	-
Capital outlay:		
General government	1,666	-
Public safety	811	292
Physical environment	-	-
Transportation	90	-
Culture & recreation	68	-
Total expenditures	396,018	19,000
Excess (deficiency) of revenues over (under) expenditures	12,254	(1,672)
Other financing sources (uses):		
Gain on disposal of capital assets	2	-
Transfers in	911	5
Transfers out	(8,134)	(928)
Issuance of long-term debt	2,930	-
Total other financing sources & uses	(4,291)	(923)
Net change in fund balance	7,963	(2,595)
Fund balance at beginning of year, as previously reported	136,636	20,593
Change within financial reporting entity	43,066	-
Correction of error	-	-
Fund balance at beginning of year, as restated	179,702	20,593
Fund balance at end of year	$ 187,665	$ 17,998

Governmental Funds- Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2025

(in thousands)

	General CIP Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Taxes & special assessments	$ 58,041	$ 22,208	$ 339,699
Licenses & permits	-	-	16,044
Intergovernmental	9,866	1,285	61,344
Service charges & fees	1,818	3,581	45,460
Fines & forfeitures	-	11	2,725
Interest & penalties	10,887	1,827	19,965
Net change in fair value of investments	447	82	(136)
Rent	-	-	9,580
Judgments & settlements	-	314	314
Insurance recovery	-	-	258
Premiums/contributions	238	-	37,299
Other	-	85	3,738
Total revenues	81,297	29,393	536,290
Expenditures:			
Current:			
General government	2,858	5,811	122,212
Public safety	465	1,009	141,377
Physical environment	-	544	7,005
Transportation	6,892	-	55,625
Economic environment	492	7,396	55,197
Health & human services	-	1,804	10,551
Culture & recreation	2,899	-	47,062
Debt service:			
Principal	56	20,530	23,598
Interest & fiscal charges	3	8,589	8,812
Capital outlay:			
General government	6,660	-	8,326
Public safety	28,491	72	29,666
Physical environment	159	-	159
Transportation	37,488	-	37,578
Culture & recreation	18,821	-	18,889
Total expenditures	105,284	45,755	566,057
Excess (deficiency) of revenues over (under) expenditures	(23,987)	(16,362)	(29,767)
Other financing sources (uses):			
Gain on disposal of capital assets	-	-	2
Transfers in	8,244	28,931	38,091
Transfers out	(21,242)	(7,487)	(37,791)
Issuance of long-term debt	12,194	-	15,124
Total other financing sources & uses	(804)	21,444	15,426
Net change in fund balance	(24,791)	5,082	(14,341)
Fund balance at beginning of year, as previously reported	279,314	56,981	493,524
Change within financial reporting entity	-	(6,098)	36,968
Correction of error	-	(6,579)	(6,579)
Fund balance at beginning of year, as restated	279,314	44,304	523,913
Fund balance at end of year	$ 254,523	$ 49,386	$ 509,572

The notes to the financial statements are an integral part of this statement.

(This page is intentionally left blank.)

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities

For the Year Ended December 31, 2025

(in thousands)

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ (14,341)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful life as depreciation and amortization expense. This is the difference between capital outlays and adjustments in the current period. This is comprised of:		
Capital outlay	94,617	
Adjustments and clean up	(490)	
Donated assets	9,281	
Asset impairment	(2,577)	
Disposals	(1,931)	
Depreciation & amortization	(26,330)	
Total capital outlay		72,570
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. This amount is comprised of:		
Tax and assessment revenues	1,497	
Grant revenues	598	
Lease financing	(467)	
Total revenues		1,628
LTGO bond proceeds provide current financial resources to governmental funds, but issuing LTGO bonded debt increases long-term liabilities in the Statement of Net Assets yet, repayment of long-term debt is an expenditure in the governmental funds the repayment reduces long-term liabilities in the Statement of Net Assets. This amount is comprised of:		
New debt issued, TIFIA	(12,194)	
TIFIA beginning balance correction- see Note 19	1,751	
Long-term debt repayments	20,490	
Total LTGO debt proceeds & repayments		10,047
Some expenses reported in the statement of activities do not require the use of current financial resources & are not reported as expenditures in the governmental funds:		
Amortization of bond premium	1,557	
Gain/loss on bond refunding	(392)	
Interest on debt	2,880	
Subscription liability	1,965	
Lease liability	451	
Net pension liability (asset)	18,831	
Amortization of net OPEB obligation	2,126	
Compensated absences	(6,384)	
Estimated claims	367	
Asset retirement obligations	(277)	
Asset retirement obligations correction- See Note 19	(3,619)	
Note payment	40	
Inventory	38	
Total other long-term liabilities		17,583
Internal service funds are used by management to charge the costs of equipment rental to individual funds. The net revenue (expense) of these internal service funds is reported with governmental activities:		5,672
Change in net position of governmental activities		$ 93,159

Statement of Fund Net Position- Proprietary Funds

As of December 31, 2025
(in thousands)

	Storm & Surface Water Fund	Water Utility Fund	Sewer Utility Fund
Assets:			
Current assets:			
Cash & equity in pooled investments	$ 173,476	$ 118,200	$ 219,906
Receivables (net of allowances):			
Accounts	8,900	7,606	21,443
Interest	722	493	925
Lease receivables	-	37	-
Due from other funds	-	-	-
Inventory	185	985	152
Prepaids	-	8	-
Restricted cash &equity in pooled investments			
Capital projects	14	40	25
Customer deposits	-	19	12
Total current assets	183,297	127,388	242,463
Noncurrent assets:			
Notes/contracts receivable	-	31	31
Lease receivables	-	55	-
Net pension asset	1,385	1,838	1,483
Capital assets (net)	139,052	299,475	136,560
Total noncurrent assets	140,437	301,399	138,074
Total assets	323,734	428,787	380,537
Deferred outflows			
For pensions	1,756	2,319	1,879
Total deferred outflows	1,756	2,319	1,879
Total assets & deferred outflows	$ 325,490	$ 431,106	$ 382,416

Statement of Fund Net Position- Proprietary Funds

As of December 31, 2025
(in thousands)

	Nonmajor Fund- Solid Waste Fund	Total	Governmental Activities- Internal Service Fund
Assets:			
Current assets:			
Cash & equity in pooled investments	$ 4,745	$ 516,327	$ 21,737
Receivables (net of allowances):			
Accounts	-	37,949	-
Interest	20	2,160	92
Lease receivables	-	37	-
Due from other funds	-	-	1,531
Inventory	-	1,322	-
Prepaids	-	8	-
Restricted cash &equity in pooled investments			
Capital projects	-	79	-
Customer deposits	-	31	55
Total current assets	4,765	557,913	23,415
Noncurrent assets:			
Notes/contracts receivable	-	62	-
Lease receivables	-	55	-
Net pension asset	41	4,747	-
Capital assets (net)	-	575,087	33,326
Total noncurrent assets	41	579,951	33,326
Total assets	4,806	1,137,864	56,741
Deferred outflows			
For pensions	54	6,008	-
Total deferred outflows	54	6,008	-
Total assets & deferred outflows	$ 4,860	$ 1,143,872	$ 56,741

Statement of Fund Net Position- Proprietary Funds

As of December 31, 2025
(in thousands)

	Storm & Surface Water Fund	Water Utility Fund	Sewer Utility Fund
Liabilities:			
Current liabilities:			
Accounts payable	$ 1,349	$ 5,094	$ 767
Retainage payable	30	54	-
Due to other funds	8	9	9
Accrued payroll	355	430	362
Accrued compensated absences	1,036	1,129	572
Subscription liability	179	29	178
Customer deposits	-	19	12
Total current liabilities	2,957	6,764	1,900
Noncurrent liabilities:			
Accrued compensated absences	304	289	142
Net pension liability	336	446	360
Subscription liability	75	45	76
Total noncurrent liabilities	715	780	578
Total liabilities	3,672	7,544	2,478
Deferred inflows:			
For pension	444	606	475
For leases	-	79	-
Total deferred inflows	444	685	475
Total liabilities & deferred inflows	$ 4,116	$ 8,229	$ 2,953
Net position:			
Net investment in capital assets	138,030	295,669	135,656
Restricted for:			
Net pension asset	1,385	1,838	1,483
Unrestricted	181,959	125,370	242,324
Total net position	$ 321,374	$ 422,877	$ 379,463

The notes to the financial statements are an integral part of this statement.

Statement of Fund Net Position- Proprietary Funds

As of December 31, 2025
(in thousands)

	Nonmajor Fund- Solid Waste Fund	Total	Governmental Activities- Internal Service Fund
Liabilities:			
Current liabilities:			
Accounts payable	$ 4	$ 7,214	525
Retainage payable	-	84	-
Due to other funds	-	26	135
Accrued payroll	7	1,154	-
Accrued compensated absences	19	2,756	-
Subscription liability	-	386	137
Customer deposits	-	31	55
Total current liabilities	30	11,651	852
Noncurrent liabilities:			
Accrued compensated absences	7	742	-
Net pension liability	10	1,152	-
Subscription liability	-	196	568
Total noncurrent liabilities	17	2,090	568
Total liabilities	47	13,741	1,420
Deferred inflows:			
For pension	14	1,539	-
For leases	-	79	-
Total deferred inflows	14	1,618	-
Total liabilities & deferred inflows	$ 61	$ 15,359	$ 1,420
Net position:			
Net investment in capital assets	-	569,355	32,109
Restricted for:			
Net pension asset	41	4,747	-
Unrestricted	4,758	554,411	23,212
Total net position	$ 4,799	$ 1,128,513	$ 55,321

Statement of Revenues, Expenses, and Changes in Net Position- Proprietary Funds

For the Year Ended December 31, 2025
(in thousands)

	Storm & Surface Water Fund	Water Utility Fund	Sewer Utility Fund
Operating revenues:			
Intergovernmental	$ 3,173	$ 39	$ -
Service charges & fees	34,371	89,617	93,425
Other	-	4	49
Total revenues	37,544	89,660	93,474
Operating expenses			
Administration & general	7,079	22,059	11,303
Maintenance & operations	9,008	35,818	53,680
Depreciation	3,576	7,681	5,096
Total expenditures	19,663	65,558	70,079
Operating income (loss)	17,881	24,102	23,395
Nonoperating revenues (expenses):			
Interest income	6,610	4,502	8,594
Rental income	18	67	537
Net change in fair value of investments	295	201	377
Gain (loss) on disposal of capital assets	(22)	23	(33)
Other nonoperating revenues	14	28	1
Other nonoperating expenses	(5)	(6)	(5)
Total other financing sources & uses	6,910	4,815	9,471
Income before contributions & transfers	24,791	28,917	32,866
Special items, contributions & transfers:			
Transfers in	-	17	-
Transfers out	(422)	(482)	(435)
Capital contributed from external sources	2,030	1,509	566
Total special items, contributions & transfers	1,608	1,044	131
Change in net position	26,399	29,961	32,997
Net position at beginning of year, as previously reported	294,975	392,916	346,466
Change within financial reporting entity	-	-	-
Net position at beginning of year, as restated	294,975	392,916	346,466
Net position at end of year	$ 321,374	$ 422,877	$ 379,463

Statement of Revenues, Expenses, and Changes in Net Position- Proprietary Funds

For the Year Ended December 31, 2025

(in thousands)

	Nonmajor Proprietary Fund			
	Marina Fund	Solid Waste Fund	Total	Governmental Activities- Internal Service Fund
Operating revenues:				
Intergovernmental	$ -	$ -	$ 3,212	$ -
Service charges & fees	-	1,022	218,435	9,455
Other	-	290	343	35
Total revenues	-	1,312	221,990	9,490
Operating expenses				
Administration & general	-	770	41,211	580
Maintenance & operations	-	-	98,506	1,427
Depreciation	-	-	16,353	4,362
Total expenditures	-	770	156,070	6,369
Operating income (loss)	-	542	65,920	3,121
Nonoperating revenues (expenses):				
Interest income	-	178	19,884	1,154
Rental income	-	-	622	-
Net change in fair value of investments	-	8	881	38
Gain (loss) on disposal of capital assets	-	-	(32)	259
Other nonoperating revenues	-	-	43	13
Other nonoperating expenses	-	-	(16)	-
Total other financing sources & uses	-	186	21,382	1,464
Income before contributions & transfers	-	728	87,302	4,585
Special items, contributions & transfers:				
Transfers in	-	-	17	1,048
Transfers out	-	(9)	(1,348)	(17)
Capital contributed from external sources	-	-	4,105	56
Total special items, contributions & transfers	-	(9)	2,774	1,087
Change in net position	-	719	90,076	5,672
Net position at beginning of year, as previously reported	10,499	4,080	1,048,936	64,928
Change within financial reporting entity	(10,499)	-	(10,499)	(15,279)
Net position at beginning of year, as restated	-	4,080	1,038,437	49,649
Net position at end of year	$ -	$ 4,799	$ 1,128,513	$ 55,321

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows- Proprietary Funds

For the Year Ended December 31, 2025
(in thousands)

	Business-Type Activities - Enterprise Funds		
	Storm & Surface Water Fund	Water Utility Fund	Sewer Utility Fund
Cash flows from operating activities:			
Cash received from customers & users	$ 37,187	$ 88,795	$ 92,057
Cash payments to suppliers for goods & services	(10,085)	(46,983)	(61,570)
Cash payments to employees for services	(7,317)	(10,076)	(3,699)
Other receipts	32	95	537
Net cash provided by operating activities	19,817	31,831	27,325
Cash flows from noncapital financing activities:			
Cash received from technology recycling	-	-	-
Transfers in	-	17	-
Transfers out	(422)	(482)	(435)
Net cash provided (used) by noncapital financing activities	(422)	(465)	(435)
Cash flows from capital & related financing activities:			
Acquisition & construction of capital assets	(4,931)	(35,616)	(8,844)
Proceeds from sale of assets	21	23	13
Cash contributions in aid of construction	-	540	-
Principal paid on subscription assets	(468)	(503)	(470)
Interest paid on subscription assets	(5)	(6)	(5)
Contributed connection contracts	-	-	67
Net cash used by capital financing activities	(5,383)	(35,562)	(9,239)
Cash flows from investing activities:			
Interest on investments	6,905	4,703	8,971
Net cash provided (used) by investing activities	6,905	4,703	8,971
Net increase (decrease) in cash balance	20,917	507	26,622
Cash & equity in pooled investments - beginning of year	152,573	117,752	193,321
Cash & equity in pooled investments - end of year	$ 173,490	$ 118,259	$ 219,943
Cash & equity in pooled investments at end of year consist of:			
Unrestricted	$ 173,476	$ 118,200	$ 219,906
Restricted	14	59	37
Total cash & equity in pooled investments	$ 173,490	$ 118,259	$ 219,943

Statement of Cash Flows- Proprietary Funds

For the Year Ended December 31, 2025
(in thousands)

	Business-Type Activities - Enterprise Funds		Governmental Activities
	Nonmajor- Solid Waste Fund	Total	Internal Service Fund
Cash flows from operating activities:			
Cash received from customers & users	$ 1,290	$ 219,329	$ 7,834
Cash payments to suppliers for goods & services	(526)	(119,164)	(2,431)
Cash payments to employees for services	(239)	(21,331)	-
Other receipts	-	664	35
Net cash provided by operating activities	525	79,498	5,438
Cash flows from noncapital financing activities:			
Cash received from technology recycling	-	-	13
Transfers in	-	17	1,048
Transfers out	(9)	(1,348)	(17)
Net cash provided (used) by noncapital financing activities	(9)	(1,331)	1,044
Cash flows from capital & related financing activities:			
Acquisition & construction of capital assets	-	(49,391)	(12,474)
Proceeds from sale of assets	-	57	-
Cash contributions in aid of construction	-	540	56
Principal paid on subscription assets	-	(1,441)	125
Interest paid on subscription assets	-	(16)	5
Contributed connection contracts	-	67	-
Net cash used by capital financing activities	-	(50,184)	(12,288)
Cash flows from investing activities:			
Interest on investments	186	20,765	1,192
Net cash provided (used) by investing activities	186	20,765	1,192
Net increase (decrease) in cash balance	702	48,748	(4,614)
Cash & equity in pooled investments - beginning of year	4,043	467,689	26,406
Cash & equity in pooled investments - end of year	$ 4,745	$ 516,437	$ 21,792
Cash & equity in pooled investments at end of year consist of:			
Unrestricted	$ 4,745	$ 516,327	$ 21,737
Restricted	-	110	55
Total cash & equity in pooled investments	$ 4,745	$ 516,437	$ 21,792

Statement of Cash Flows- Proprietary Funds

For the Year Ended December 31, 2025
(in thousands)

	Business-Type Activities - Enterprise Funds		
	Storm & Surface Water Fund	Water Utility Fund	Sewer Utility Fund
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	$ 17,881	$ 24,102	$ 23,395
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	3,576	7,681	5,096
Other receipts	32	96	538
Changes in assets & liabilities:			
(Increase) decrease in accounts receivable	273	(367)	(558)
(Increase) decrease in interest receivable	(722)	(493)	(925)
(Increase) decrease in due from other funds	-	-	-
(Increase) decrease in due from other governments	-	-	-
(Increase) decrease in other receivables	-	-	-
(Increase) decrease in leases receivable	-	36	-
(Increase) decrease in contracts receivable	-	-	16
(Increase) decrease in prepaid expenses	-	65	-
(Increase) decrease in inventory	19	(134)	(18)
(Increase) decrease in pension asset	(250)	(315)	(345)
(Increase) decrease in deferred outflow	(265)	(330)	(383)
Increase (decrease) in accounts payable	(1,640)	977	(28)
Increase (decrease) in retainage payable	(45)	12	-
Increase (decrease) in wages & benefits payable	41	28	20
Increase (decrease) in contract payable	-	16	-
Increase (decrease) in compensated absences	399	222	25
Increase (decrease) in due to other funds	1	1	1
Increase (decrease) in due to other governments	-	-	-
Increase (decrease) in customer deposits	(1)	(38)	(14)
Increase (decrease) in deferred inflows	-	(33)	-
Increase (decrease) in pension inflow	93	27	63
Increase (decrease) in pension liability	336	446	359
Increase (decrease) in subscription asset	89	(168)	83
Total adjustments	1,936	7,729	3,930
Net cash provided by operating activities	$ 19,817	$ 31,831	$ 27,325
Noncash investing, capital & financing activities:			
Contributions of capital assets	$ 2,029	$ 1,509	$ 566
Gain on asset disposal	22	23	33
Increase (decrease) in fair value of investments	295	201	377
Subscription asset	-	-	-

Statement of Cash Flows- Proprietary Funds

For the Year Ended December 31, 2025
(in thousands)

	Business-Type Activities - Enterprise Funds		Governmental Activities
	Nonmajor- Solid Waste Fund	Total	Internal Service Fund
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	$ 542	$ 65,920	$ 3,121
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	-	16,353	4,362
Other receipts	-	666	-
Changes in assets & liabilities:			
(Increase) decrease in accounts receivable	6	(646)	-
(Increase) decrease in interest receivable	(20)	(2,160)	
(Increase) decrease in due from other funds	-	-	(1,531)
(Increase) decrease in due from other governments	-	-	1
(Increase) decrease in other receivables	-	-	(92)
(Increase) decrease in leases receivable	(11)	25	-
(Increase) decrease in contracts receivable	-	16	-
(Increase) decrease in prepaid expenses	-	65	-
(Increase) decrease in inventory	-	(133)	-
(Increase) decrease in pension asset	-	(910)	-
(Increase) decrease in deferred outflow	(15)	(993)	-
Increase (decrease) in accounts payable	(15)	(706)	(1,140)
Increase (decrease) in retainage payable	-	(33)	-
Increase (decrease) in wages & benefits payable	(1)	88	-
Increase (decrease) in contract payable	-	16	-
Increase (decrease) in compensated absences	26	672	-
Increase (decrease) in due to other funds	-	3	135
Increase (decrease) in due to other governments	-	-	7
Increase (decrease) in customer deposits	-	(53)	-
Increase (decrease) in deferred inflows	-	(33)	-
Increase (decrease) in pension inflow	3	186	-
Increase (decrease) in pension liability	10	1,151	-
Increase (decrease) in subscription asset	-	4	575
Total adjustments	(17)	13,578	2,317
Net cash provided by operating activities	$ 525	$ 79,498	$ 5,438
Noncash investing, capital & financing activities:			
Contributions of capital assets	$ -	$ 4,104	$ 56
Gain on asset disposal	-	78	259
Increase (decrease) in fair value of investments	8	881	38
Subscription asset	-	-	575

Statement of Fund Net Position- Fiduciary Funds

As of December 31, 2025
(in thousands)

	Pension (and Other Employee Benefit) Trust Funds	Custodial Funds
Assets:		
Cash & equity in pooled investments:	$ 1,209,596	$ 31,008
Receivables (net of allowances):		
Accounts	-	6
Interest receivable	1,417	130
Other receivables	8,610	-
Due from other governments/employers	-	456
Capital assets (net)	-	622
Total assets	$ 1,219,623	$ 32,222
Liabilities:		
Accounts payable	$ 451	$ 558
Total liabilities	451	558
Net Position:		
Net position restricted for pensions	1,219,172	-
Net position restricted for individuals, organizations, & other governments	-	31,664
Total net position	$ 1,219,172	$ 31,664

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position - Fiduciary Funds

For the Year Ended December 31, 2025
(in thousands)

	Pension (and Other Employee Benefit) Trust Funds	ARCH Housing Private-Purpose Trust Fund	Custodial Funds
Additions:			
Investment income:			
Interest	$ 1,009	$ -	$ 1,098
Net change in fair value of investments	132,624	-	53
Dividends	41,518	-	-
Contributions from employers & nonemployer premiums	31,177	-	-
Contributions from participants & members	34,653	-	14,047
Rollovers	466	-	-
Tax collections for other governments	-	-	1,597
Deposits payable	-	-	7
Other	781	-	346
Total additions	242,228	-	17,148
Deductions:			
Benefit payments	85,453	-	-
Insurance premiums	2,967	-	-
Administrative expenses	2,113	-	2,209
Distributions to developers	-	-	2,084
Distributions to human services agencies	-	-	1,047
Payments to other governments	-	-	1,834
Deposits released	-	-	3
Total deductions	90,533	-	7,177
Net increase (decrease) in net position	151,695	-	9,971
Net position at beginning of year, as previously reported	1,067,477	11,642	3,472
Correction of error	-	(11,642)	18,221
Net position at beginning of year, as restated	1,067,477	-	21,693
Net position end of year	$ 1,219,172	$ -	$ 31,664

The notes to the financial statements are an integral part of this statement.

(This page is intentionally left blank.)

Notes to the Basic Financial Statements

Note 1: Summary of Significant Accounting Policies

The financial statements of the City of Bellevue have been prepared in conformity with GAAP as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

Reporting Entity

The City of Bellevue was incorporated on April 1, 1953 and operates under the laws of the state of Washington applicable to the Council-Manager form of government.

As required by GAAP, the financial statements present the City of Bellevue, the primary government, and its component unit. There are no instances in which factors other than financial accountability are so significant in the relationship between an organization and the city that the exclusion of such organization would be misleading.

Discretely Presented Component Unit

The Bellevue Convention Center Authority (BCCA) is a public corporation formed on December 4, 1989, by the City of Bellevue, for the purpose of developing, constructing, and operating Meydenbauer Center.

The BCCA is governed by a seven-member board that is appointed by the City of Bellevue's City Manager and serves at the pleasure of the City Manager and City Council. The city holds debt on behalf of the BCCA that is secured by hotel/motel taxes and other revenues available without a vote of the city's electors. The city is fiscally accountable for the debt service payments on the BCCA's revenue bonds. The BCCA is an enterprise fund and is reported in a separate column as a discretely presented component unit on the government-wide financial statements.

Audited financial statements for the BCCA can be obtained from Meydenbauer Center, Finance Department, 11100 NE 6th Street, Bellevue, WA 98004.

Government-Wide and Fund Financial Statements

The Government-Wide Statement of Net Position and Government-Wide Statement of Activities report information on all of the non-fiduciary activities of the primary government and its component unit. To the extent possible, the effect of interfund overhead activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues. These activities are reported separately from business-type activities. Business-type activities rely significantly on fees and charges for support. The primary government is also reported separately from its legally separate component unit.

The Government-Wide Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods and services provided by a given function or segment. Grants and contributions are restricted to meeting the operational or capital requirements of a function or segment. Taxes and other items not included among program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The fiduciary funds are not included in the government-wide financial statements. Major individual governmental funds and all individual enterprise funds are reported as separate columns in fund financial statements.

Basis of Accounting

The government-wide, proprietary, and fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grant revenue is recognized when all the eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized when both measurable and available. Revenues are considered available when they are collectible during the current period or soon enough thereafter to pay current liabilities. For the City of Bellevue, this period is considered to be the first 60 days after the end of the fiscal period. Property tax, sales tax, business and occupation tax, utility tax, franchise tax, grant reimbursements, and interest are associated with the current fiscal period and are considered susceptible to accrual. These have been recognized as revenues of the current period. Expenditures are recognized when a liability is incurred under accrual accounting, with the exception of principal and interest on long-term debt and compensated absences, which are recorded when paid.

Major Governmental Funds

The General Fund is the general operating fund of the city and presents all activities not accounted for in another fund. There are two legally adopted funds which do not meet the criteria for separate financial reporting and are reported in the General Fund. These funds are the Human Services Fund and Land Purchase Revolving Fund.

The Operating Grants, Donations, and Special Reserves Fund is used to account for resources received from private donors, special reserve allocations, and intergovernmental grant revenues provided by federal, state, and local agencies. These revenues are generally restricted or committed for specific operating purposes as defined by the granting authority, donor, or governing body.

The General Capital Investment Program (CIP) Fund administers governmental capital improvement projects. These projects are supported by a designated portion of the city's sales taxes, business and occupation taxes, bonds, grants, special levies, TIFIA proceeds, real estate excise tax, contributions, transportation impact fees, and other revenue sources authorized by the City Council.

Major Proprietary Funds

The proprietary fund statements distinguish operating revenues and expenses from non-operating items within the city's enterprise and internal service funds. Operating revenues in these funds result from providing services, and producing and delivering goods in connection with the funds' principal ongoing operations. Operating expenses in these funds include operating and maintenance costs, administrative expenses, taxes, and depreciation on capital assets. All revenues and expenses not meeting these categories are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the city's policy to use restricted resources first, then unrestricted resources.

Enterprise Funds

The city maintains three major enterprise funds: the Storm and Surface Water Utility Fund, the Water Utility Fund, and the Sewer Utility Fund. These funds account for the operations and capital improvement of the respective utilities. The city also recognizes utility connection fees as operating revenue when connecting new customers to the water and sewer systems.

Internal Service Funds

The city uses internal service funds to account for equipment and fleet operations. City departments are charged service fees as internal customers for sales and services, rentals, and vehicle replacement to the funds' operating activities.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the city in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

Pension (and Other Employee Benefits) Trust Funds

The pension funds account for assets held or controlled by the city for the benefit of individuals participating in the pension plans. Activities reported in the pension funds include the Firefighters' Pension Fund and the Municipal Employees' Benefit Trust Fund (MEBT).

Custodial Funds

The custodial funds account for fiduciary activities not required to be reported in pension and other employee benefit trust, investment, or private-purpose trust funds. Activities reported in the custodial funds include e-CityGov Alliance, Community Connectivity Consortium, Hazardous Materials, custodial tax collections and evidence, and A Regional Coalition for Housing (ARCH) trust fund activities.

New Accounting Standards

The city complies with all applicable GASB pronouncements and GAAP hierarchy, as prescribed by GASB.

In December 2023, GASB issued statement No. 102 "Certain Risk Disclosures". This statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The city implemented this pronouncement as of December 31, 2025.

In September 2024, GASB issued Statement No. 104 "Disclosure of Certain Capital Assets". This statement provides users of government financial statements with essential information on certain capital assets and requires those assets to be disclosed separately in the capital assets note disclosures mandated by Statement 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". Lease assets, recognized in accordance with Statement No. 87, "Leases", and intangible right-to-use assets, recognized in accordance with Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements", should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, "Subscription-Based Information Technology Arrangements", also should be separately disclosed. In addition, this statement requires intangible assets other than those three types to be disclosed separately by major class.

This statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This statement requires that capital assets held for sale be evaluated each reporting period. The city implemented this pronouncement as of December 31, 2025.

Budget and Basis of Accounting

In accordance with RCW 35A.34, the city adopts budgets for all operating funds on a modified accrual basis. Appropriations for operating funds are authorized for two years but must be reviewed and reauthorized by the City Council in the middle of the biennial period. The operating funds include the General Fund; special revenue funds, except the Operating Grants, Donations, and Special Reserves Fund; internal service fund; and all utility operating funds.

The City Council adopts appropriation ordinances for all other funds, including the Operating Grants, Donations, and Special Reserves Fund on a project-length basis, as needed. Appropriation ordinances are adopted for debt service funds only when debt is authorized for issue. These appropriations do not lapse and are adjusted as part of the budget process. Because these non-operating budgets primarily serve a management control function and related appropriations are continuing in nature, no comparison between budgeted and actual amounts is provided in the statements and note disclosures.

Legal budgetary control is established at the fund level, where expenditures may not exceed the total appropriation amount. Fund balance at the beginning of the year is considered an available resource and included in the expenditure appropriation authority but not necessarily appropriated at the program level and identifiable in the Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual presented in the Required Supplementary Information. The City Manager may authorize transfers of appropriations within a fund, but the City Council must approve by ordinance any increase or decrease in total fund appropriations.

Assets, Liabilities and Net Position or Fund Balance

Cash and Equity in Pooled Investments

Under the city's investment policy, all temporary cash surpluses are invested. Monies from all city funds are internally pooled for investment purposes. These pooled investments are reported on the financial statements as cash and equity in pooled investments. Interest earned on the pooled investments is prorated to individual funds based on an average cash balance.

Since all the city's investments are internally pooled and the participating funds use the pool as if it were a demand deposit account, the proprietary funds' equity in pooled investments is considered cash for cash flow reporting purposes.

The city is authorized by Washington State law to purchase certificates of deposit issued by Washington State depositories that participate in a state insurance pool managed by the Washington Public Deposit Protection Commission; investment deposits (Municipal Investor Account) in a qualified public depository located in the State of Washington; US Treasury and Agency securities; banker's acceptances trading in the secondary market; Washington State Treasurer's Local Government Investment Pool (LGIP); and repurchase agreements with dealers that use authorized securities as collateral. Administrative costs of the LGIP are included in investment interest earnings and allocated to all funds of the city. The amount applicable to a single fund is not significant, nor readily identifiable.

Although Washington State law also allows pension trust funds to be invested in certain public corporation debt instruments and equities, the city has taken a conservative approach in this area and invests related funds under the more restrictive policies, which govern its general investment operations. As further discussed in Note 4: Cash and Equity in Pooled Investments, city policy requires all investments, including repurchase agreements, to be in the lowest risk category, which is defined as insured investments in the city's name held by the city or the trust department of the city's depository bank.

In accordance with GASB Statement No. 72 "Fair Value Measurement and Application", money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value. The fair value of the investment is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Investments in the Washington State Treasurer's Investment Pool are available on demand in the amount of the original investment plus interest earnings and are treated as a money-market investment on the city's records. Accordingly, the fair value of the city's position in the Washington State Treasurer's Investment Pool is the same as the value of the city's shares in the investment pool.

Restricted Assets

Restricted assets shown in the Government-Wide Statement of Net Position and the Statement of Fund Net Position-Proprietary Funds include monies reserved for capital construction, for payment of debt, and deposits held for customer accounts. Monies reserved by the BCCA are for rent, operations, and ground lease rental payments.

Receivables

Receivables recorded are material applicable exchange and non-exchange transactions as defined by GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions," and GASB Statement No. 36 "Recipient Reporting for Certain Shared Nonexchange Revenues—an amendment of GASB Statement No. 33."

Property Taxes

The city's annual property tax levy is billed and collected by King County. Taxes are levied and become a lien on the first day of the calendar year. They may be paid for in two installments. The first installment is due April 30, and if unpaid, the balance becomes delinquent May 1. The second installment is due October 31, and if unpaid, it becomes delinquent November 1. Interest is charged on delinquent taxes at the rate of 1 percent per month and additional penalties are assessed on the total delinquent balance on May 1 and November 30. Under state statute, the county is required to foreclose on properties when property taxes are three years delinquent.

Uncollected property taxes through December 31 are recorded as receivable at year-end. Historically, the city collects 99 percent of taxes levied in the levy year and the remaining delinquent amounts are collected within the next several years. Due to the property foreclosure provision in Washington State law, no allowance for uncollectible taxes is made.

Other Receivables

Other receivables in the governmental funds include locally levied taxes, and other miscellaneous revenues accrued at year-end. The governmental funds financial statements are reported on a modified accrual basis of accounting and revenues must be both measurable and available at year-end to be susceptible to accrual. Business and occupation taxes receivable are offset by a deferred inflow of resources and are further reported net of anticipated uncollectible amounts.

Proprietary fund receivables include the water utility customers' billings outstanding at year-end, which include estimated revenues for services provided between the last billing date and year-end. Due to the water utility's ability to discontinue service when water accounts become delinquent and to record property liens for unpaid sewer service billings, losses from uncollectible accounts are minimal and are only recorded when incurred.

Due from Other Funds and Other Governments

Amounts due from other funds are short-term amounts that one fund has billed another fund for services it provided during the current fiscal year. These amounts are usually collected within about 30 days after year-end.

These internal amounts are not shown on the Government-Wide Statement of Net Position. The only exception is when there is a remaining balance between governmental activities and business-type activities. Those residual amounts appear in the Government-Wide Statement of Net Position, labeled as internal balances. See Note 11: Interfund Receivables, Payables, and Transfers for more detail.

Amounts due from other governments represent outstanding balances due from granting agencies for cost-reimbursement grants and billings to other jurisdictions for intergovernmental services provided in the current year.

Interfund Loans Receivable

The Director of Finance and Asset Management may authorize loans between funds for periods not exceeding three months. Longer term loans must be specifically authorized by City Council resolution.

In the fund financial statements, the year-end balance of long-term loans to other funds is offset by an assignment of fund balance to indicate that the outstanding loan amounts do not constitute available spendable resources and are, therefore, not available for appropriation.

Housing Rehabilitation Loans Receivable

Housing rehabilitation loans are issued to individuals meeting designated income criteria and are supported by the city's Community Development Block Grant (CDBG) Program. The non-interest-bearing loans are secured by property liens and are not required to be repaid until the property is sold or otherwise changes ownership. Repayments are considered program income for the CDBG Program and monies received are restricted to fund current grant eligible expenditures. The outstanding loans are offset by restricted fund balance in the governmental funds balance sheet.

Contracts Receivable

Contracts receivable in the proprietary funds consist of water and sewer connection fees due from customers for the utilities.

Inventories and Prepaid Expenses

Inventories in the governmental funds are recorded as expenditures at the time of purchase. Amounts remaining at year end are immaterial and, therefore, are not reflected in the financial statements regarding those funds. The city's proprietary funds use a perpetual inventory method in which expense is recorded when related items are consumed. Physical inventories are taken at year-end and the value of items remaining in inventory is calculated for financial reporting purposes, using the weighted-average cost valuation method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded using the consumption method as prepaid expenses in both government-wide and fund financial statements.

Leases

The city is a lessee on a variety of leases. The lease liability and lease assets are measured at the commencement of the lease term. The lease liability is measured at the present value of payments expected to be made during the non-cancellable lease term and uses the stated discount rate or the municipal market rate if the discount rate is not known.

The city reduces the lease liability by the principal portion of the payments received and recognizes an outflow of resources for interest on the liability. The lease asset is amortized on a straight-line basis over the lease term.

The city is a lessor on multiple leases. The city recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term. The lease receivable is measured at the present value of lease payments expected to be received during the lease term and uses the stated discount rate or the municipal market rate if the discount rate is not known. The deferred inflow of resources is measured at the value of the lease receivable and are amortized using the straight-line method.

The city recognizes interest revenue on the lease receivable and an inflow of resources from the deferred inflows of resources over the term of the lease. The lease receivable is reduced by the principal payments received and the deferred inflow of resources is recognized as revenue over the life of the lease term.

Subscription-Based Information Technology Arrangements (SBITA)

The city has a variety of subscription-based information technology arrangements (SBITA). The city recognizes the right to use an intangible asset and a corresponding subscription liability.

The subscription liability is recognized at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government’s incremental borrowing rate if the interest rate is not readily determinable. The city recognizes the amortization of the discount on the subscription liability as an outflow of resources in subsequent financial reporting periods.

The subscription asset is initially measured as the sum of the initial subscription liability amount, payments made to the SBITA vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The city recognizes amortization of the subscription asset as an outflow of resources over the subscription term.

Capital Assets

Capital assets are reported on a full accrual basis. The capital assets purchased or constructed by a governmental fund are recorded as expenditures in the fund at the time the related purchases occur and are not reported on the Governmental Funds Balance Sheet. However, the associated capital assets are reported in the governmental activities' column of the Government-Wide Statement of Net Position.

Capital assets include buildings and improvements with an original cost of $100,000 or more; machinery, equipment, hardware and other improvements with an original cost of $5,000 or more each; and all land, transportation and utilities infrastructure, regardless of their initial cost. These items must have a useful life over one year.

All purchased capital assets are valued at original cost. If no records exist, assets are valued at an estimated historical cost. Capital assets acquired or constructed are capitalized in the respective funds at historical cost. Donated assets are recorded at their acquisition value as of the date of donation.

All current and incomplete project costs are included in construction in progress in the Government-Wide Statement of Net Position. At completion, project costs are added to eligible capital assets. Any non-capital costs are reclassified to operating expense. In the governmental fund financial statements, project costs are reported as expenditures.

Land, construction in progress, development in progress, and transportation infrastructure are not depreciated. Buildings, improvements other than buildings, intangibles, machinery and equipment, and infrastructure are depreciated using the straight-line method, using varying estimated service lives for individual assets and asset classifications depending on characteristics of an asset and factors surrounding its anticipated use. Leasehold improvements, lease and subscription assets are amortized using the straight-line method over the life of the contract.

The average service lives used to calculate depreciation for specific categories of assets are summarized below:

Asset Class	Estimated Service Life (Years)
Buildings	20-40
Improvements other than buildings	15-20
Infrastructure	15-50
Intangible assets	15
Leasehold improvements	10
Machinery & equipment	5-15
Bellevue Convention Center Authority	
Building shell	50
Building mechanical system & roof	25-35
Equipment	5-10

The city has elected to use the modified approach to manage its transportation roadway infrastructure. The modified approach requires that the city has a current inventory of infrastructure; perform condition assessments on infrastructure and summarize the results using a measurement scale; and estimate the annual amount to maintain and preserve the infrastructure at a condition level established and disclosed by the city. The city has an inventory of transportation roadway infrastructure placed in service for the current year, performed a condition assessment, established the standard performance rating levels, and estimated the annual amount necessary to maintain and preserve the infrastructure. Further details are provided in the Schedule of Modified Approach for Reporting Infrastructure Assets under Required Supplementary Information.

Additional information on capital assets is provided in Note 5: Capital Assets.

Deferred Outflow and Inflow of Resources

Deferred outflow of resources is the consumption of net assets that is applicable to a future reporting period. A deferred outflow of resources involves no consumption of resources that results in either a net decrease in assets or a net increase in liabilities. It also represents access to present service capability that is under the government's control.

Deferred inflow of resources is the acquisition of net assets that is applicable to a future reporting period. A deferred inflow of resources involved no acquisition of resources resulting in either a net increase in assets or a new decrease in liabilities. It represents a present obligation to sacrifice resources that the government has little or no discretion to avoid. Deferred inflow of resources presented in this manner on the accompanying financial statements are related to the gain on refunded debt, taxes receivable, grant reimbursements, and pensions not available under the current financial resource measurement focus.

Pensions

For purposes of measuring the net pension liability, net pension asset, deferred outflow and inflow of resources for pension, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Net pension liability occurs when the total pension liability of a plan exceeds its net position while net pension asset occurs when a plan's net position exceeds its total pension liability. This is reported as a restricted net position at year end.

Long-Term Liabilities

Liabilities for long-term debt are recorded in the Government-Wide Statement of Net Position and in the Statement of Fund Net Position- Proprietary Funds. The liabilities include bond premiums and discounts, which are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Long-term debt outstanding at year-end is presented in Note 12: Long-term Debt.

For governmental fund financial statements, bond issuance costs are expended at the time of issuance. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bond proceeds are reported as other financing source, net of the applicable premium or discount. The nature of debt in the governmental activity is specific to a program; therefore, debt service costs are not an allocated expenditure.

Compensated Absences

The city recognizes a liability for compensated absences. This liability includes leave for sick, vacation and compensatory time that has been earned by employees but not yet taken. The liability recognized is more likely than not to be taken or paid out in a future period. The city's bargaining unit contracts and human resource policies were considered to establish the assumptions for recording this liability.

The liability recognized as short-term is the amount likely to be used or paid within one year and the amount recognized as long-term is assumed to be used or paid beyond one fiscal year. The allocation for these numbers was determined based on historical trends for the different leave types and bargaining units.

The long-term portion for vacation and compensatory time is fully recognized because it is more than likely that employees will either use this leave or be paid out upon separation. Based on historical trends, the sick leave liability is reduced by the portion that expected to not be taken or paid out.

Net Position and Fund Balances

Net position is segregated into three categories on the Government-Wide Statement of Net Position: net investment in capital assets, restricted, and unrestricted. The flow assumption of the city is to use restricted assets before unrestricted assets. Restricted assets are usually set aside in a separate fund for the purpose of debt service or capital replacement. In addition, net pension assets are restricted in the fund corresponding to the activity.

Fund balances, with the implementation of GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions", are segregated under the categories listed below and presented on the face of the financial statements in the aggregate. Note 16: Governmental Fund Balances provides greater detail on the purposes for which revenue sources may be spent. When an expenditure is incurred for which restricted and unrestricted amounts are available, the city considers restricted amounts to be used first, followed by committed, then assigned, and lastly unassigned amounts.

Nonspendable fund balance results from resources that cannot be spent because they are not in a spendable form or are in a spendable form but cannot be spent because they are legally or contractually required to be intact.

Restricted fund balance results from resources that are constrained by an external party. This can include grants, contributions, laws, or regulations.

Committed fund balance results from decisions made by the City Council, the highest level of authority. These decisions, also known as ordinances, create legal constraints on city resources. Funds can only be released from the constraints with the same action.

Assigned fund balance results from an earmarking of resources for a particular purpose. Other than the general fund, the fund balance that is not considered restricted, committed, or nonspendable is assigned by the fund's definition. These assignments can be made by the City Manager or the Finance and Asset Management Director under Bellevue City Code (BCC) 3.04 and 3.32.

Unassigned fund balance is the residual classification for the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. The city only reports unassigned fund balance in the General Fund.

Interfund Transactions

Interfund services provided are accounted for by the related funds as revenues, expenditures, or expenses. Reimbursements to a fund for expenditures previously paid that are more properly applicable to another fund are recorded as an expenditure in the reimbursing fund and a reduction of expenditure/expense in the fund receiving reimbursement.

All other interfund transactions are reported as transfers. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Direct expenses of the functional categories are included in the Government-Wide Statement of Activities while indirect expense allocations are eliminated. Indirect expenses are primarily charged to the various functions using the internal service fund for fleet maintenance. Elimination of payments to internal service funds are treated as expense reductions. No other indirect expenses are allocated to the various governmental functions. Exceptions to this rule are charges between the government's utilities functions and various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Note

Amounts presented in the financial statements, notes, and tables may have small variances due to rounding to the nearest thousand dollars.

Note 2: Stewardship, Compliance and Accountability

Deficits

The City of Bellevue had no funds with a material deficit as of December 31, 2025.

Total net position for the BCCA reflects an unrestricted net position balance of $14.8 million and a total net position of $50.5 million. Cash flows, as projected in the annual Finance Plan of BCCA, are expected to meet all obligations as they come due.

Legal Budgetary Compliance

During 2025, no city funds exceeded total authorized appropriations at the fund level. Fund balance is included in authorized expenditure appropriations but not necessarily appropriated at the program level.

Budget and Actual schedules for major funds are provided as Required Supplementary Information.

Note 3: Supplemental Appropriations

Operating Budget Funds

During 2025, the City Council amended the 2025 appropriations by an additional $6.6 million to reflect previously unanticipated needs of the 2025-26 biennial budget. Amendments included:

- General Fund increased by $0.9 million
- Operating Grants, Donations, and Special Reserve Fund increased by $2.2 million
- General CIP Fund increased by $3.5 million

As explained in Note 1: Summary of Significant Accounting Policies, both original and supplemental appropriations are adopted by the City Council ordinance.

Note 4: Deposits and Investments

Primary Government

Cash and equity in pooled investments include government and business-type activities. The book balances as of December 31, 2025, are as follows, in thousands:

Primary Government		
Cash on hand & in bank	$	76,621
Equity in pooled investment		942,102
Total	$	1,018,723

In addition, the city holds $1.2 billion in cash and equity in pooled investments in trust for fiduciary funds.

Deposits

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the city will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of December 31, 2025, the city had a bank balance of $74.7 million and a book balance of $76.6 million. The city's bank balance is insured by the FDIC up to $0.3 million and fully collateralized by the Washington Public Deposit Protection Commission (WPDPC) for amounts over $0.3 million. The WPDPC constitutes a multiple financial institution collateral pool. Under RCW 39.58, public depositories are required to segregate and maintain eligible collateral for their unsecured public deposits in the form of securities having a value at least equal to their maximum liability.

The city does not have a formal policy for custodial risk beyond the requirements of state statute. Washington State law restricts the deposit of city funds to financial institutions physically located in Washington unless otherwise expressly permitted by statute and authorized by the WPDPC.

Investments

The city's investment policy was developed by the Finance and Asset Management Department. The policy is adopted by the City Council every two years as part of the biennial budget. Authority to manage the investment program is derived from BCC 3.32.060. This section gives the Director of Finance and Asset Management, or designee, the authority to invest in any of the securities identified as eligible as defined by state statute with primary emphasis on safety on principal and liquidity.

The city's investment policy does not allow investment in variable rate securities or securities whose value depends on the value of an underlying asset.

The city operates two investment portfolios: a short-term pool of investments (Working Capital) to meet immediate operating needs and a longer-term portfolio (Core) to fund large expenditures, as well as hold reserves. The Core portfolio is managed by the Office of the State Treasurer (OST) as a Separately Managed Account (SMA). The city's investment policy guides the Working Capital portfolio. The SMA is managed under the OST Separately Managed Portfolio Investment Policy. The OST Investment Policy is governed by the same state laws, statutes, and regulatory requirements as the city's Working Capital portfolio.

The primary objective of the Working Capital portfolio is to meet the city's short-term cash requirements on an ongoing and operational level. Short-term is defined as a period up to three years. The portfolio is intended to have low duration and high liquidity. All daily cash requirements are to be met by assets in this portfolio. Investments in this portfolio include any investment type authorized by city policy. The benchmark for this portfolio will be the net earnings rate of the State of Washington's LGIP. The pool's portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set by GASB Statement No. 79 "Certain External Investment Pools and Pool Participants" for external investment pools that elect to be measured investments at amortized costs for financial reporting purposes.

Investments in the LGIP are available on demand in the amount of the original investment, plus interest earnings, and are treated as a money-market investment. Accordingly, the fair value of the city's position in the LGIP is the same as the value of the city's LGIP shares. Regulatory oversight for these investments is provided as prescribed by Washington State law. The Washington State Auditor's Office (SAO) audits the accounts of the OST to determine the compliance of investment activities with state statutes and the investment policy. Also, an independent audit of the LGIP's financial statements is performed annually. OST has created an Advisory Committee consisting of eight members appointed by participant associations and six members appointed by the OST. The committee meets at least quarterly to provide advice on the operation of the LGIP.

The table below identifies the investment types that are authorized for the City of Bellevue by the State of Washington or the city's investment policy, where more restrictive:

Authorized Investment Type	Maximum Maturity	Maximum % of Portfolio	Maximum Investment in One Issuer
US Treasury Debt Obligations	5 years	100%	100%
US Agency Coupon Securities	5 years	90%	30%
US Agency Discount Notes	1 year	90%	30%
Repurchase Agreements	60 days	50%	10%
Certificates of Deposit	1 year	50%	10%
Treasury Liquidity Guaranty Program	5 years	30%	10%
Municipal Bonds	5 years	15%	5%
Bankers Acceptances	6 months	15%	5%
Commercial Paper	90 days	15%	5%
Supranational	5 years	10%	10%
Corporate Notes	5 years	10%	3%
LGIP	N/A	100%	N/A

Per OST's Investment Policy, the core portfolio is comprised of cash that is not reasonably expected to be necessary to meet the short- term or intermediate-term liquidity needs. Accordingly, cash may be invested further out on the yield curve where, over a market cycle, it is expected to provide a higher return than the other state managed portfolios. The core portfolio may have a maximum modified duration of no longer than 3.5 years.

Interest Rate Risk. As a means of minimizing risk of loss due to interest rate fluctuations, the city's investment policy requires the weighted average modified duration of the portfolio not to exceed three years. One of the other ways that the city manages the exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing to provide the cash flow and liquidity needed for operations.

The LGIP is a qualified external investment pool, as defined by GASB Statement No. 79 "Certain External Investment Pools and Pool Participants". Accordingly, participants' balances in the LGIP are not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days.

Information about the sensitivity of the fair values of the city's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the city's investments in fair value by maturity, in thousands:

		Remaining Maturity					
Investment Type	Fair Value	3 Months or Less	3 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	Credit Rating
US Agency Coupon Securities	$ 421,789	$ 9,955	$ 20,703	$ 30,132	$ 37,564	$ 323,435	AA+/Aaa
US Treasury Debt Obligations	196,651	-	27,239	36,709	28,735	103,968	N/A
Interest bearing	10,000	-	5,000	-	-	5,000	Unrated
Municipal Bonds	19,939	-	19,939	-	-	-	Unrated
LGIP	289,820	289,820	-	-	-	-	Unrated
Supranational	53,690	-	9,780	2,097	21,794	20,019	AAA/Aaa
Total	$ 991,889	$ 299,775	$ 82,661	$ 68,938	$ 88,093	$ 452,422	

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The city's investment policy limits the type of securities available for investment to obligations of the US government or its agencies, obligations of government-sponsored corporations, banker's acceptances, interest bearing bank deposits, commercial papers, municipal bonds, repurchase agreements, and LGIP. According to Washington State law and the city's investment policy, commercial papers must be rated with the highest short-term credit rating, of any two Nationally Recognized Statistical Rating Organizations at the time of purchase. The city currently does not have any commercial paper in its portfolio. The city's investments in the obligations of US agencies were rated AA+ by S&P Global Ratings and Aaa by Moody's Investors Service.

The credit risk of the LGIP is limited to obligations of the US government, government sponsored enterprises, insured demand deposit accounts and certificates of deposit.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The city's investment policy limits the amount that may be invested in any one issuer. As of December 31, 2025, there was no concentration of credit risk exceeding the policy guidelines described above.

The following table displays the city's investment in any one issuer, other than the LGIP, that represents 5 percent or more of the total portfolio, in thousands:

Issuer	Investment Type	Reported Amount
Federal Farm Credit Bank	US Agency Coupon	$ 160,517
Freddie Mac	US Agency Coupon	112,742
US Treasury	US Treasury Debt Obligation	186,678

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The city's investment policy requires that all investments be held by the city's third-party safekeeping agent in the city's name. As of December 31, 2025, all investments were registered and held by its safekeeping agent in the city's name. Therefore, the city has no outstanding investments that were exposed to custodial credit risk.

Fair Value Measurements. The City of Bellevue complies with GASB Statement No. 72 "Fair Value Measurement and Application", which established a framework for measuring fair value that requires or permits fair value measurement and enhances disclosures about fair value measurements. Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability, an exit price, in the principal or most advantageous market for the asset or liability in an orderly transaction. There is a fair value hierarchy, which requires an entity to maximize the use of observable inputs when measuring fair value. The guidance requires three levels of fair value measurement based on the respective inputs.

Securities classified as Level 1 in the fair value hierarchy are valued using prices quoted in active markets for identical securities. Level 2 securities are valued using observable inputs. Level 3 securities are valued using unobservable inputs. US Agency Securities and Supranational classified in Level 2 are valued using quoted prices for similar securities and interest rates. The level of fair value measurement is based on the lowest level of significant input for the security type in its entirety. There are no Level 3 security classifications to report.

The following table presents recurring fair value measurements as of December 31, 2025:

		Fair Value Measurement Using	
Investments by fair value level	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Debt securities			
US Agency Coupon Securities	$ 421,789	$ -	$ 421,789
US Treasury Debt Obligations	196,651	196,651	-
Interest bearing	10,000	-	10,000
Municipal bond	19,939	-	19,939
Supranational	53,690	53,690	-
Total debt securities	702,069	250,341	451,728
Investments measured at amortized cost			
LGIP	289,820		
Total investments measured at amortized cost	289,820		
Total investment measured at fair value	$ 991,889		

Discretely Presented Component Unit

Cash and equity in pooled investments of the Bellevue Convention Center Authority are comprised of business-type activities only. The balances as of December 31, 2025, are as follows, in thousands:

Component Unit	
Cash on hand & in bank	$ 2,775
Equity in pooled investment	12,242
Total	$ 15,017

Note 5: Capital Assets

Primary Government

Capital asset activity for the primary government for the year ended December 31, 2025, was as follows, in thousands:

Governmental activities:	**Beginning Balance**	**Increases**	**Decreases**	**Ending Balance**
Capital assets, not being depreciated:				
Land*	$ 951,701	$ 20,287	$ (65)	$ 971,923
Construction in progress	82,235	83,920	(93,126)	73,029
Development in progress, subscription asset	55	-	(55)	-
Infrastructure	842,971	34,564	-	877,535
Total capital assets, not being depreciated	1,876,962	138,771	(93,246)	1,922,487
Capital assets, being depreciated and amortized :				
Buildings*	265,569	2,575	(5,754)	262,390
Improvements other than buildings	145,793	23,317	-	169,110
Intangible assets	21,031	-	(141)	20,890
Machinery & equipment	108,160	18,560	(4,242)	122,478
Leasehold improvements	4,891	-	-	4,891
Infrastructure	271,377	27,603	(673)	298,307
Buildings leases	17,840	3,281	(7,079)	14,042
Machinery & equipment leases	1,482	-	-	1,482
Subscription assets	7,647	2,326	(53)	9,920
Total capital assets, being depreciated and amortized	843,790	77,662	(17,942)	903,510
Less accumulated depreciation and amortization for:				
Buildings*	(154,278)	(5,366)	1,331	(158,313)
Improvements other than buildings	(36,573)	(10,402)	-	(46,975)
Intangible assets	(20,177)	(76)	108	(20,145)
Machinery & equipment	(70,591)	(5,258)	2,682	(73,167)
Leasehold improvements	(4,173)	(77)	-	(4,250)
Infrastructure	(199,253)	(8,000)	-	(207,253)
Buildings leases	(7,366)	(1,060)	-	(8,426)
Machinery & equipment leases	(1,213)	(122)	-	(1,335)
Subscription assets	(2,206)	(1,974)	-	(4,180)
Total accumulated depreciation	(495,830)	(32,335)	4,121	(524,044)
Total accumulated depreciation and amortization	347,960	45,327	(13,821)	379,466
Governmental activities capital assets, net	$ 2,224,922	$ 184,098	$ (107,067)	$ 2,301,953

*The beginning balance has been increased to account for the marina activity previously reported in a business type fund. See Note 19: Accounting Changes for more detail.

Depreciation and amortization expenses charged to governmental activity functions/programs was as follows, in thousands:

General government	$	10,241
Public safety		822
Transportation		9,004
Economic environment		100
Culture & recreation		7,806
Total		27,973
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		4,362
Total depreciation & amortization - governmental activities	$	32,335

Proprietary Funds

Capital asset activity for the city's proprietary funds for the year ended December 31, 2025 was as follows, in thousands:

Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land*	$ 16,108	$ 109	$ -	$ 16,217
Construction in progress	67,581	47,400	(55,990)	58,991
Total capital assets, not being depreciated	83,689	47,509	(55,990)	75,208
Capital assets, being depreciated and amortized :				
Buildings*	34,703	-	-	34,703
Machinery & equipment	17,199	2,880	(424)	19,655
Infrastructure	659,505	58,366	(48)	717,823
Subscription assets	3,251	-	-	3,251
Total capital assets, being depreciated and amortized	714,658	61,246	(472)	775,432
Less accumulated depreciation and amortization for:				
Buildings*	(31,858)	(1,047)	-	(32,905)
Machinery & equipment	(14,092)	(1,729)	508	(15,313)
Infrastructure	(213,189)	(12,501)	2	(225,688)
Subscription assets	(572)	(1,075)	-	(1,647)
Total accumulated depreciation and amortization	(259,711)	(16,352)	510	(275,553)
Total capital assets, being depreciated and amortized, net	454,947	44,894	38	499,879
Business activities capital assets, net	$ 538,636	$ 92,403	$ (55,952)	$ 575,087

*The beginning balance has been decreased due to the marina activity now being recognized in the General Fund. See Note 19: Accounting Changes for more detail.

Depreciation and amortization expense was charged to business-type activity functions/programs was as follows, in thousands:

Water utility	$	7,680
Storm & surface water utility		3,576
Sewer utility		5,096
Total	$	16,352

Assets Held for Sale

The city has machinery and equipment assets earmarked to be sold in the next fiscal year. The total cost of assets is $7.2 million, with accumulated depreciation of $7.0 million. The balance is made up of:

- Governmental activities assets of $5.5 million with $5.2 million in depreciation.
- Business type activities assets of $1.7 million, with $1.8 million in depreciation.

Discretely Presented Component Unit

Capital asset activity for the city's discretely presented component unit, BCCA, for the year ended December 31, 2025, were as follows, in thousands:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Works of art	$ 156	$ -	$ -	$ 156
Construction in progress	6,392	2,475	(3,247)	5,620
Total capital assets, not being depreciated	6,548	2,475	(3,247)	5,776
Capital assets, being depreciated:				
Buildings	64,709	2,228	-	66,937
Machinery & equipment	8,522	795	-	9,317
Subscription assets	-	125	-	125
Total capital assets, being depreciated	73,231	3,148	-	76,379
Less accumulated depreciation for:				
Buildings	(38,444)	(1,638)	-	(40,082)
Machinery & equipment	(5,611)	(558)	-	(6,169)
Subscription assets	-	(38)	-	(38)
Total accumulated depreciation	(44,055)	(2,234)	-	(46,289)
Total capital assets, being depreciated, net	29,176	914	-	30,090
Governmental activities capital assets, net	$ 35,724	$ 3,389	$ (3,247)	$ 35,866

Note 6: Pension Plans

Below is a summary of the City of Bellevue's pension plans, in thousands:

	Governmental Activities						
	PERS 1	PERS 2/3	PSERS 2	LEOFF 1	LEOFF 2	Firefighters Pension	Total
Pension liabilities	$ (7,583)	$ -	$ -	$ -	$ -	$ -	$ (7,583)
Pension assets	-	31,252	47	10,562	26,133	4,818	$ 72,812
Deferred outflows of resources	5	39,255	297	-	39,852	-	$ 79,409
Deferred inflows of resources	(521)	(10,184)	(87)	(201)	(10,173)	-	$ (21,166)
Pension expense	(1,842)	(12,664)	(28)	(1,405)	(795)	(781)	$ (17,515)

Public Employees' Retirement System (PERS)

Plan Description

Public Employees' Retirement System (PERS) was established by the Washington State Legislature in 1947 under RCW 41.34 and 41.40. PERS is a multiple-employer, cost-sharing defined benefit pension plan. Membership in the system includes elected officials, state employees, and employees of local governments.

PERS consists of three plans. Participants who joined the system by September 30, 1977 are PERS 1 members. PERS 1 is closed to new entrants. The vesting period for members was the completion of five years of eligible service. Those joining the system after September 30, 1977 are enrolled in PERS 2. Existing PERS 2 members were given the option to transfer their membership to Plan 3 by May 31, 2003. Employees hired after May 31, 2003 have the option of choosing either PERS 2 or PERS 3. Retirement benefits in PERS 2 are vested after completion of five years of eligible service. For PERS 3, employees are vested after the completion of ten years of eligible service or five years with at least 12 months being earned after the age of 44 years old. Retirement benefits are financed by employee contributions, employer contributions, and investment earnings.

Participants in the plan are listed below:

	Participants
PERS 1	1
PERS 2	1,026
PERS 3	240

Benefits Provided

All plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The annual cost of living allowances are linked to the Seattle Consumer Price Index to a maximum of 3 percent annually.

Contributions

PERS 1 member contribution rate was established by statute at 6.0 percent. The employer contribution rate is developed by the Office of the State Actuary (OSA), adopted by the Pension Funding Council, and is subject to change by the Legislature. PERS 2/3 employer and employee contribution rates are developed by the OSA to fully fund Plan 2 and the defined benefits of Plan 3. The rates are adopted by the Pension Funding Council and are subject to change by the Washington State Legislature. The employer rate includes a component to address the PERS Plan 1 Unfunded

Actuarial Accrued Liability (UAAL). As established by RCW 41.34, Plan 3 defined contribution rates are set at a minimum of 5.0 percent and a maximum of 15.0 percent. Plan 3 members choose their contribution rate from six options when joining membership and can change rates only when changing employers. Employers do not contribute to the defined contribution benefits.

Both the city and employees made 100 percent of the required contributions for all years.

The contribution rates and actual contributions to PERS for the year ending December 31, 2025 were as follows, with contributions in thousands:

	Employer		Employee
	1/1/25-6/30/25	7/1/25-12/31/25	1/1/25-12/31/25
PERS Plan 1	6.36%	5.38%	6.00%
PERS Plan 1 UAAL	2.55%	-	-
Administration Fee	0.20%	0.20%	-
Total	9.11%	5.58%	6.00%

	Employer		Employee	
	1/1/25-6/30/25	7/1/25-12/31/25	1/1/25-6/30/25	7/1/25-12/31/25
PERS Plan 2/3	6.36%	5.38%	6.36%	5.38%
PERS Plan 1 UAAL	2.55%	-	-	-
Administration Fee	0.20%	0.20%	-	-
Total	9.11%	5.58%	6.36%	5.38%

Current Year Employer Contributions		
PERS 1	$	1,797
PERS 2		6,698
PERS 3		1,615

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to PERS

At December 31, 2025, the city reported a liability of $7.6 million for its proportionate share of the net pension liability for PERS 1 and an asset of $31.3 million for its proportionate share of the net pension asset for PERS 2/3. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The city's proportion of the net pension liability was based on a projection of the city's long-term share of contributions to the pension plan relative to the projected contributions of all participating local governments, actuarially determined. On June 30, 2025, the city's proportion for PERS 1 was 0.64 percent, which was an increase of 0.04 percent from its proportionate share measured as of June 30, 2024. The city's proportion for PERS 2/3 was 0.82 percent, which was an increase of 0.04 percent from its proportionate share measured as of June 30, 2024.

For the year ended December 31, 2024, the city recorded an adjustment to total pension expense of $14.5 million for the PERS pension plans (PERS 1 decrease by $1.8 million and PERS 2/3 decreased by $12.7 million). As of December 31, 2025, the city reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources, in thousands:

	PERS 1	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ -	$ -
Net difference between projected & actual earnings on pension plan investments	-	521
Changes in assumptions	-	-
Change in proportion & differences between city contributions & proportionate share contributions	-	-
City contributions subsequent to the measurement date	5	-
Total	$ 5	$ 521

	PERS 2/3	
	Deferred Outflows of Resources	Deferred Inflows of Resources
	$ 22,850	$ -
Differences between expected & actual experience	-	7,038
Net difference between projected & actual earnings on pension plan investments	12,078	863
Changes in assumptions	468	2,283
Change in proportion & differences between city contributions & proportionate share contributions	-	-
City contributions subsequent to the measurement date	3,859	-
	$ 39,255	$ 10,184
Total		

The city reported $3.9 million (PERS 1 was $5 thousand, and PERS 2/3 was $3.9 million) as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date and these will be recognized as a reduction of the net pension liability or asset in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows, in thousands:

Year ended June 30	PERS 1	PERS 2/3
2026	$ 497	$ 10,666
2027	(362)	3,982
2028	(376)	3,964
2029	(280)	1,358
2030	-	3,696
Thereafter	-	1,546
Total	$ (521)	$ 25,212

Sensitivity of the city's proportionate share of net pension liability to changes in the discount rate

The following presents the city's proportionate share of the net pension liability or asset calculated using the discount rate of 7.0 percent, as well as what the city's proportionate share of the net pension liability or asset would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate, in thousands:

	1% Decrease	Current Discount Rate	1% Increase
PERS 1	$ (12,795)	$ (7,583)	$ (3,011)
PERS 2/3	(50,715)	31,252	98,571

Pension plan fiduciary net position

Detail information about the pension plan's fiduciary net position is available in a separately issued DRS financial report on their website at http://www.drs.wa.gov. The report was developed with the assumptions listed below under PERS, PSERS, and LEOFF Actuarial Assumptions. The financial statements were developed in conformity with GAAP.

Public Safety Employees' Retirement System (PSERS)

Plan Description

Public Safety Employees' Retirement System (PSERS) is a multiple-employer, cost-sharing defined benefit pension plan. PSERS was created by the Washington State Legislature in 2004 and became effective July 1, 2006. PSERS retirement benefit provisions were established in RCW 41.37.

PSERS 2 membership includes: 1) full-time public safety employees, hired before July 1, 2006, who met at least one of the PSERS eligibility criteria, and elected membership during the election period of July 1, 2006 to September 30, 2006; and 2) full-time public safety employees, hired on or after July 1, 2006, that meet at least one of the PSERS eligibility criteria. Retirement benefits are financed by employee contributions, employer contributions, and investment earnings. Members are vested after completing five years of eligible service.

PSERS 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. Eligibility is based on the member being totally incapacitated for continued employment and leaving that employment as a result of the disability.

Participants in the plan are listed below:

	Participants
PSERS 2	14

Benefits Provided

All plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Under PSERS 2, annual cost of living allowances are linked to the Seattle Consumer Price Index to a maximum of 3 percent annually.

Contributions

The PSERS 2 employer and employee contribution rates are developed by the OSA to fully fund the plan. The rates are adopted by the Pension Funding Council and are subject to change by the Washington State Legislature. The employer rate includes a component to address the PERS 1 UAAL.

Both the city and employees made 100 percent of the required contributions for all years.

The contribution rates and actual contributions to PSERS 2 for the year ending December 31, 2025 were as follows, with contributions in thousands:

	Employer		Employee	
	1/1/25-6/30/25	7/1/25-12/31/25	1/1/25-6/30/25	7/1/25-12/31/25
PSERS 2	6.76%	6.91%	6.76%	6.91%
PERS Plan 1 UAAL	2.55%	-	-	-
Administration Fee	0.20%	0.20%	-	-
Total	9.51%	7.11%	6.76%	6.91%

Current Year Employer Contributions		
PSERS 2	$	96

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to PSERS

At December 31, 2025, the city reported an asset of $47 thousand for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2025 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The city's proportion of the net pension asset was based on a projection of the city's long-term share of contributions to the pension plan relative to the projected contributions of all participating local governments, actuarially determined. At June 30, 2025, the city's proportion was 0.12 percent, which is a decrease of 0.1 percent from its proportionate share measured as of June 30, 2024.

For the year ended December 31, 2025, the city recorded an adjustment to total pension expense of $28 thousand for the PSERS 2 pension plans. As of December 31, 2025, the city reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources, in thousands:

	PSERS 2	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 184	$ 27
Net difference between projected & actual earnings on pension plan investments	-	36
Changes in assumptions	48	17
Change in proportion & differences between city contributions & proportionate share contributions	18	7
City contributions subsequent to the measurement date	47	-
Total	$ 297	$ 87

The city reported $47 thousand as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date and these will be recognized as a reduction of the net pension asset in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows, in thousands:

Year ended June 30	PSERS 2
2026	$ 29
2027	7
2028	8
2029	11
2030	24
Thereafter	84
Total	$ 163

Sensitivity of the city's proportionate share of net pension asset to changes in the discount rate

The following presents the city's proportionate share of the net pension asset calculated using the discount rate of 7.0 percent, as well as what the city's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate, in thousands:

	1% Decrease	Current Discount Rate	1% Increase
PSERS 2	$ (422)	$ 47	$ 419

Pension plan fiduciary net position

Detail information about the pension plan's fiduciary net position is available in a separately issued DRS financial report on their website at http://www.drs.wa.gov. The report was developed with the assumptions listed below under PERS, PSERS, and LEOFF Actuarial Assumptions. The financial statements were developed in conformity with GAAP.

Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System

Plan Description

Law Environment Officers' and Fire Fighters' (LEOFF) is a multiple-employer, cost-sharing defined benefit pension plan established by Washington State Legislature in 1970 under RCW 41.26. Membership includes all full-time local law enforcement officers and firefighters. Retirement benefits are financed by employee contributions, employer contributions, investment earnings, and legislative appropriations.

The LEOFF system contains two plans. Participants who joined the system by September 30, 1977, are LEOFF 1 members. Those who joined thereafter are enrolled in LEOFF 2. Retirement benefits are vested after completion of five years of eligible service. LEOFF 1 is closed to new entrants. The city does not have any active employees under LEOFF 1.

Participants in the plan are listed below:

	Participants
LEOFF 2	418

Benefits Provided

All plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Annual cost of living allowances is linked to the Seattle Consumer Price Index to a maximum of 3 percent annually.

Contributions

LEOFF 1 had no required employer or employee contributions for the fiscal year. Employers paid only the DRS administrative expense based on covered payroll at a rate of 0.20 percent. The LEOFF Plan 2 employer and employee contribution rates are developed by the OSA to fully fund 2. The rates are adopted by the LEOFF Plan 2 Retirement Board and are subject to change by the Washington State Legislature.

Both the city and employees made 100 percent of the required contributions for all years.

The contribution rates and actual contributions to LEOFF for the year ending December 31, 2025 were as follows, with contributions in thousands:

	Employer	Employee
LEOFF 2 Plan	5.12%	8.53%
Administration Fee	0.20%	-
Total	5.32%	8.53%

Current Year Employer Contributions		
LEOFF 2	$	3,786

The Washington State Legislature, by means of a special funding arrangement, appropriates money from the State General Fund to supplement the current service liability and fund the prior service costs of LEOFF 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and can be changed by statute. For the fiscal year ended June 30, 2025, the state contributed $16.7 million to LEOFF 2.

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to LEOFF

On December 31, 2025, the city reported a total pension asset of $36.7 million for its proportionate share of the net pension asset (LEOFF 1 was $10.6 million and LEOFF 2 was $26.1 million). The amount of the asset reported for LEOFF reflects a reduction for state pension support provided to the city as its proportional share of the net pension asset, the related state support, and the total portion of the net pension asset that was associated with the city were as follows, in thousands:

	LEOFF 1	LEOFF 2
City's proportionate share	$ 10,562	$ 26,133
State's proportionate share of the net pension asset associated with the employer	71,440	16,695
Total	$ 82,002	$ 42,828

At June 30, 2025, the city's proportion for LEOFF 1 was 0.33 percent, which did not change from its proportionate share measured as of June 30, 2024. At June 30, 2025, the city's proportion for LEOFF 2 was 1.35 percent, which was a decrease of 0.12 percent from its proportionate share measured as of June 30, 2024.

For the year ended December 31, 2025, the city recorded an adjustment to total pension expense of $2.2 million for the LEOFF pension plans (LEOFF 1 decreased $1.4 million and LEOFF 2 decrease by $0.8 million). As December 31, 2025, the city reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources, in thousands:

	LEOFF 1	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ -	$ -
Net difference between projected & actual earnings on pension plan investments	-	201
Changes in assumptions	-	-
Change in proportion & differences between city contributions & proportionate share contributions	-	-
City contributions subsequent to the measurement date	-	-
Total	$ -	$ 201

	LEOFF 2	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 22,750	$ 118
Net difference between projected & actual earnings on pension plan investments	-	3,721
Changes in assumptions	9,264	1,589
Change in proportion & differences between city contributions & proportionate share contributions	5,920	4,745
City contributions subsequent to the measurement date	1,918	-
Total	$ 39,852	$ 10,173

The city reported $1.9 million as deferred outflows of resources for LEOFF 2 related to pensions resulting from city contributions subsequent to the measurement date and these will be recognized as a reduction of the net pension asset in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows, in thousands:

Year ended June 30	LEOFF 1	LEOFF 2
2026	$ 201	$ 5,957
2027	(142)	2,177
2028	(149)	2,390
2029	(111)	3,009
2030	-	4,382
Thereafter	-	9,846
Total	$ (201)	$ 27,761

Sensitivity of the city's proportionate share of net pension asset to changes in the discount rate

The following presents the city's proportionate share of the net pension asset calculated using the discount rate of 7.0 percent, as well as what the city's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate, in thousands:

	1% Decrease	Current Discount Rate	1% Increase
LEOFF 1	$ 9,450	$ 10,562	$ 11,531
LEOFF 2	(19,563)	26,133	63,289

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in a separately issued DRS financial report on their website at http://www.drs.wa.gov. The report was developed with the assumptions listed below under PERS, PSERS, and LEOFF Actuarial Assumptions. The financial statements were developed in conformity with GAAP.

PERS, PSERS, and LEOFF Actuarial Assumptions

Actuarial assumptions

The total pension liability or asset for each of the plans was determined using the most recent actuarial valuation completed in 2024 with a valuation date of June 30, 2024. The actuarial assumptions used in the valuation are summarized in the Actuarial Section of DRS's ACFR and were based on the results of the 2013-2018 Demographic Experience Study Report and the 2023 Economic Experience Study. Additional assumptions for subsequent events and law changes are current as of the 2023 Actuarial Valuation Report.

The actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Assumption	Rate
Inflation	2.75%
Salary increases	3.25%
Investment rate of return	7.00%

Mortality rates were developed using the Society of Actuaries' Publication H-2010 mortality rates, which vary by member status, as DRS's base table. The OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. The OSA applied the long-term MP-2017 generational improvement scale to project mortality rates for every year after the 2010 base table.

The total pension liability and assets were calculated as of the valuation date and rolled forward to the measurement date of June 30, 2024. Plan liabilities were rolled forward from June 30, 2024 to June 30, 2025, reflecting each plan's normal cost using Entry Age Cost Method, assumed interest, and actual benefit payments.

The long-term expected rate of return of 7.0 percent on pension plan investment was determined using a building-block method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions and simulated expected investment returns the Washington State Investment Board provided.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2025, are summarized in the following table:

Asset Class	Target Allocation	Percent Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	19%	2.1%
Tangible Assets	8%	4.5%
Real Estate	18%	4.8%
Global Equity	30%	5.6%
Private Equity	25%	8.6%
	100%	

Discount Rate

The discount rate used to measure the total pension liability and assets was 7.0 percent. To determine that rate, an asset sufficiency test was completed to test whether each plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members.

The plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in methods

OSA adjusted their methods, improving the model of benefits paid to retirees and beneficiaries in their month of death to better match current administration.

Firefighters' Pension Plan

Plan administration

The city administers the Firefighters' Pension Plan (the Plan) as a single-employer, defined benefit pension plan that provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit terms were established by RCW 41.16 and amended by RCW 41.18. The state retains the authority to amend benefit terms.

Management of the Firefighters' Pension Fund is vested in the Pension Board, which consists of five members: a city councilmember who serves as the chairperson of the board, the City Clerk, the Director of Finance and Asset Management, one retired firefighter, and one regularly employed firefighter.

The Plan does not issue a separate stand-alone financial report.

Benefits

The benefits of the Plan were established by RCW 41.16.080 through 41.16.180. Plan members shall be paid based upon the average monthly salary drawn for the five calendar years before retirement, the number of years in service, and a percentage factor based on age upon entering service. In addition, the state requires benefits to include payment on death of a retired firefighter, payment on death of eligible pensioner before retirement, payment on death in the line of duty, payment upon disablement in the line of duty, payment upon disablement not in the line of duty, payment on separation from service, and funeral expenses.

Employees covered by benefit terms

Membership is limited to firefighters employed prior to March 1, 1970, when the LEOFF retirement system was established. The Plan is closed to new entrants. At December 31, 2025, pension membership consisted of the following:

Retirees after March 1, 1970, currently receiving full retirement benefits through LEOFF 1 & also receiving an adjustment from the Firefighters' Pension Plan	18
Retirees after March 1, 1970, receiving LEOFF 1 pensions exceeding the Firefighters' Pension Fund &, therefore, not qualifying for excess benefit payment from the Firefighters' Pension Plan	5
Active plan members	-
Total	23

Contributions

RCW 41.16.050 through 41.16.070 established the contribution rates. The state is required to contribute 25 percent of all monies received from taxes on fire insurance premiums and eligible active firefighters are required to contribute based on age. The city is required to contribute $0.225 cents per $1,000 of assessed value against all taxable property, unless a qualified actuary establishes that the whole or any part of said dollar rate is not necessary to maintain the actuarial soundness of the Plan. For the year ended December 31, 2025, the state contributed $378 thousand and neither member nor employer made contributions to the Plan. As of the last actuarial study dated January 1, 2026, the actuary determined that current Plan assets and future contributions from state fire insurance taxes and interest earnings will be sufficient to pay all future Plan benefits.

Investment policy

Plan investments are invested with the city's funds and follow city investment policy. The city's policy regarding the allocation of invested assets is established and may be amended by the Director of Finance and Asset Management, or their designee, as authorized by City Council. The primary objective of the investment policy is to protect the city's principal sums and enable the city to generate a market rate of return from its investment activities while ensuring adequate liquidity to meet its cash flow needs. All investment activities are in compliance with Washington State law. The following was the city's adopted asset allocation policy as of December 31, 2025:

Authorized Investment Type	Maximum Maturity	Maximum % of Portfolio	Maximum Investment in One Issuer
US Treasury Debt Obligations	5 years	100%	100%
US Agency Coupon Securities	5 years	90%	30%
US Agency Discount Notes	1 year	90%	30%
Repurchase Agreements	60 days	50%	10%
Certificates of Deposit	1 year	50%	10%
Treasury Liquidity Guaranty Program	5 years	30%	10%
Municipal Bonds	5 years	15%	5%
Bankers Acceptances	6 months	15%	5%
Commercial Paper	90 days	15%	5%
Supranational	5 years	10%	10%
Corporate Notes	5 years	10%	3%
LGIP	N/A	100%	N/A

Concentration. The Plan held the following investments in organizations that represent 5 percent or more of the Plan's fiduciary net position and are not issued by the US Government at December 31, 2025:

Investment Type	Percentage of Net Position
US Agency Securities	43%
LGIP	29%
US Treasury Debt	20%
Supranationals	5%

Rate of return. For the year ended December 31, 2025, the annual money-weighted rate of return on pension plan investments was 4.4 percent. The money-weighted rate of return expresses investment performance adjusted for the changing amounts invested.

Net Pension Asset

The city's net pension asset was measured as of January 1, 2026 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. An actuarial report was issued for the city by Northwest Plan Services, Inc.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2026, using the following actuarial assumptions, applied to all periods included in the measurement:

Assumption	Rate
Inflation	2.5%
Salary increases	3.0%
Investment rate of return	3.5%

Mortality rates for the program were based on the 2024 IRS Generational Mortality Table, projected with the 2024 Adjusted MP-2021 Projection Schedule.

The actuarial assumptions used in the January 1, 2026 valuation were based on the 2001-2006 Experience Study for the Law Enforcement Officers' and Fire Relief and Retirement System prepared by the Office of the State Actuary using the Entry Age Normal Cost Method and attributing liability as a level percentage of compensation.

Discount rate. The discount rate is the single rate that reflects (1) the long-term expected rate of return on pension plan investments that are expected to be used to finance payment of benefits, to the extent that the Plan's fiduciary net position is expected to be invested using a strategy to achieve that return, and (2) a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher or equivalent quality on another scale, to the extent that the conditions for use of the long-term expected rate of return are not met. Since the fiduciary net position is projected to be positive in all future years, the discount rate is equal to the investment earnings assumption of 3.5 percent.

Changes in assumptions. The mortality assumption was updated to the 2024 IRS Generational Mortality Table, projected with the 2024 Adjusted MP-2021 Projection Scale.

Changes in the Net Pension Asset

The change in the net pension asset as of December 31, 2025, in thousands, is:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balance at December 31, 2024	$ 3,605	$ 7,642	$ (4,037)
Changes for the year:			
Service cost	-	-	-
Interest	121	-	121
Change in benefit terms	-	-	-
Differences between expected & actual experience	(199)	-	(199)
Change of assumptions	-	-	-
Contribution - employer	-	-	-
Contributions - employee	-	-	-
Contributions - State of Washington	-	378	(378)
Net investment income	-	338	(338)
Benefit payments, including refunds of employee contributions	(291)	(291)	-
Administrative expenses	-	(13)	13
Other charges	-	-	-
Net Changes	(369)	412	(781)
Balance at December 31, 2025	$ 3,236	$ 8,054	$ (4,818)

The plan fiduciary net position as a percentage of the total pension liability for 2025 is 249.0 percent.

Sensitivity of the net pension asset to changes in the discount rate.

The following presents the net pension asset of the city, calculated using the discount rate of 3.5 percent, as well as what the city's net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (2.5 percent) or 1 percentage point higher (4.5 percent) than the current rate:

1% Decrease	Current Discount Rate	1% Increase
$ (4,817)	$ (4,818)	$ (5,041)

Pension Asset, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Firefighter's Pension

For the year ended December 31, 2025, the city recognized a pension expense of $0.8 million. There were no deferrals of resources as the actuarial report made the assumptions and valuations as of the end of the city's fiscal year.

Municipal Employees' Benefit Trust

Plan Description

Municipal Employees' Benefit Trust (MEBT) is a multiple-employer, defined-contribution pension plan. MEBT is an alternative to the federal Social Security system created by the City of Bellevue on October 1, 1972. The participating entities include Bellevue, Edmonds, Federal Way, Kirkland, Mill Creek, Redmond, Woodinville, and NORCOM.

MEBT is governed by a five-member leadership body appointed by the City of Bellevue's City Manager. The plan provisions may be established and amended by a majority vote of the committee. The investments are managed by the board and are held by the Broadridge Matrix Trust Company. Each city is responsible for creating their own Plan Document for the specifics regarding participation, contributions, and disbursements.

A separate financial report is issued by MEBT. For more information, please contact the City of Bellevue's Senior Retirement Analyst at P.O. Box 90012, Bellevue, WA 98009.

Eligibility. To participate in MEBT, an employee must by hired into one of the following classifications: regular status employee of the City of Bellevue as defined by Bellevue's Human Resources Policies and Practices Manual Section 3.79; city councilmember; or employee designated as eligible for MEBT. The eligible employees are currently defined as limited term, training, and transitional employees. Participation in MEBT 1 is voluntary and begins on the date of hire. Hourly employees, who do not participate in PERS, participate in MEBT 2. Participation in MEBT 2 is mandatory for these employees and begins on the date of hire. Bellevue has 945 MEBT 1 participants and 211 MEBT 2 participants.

Contributions. Regular employees who elect to participate in MEBT may contribute on a pre-tax and/or after-tax basis. The aggregate amount of basic contributions for any participant is limited to 100 percent of the Social Security tax rate of 6.2 percent on compensation up to the Social Security wage base plus 100 percent of the Medicare tax rate of 1.45 percent.

Hourly employees who do not participate in PERS are required to make mandatory contributions equal to 100 percent of the Social Security tax rate.

Employees may elect to contribute additional compensation on a pre-tax and/or after-tax basis. The combination of basic contributions, salary deferral contributions, and extra contributions are limited only by federal rules.

The city contributes to the Bellevue Contribution Account each pay period 100 percent of the Social Security tax rate on all eligible employee compensation up to the Social Security wage base. The city contributes an additional 100 percent of the Medicare tax rate on all compensation for eligible employees who were hired prior to April 1, 1986.

As of the last day of each month, the employer contributions, net of forfeitures, administrative fees, and insurance premiums paid during the month are allocated to eligible employees participating in MEBT. The allocations are made in the same proportion as each participant's basic pre-tax and after-tax contributions share to the total basic pre-tax and after-tax contributions.

The city incurred a total expense of $12.5 million for MEBT for the year ending December 31, 2025. Employees may contribute to federal deferral limits, annual addition limits, and any other tax rules that may apply. Actual employee contributions to the plan for 2025 were as follows, in thousands:

	MEBT 1	MEBT 2
Participants	$ 6,706	$ 138

Vesting. MEBT 1 participants become fully vested after three years of service. MEBT 2 participants are fully vested immediately. Employees are 100 percent vested in their own contributions to MEBT.

Meydenbauer Center Retirement Plan and Trust

Plan Description

The BCCA Meydenbauer Center Retirement Plan and Trust (the Plan) is a defined contribution plan qualified for public employers under Internal Revenue Code Section 401(a). The Plan was approved by resolution of the BCCA Board of Directors and became effective July 1, 1995. Wells Fargo Bank serves as the Plan Administrator, Plan Trustee, and Investment Manager. The Plan was established as a retirement plan and contains no provision for withdrawing money prior to the termination of employment. Upon termination of employment or retirement, employees receive the account balance of employee contributions and the vested portion of the employer account credited with investment earnings. In the event of employee death or disability, the employee account becomes immediately vested and the full value of the account may be paid out. The Plan document defines disability according to specific Federal guidelines. Each regular employee who has completed one year of employment and 1,000 hours of service is eligible to participate in the plan. Participation in the Plan is mandatory for all regular employees hired after May 1, 1995. As of December 31, 2025, there were 75 active participants in the Plan.

Contributions

The BCCA and employees each contribute 5 percent of compensation to the Plan. Additionally, each participant may contribute on his or her own behalf at least 1 percent but not more than 10 percent of his or her compensation on a post-tax basis. The BCCA's contributions to the Plan were based on percent of covered payroll. Actual contributions to the plan for 2025 were as follows, in thousands:

	BCCA	Participants
Contributions	$ 263	$ 289

Note 7: Other Postemployment Benefits

Plan Description

The City of Bellevue's LEOFF 1 Other Postemployment Benefits Plan (the Health Plan) is a single employer, defined benefits healthcare plan administered by the city. In accordance with RCW 41.26, the city provides lifetime medical care for law enforcement officers and firefighters employed prior to October 1, 1977. Under this requirement, most coverage for eligible retirees is provided in one of the city's employee medical insurance programs. However, under authorization of the Disability Board, direct payment is also made for some retiree medical expenses not covered by standard benefit plan provisions.

Benefits provided

The Health Plan provides medical benefits, prescription drugs, Medicare premiums, long-term care, and other medical expenses for LEOFF 1 retirees. Dependent spouses and children are not covered. The city does not require retiree contributions. All benefits are paid in full by the city. The Health Plan's actuary is Gabriel, Roeder, Smith, and Company. The Health Plan does not issue a separate standalone financial report.

Employees covered by benefit terms

At December 31, 2025, the following employees were covered by the benefits terms:

Inactive employees currently receiving benefit payments	96
Inactive employees entitled but not yet receiving benefit payments	-
Active employees	-
Total	96

This plan is closed to new entrants.

Total OPEB liability

The city's total OPEB liability of $19.4 million was measured as of December 31, 2025, and was determined by an actuarial valuation date of December 31, 2025.

	Total OPEB Liability (In thousands)	
Balance at January 1, 2025	$	21,545
Changes for the year:		
Service costs		-
Interest costs		841
Changes of benefit terms		-
Differences between expected & actual experience		-
Change in assumption or other inputs		(1,109)
Contributions from employer		-
Net investment income		-
Benefit payments		(1,858)
Administration expenses		-
Net change in total OPEB liability		(2,126)
Total OPEB liability at December 31, 2025	$	19,419

Actuarial assumptions and other inputs

The total OPEB liability in the December 31, 2025, actuarial valuation was determined using the following actuarial assumption and other inputs, applied to all periods included in the measurement unless otherwise specified:

Actuarial Cost Method	Individual Entry-Age Normal
Inflation	2.25%
Salary increases	3.0%
Discount rate	4.8%
Healthcare cost trend rate	4.3%

The discount rate was based on the Bond Buyer's "20 Year GO index" as of December 31, 2025.

For healthy retirees, the gender-distinct Pub-2010 Safety Healthy retiree tables were used, with rates for males setback one year. Those rates are projected on a fully generational basis based on the mortality improvement scale MP-2017.

The key demographic assumptions are based on the same demographic assumption used in the Washington LEOFF 1 defined benefit retirement plan.

Changes in the Total OPEB liability

Change of assumptions reflect a change in the discount rate from 4.1% to 4.8%.

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the city, as well as what the city's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.8 percent) or 1 percentage point higher (5.8 percent) than the current discount rate, in thousands:

1% Decrease	Current Discount Rate	1% Increase
$ 20,952	$ 19,419	$ 18,069

Sensitivity of the total OPEB liability changes in the health care cost trend rates

The following present the total OPEB liability of the city, as well as what the city's total OPEB liability would be if it were calculated using health cost trend rates that are 1 percentage point lower (3.3 percent) or 1 percentage point higher (5.3 percent) than the current health cost trend rate:

1% Decrease	Health Care Trend Rate	1% Increase
$ 17,934	$ 19,419	$ 21,078

Assets

There are no assets in a trust compliant with GASB codification P22.101 or P52.101.

OPEB expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2025, the city recognized an OPEB expense of $0.3 million.

At December 31, 2025, the city did not have any reportable deferred outflows of resources or deferred inflows of resources related to OPEB. No amounts are to be reported as deferred inflows of resources and deferred inflows of resources related to OPEB over time.

Note 8: Compensated Absences

The city reports a compensated absences liability for sick leave, vacation time, and compensatory time. The liability as of December 31, 2025 was as follows, in thousands:

Governmental activities:	
General fund	$ 42,693
Operating grants, donations, & special reserve fund	21
General CIP fund	174
Nonmajor governmental funds	193
Total governmental activities	43,081
Business-type activities:	
Storm & surface water utility fund	1,340
Water utility fund	1,418
Sewer utility fund	714
Nonmajor proprietary funds	26
Total business-type activities	3,498
Total compensated absences	$ 46,579

Note 9: Risk Management

The City of Bellevue is exposed to various risks of loss arising from damage to property or persons; bodily injuries or illness of employees; unemployment compensation benefits; and employee health care benefits. The city manages these exposures through self-insurance activities that include workers' compensation, unemployment, general liability, and employee health care. These activities are financed through charges allocated to departments and are used to pay for administrative costs, claims, insurance, and risk margin for future unknown loss contingencies.

In accordance with GASB Statement No. 10 "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", the city records estimated liabilities for unpaid claims, including claims incurred but not reported (IBNR). Annual actuarial studies are performed to determine recommended funding levels. The city has not purchased annuity contracts for any outstanding claims.

Prior to the issuance of the financial statements, the standard requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and can be reasonably estimated. This estimated liability is not discounted to present value. At December 31, 2025, the city had available cash and equity in pooled investments in self-insurance funds of $15.9 million to provide against risk of catastrophic losses.

Changes in the claims liability amount from fiscal year ended December 31, 2024 to December 31, 2025, in thousands:

	Workers' Compensation	Unemployment Compensation	General Self-Insurance	Health Benefits
December 31, 2024:				
Unpaid claims, beginning of fiscal year	$ 4,303	$ 35	$ 4,907	$ 1,806
Incurred claims (including IBNR)	3,344	270	5,311	23,328
Claim payments	(2,154)	(237)	(3,392)	(23,222)
Unpaid claims, December 31, 2024	$ 5,493	$ 68	$ 6,826	$ 1,912
December 31, 2025:				
Unpaid claims, beginning of fiscal year	$ 5,493	$ 68	$ 6,826	$ 1,912
Incurred claims (including IBNR)	3,781	297	5,479	28,108
Claim payments	(3,681)	(261)	(6,378)	(27,829)
Unpaid claims, December 31, 2025	$ 5,593	$ 104	$ 5,927	$ 2,191
Due within one year	$ 2,797	$ 104	$ 2,964	$ 2,191
Due in more than one year	$ 2,796	$ -	$ 2,963	$ -

The city purchases commercial insurance policies to protect against losses that exceed anticipated funding levels. During the past three fiscal years, settled claims have not exceeded the city's commercial insurance coverage.

Policy Type	Deductible	Coverage Limits		Protection Type
Excess Workers' Compensation Employer's Liability - All Employees	$1,500,000 regular claims $4,000,000 for presumptive disease claims	$ 2,000,000		Unanticipated levels of workers' compensation claims.
Earth Movement	$100,000 or 3% of value	$ 25,000,000	(A)	Loss by earth movement.
Boiler & Machinery	$ 100,000	$ 400,000,000	(A)	Loss due to damage to buildings and contents from boilers and machinery.
Real & Personal Property	$ 100,000	$ 400,000,000	(A)	Loss by fire and other extended coverages.
Flood	$ 100,000	$ 40,000,000	(A)	Loss by flood.
Medical Stop Loss	$ 350,000	Unlimited	(B)	Stop-loss coverage from excessive individual claims.
Excess Liability Coverage	$ 5,000,000	$ 30,000,000	(A)	Excessive individual liability losses.
Fiduciary Liability	None	$ 7,000,000		City's retirement plans from wrong doing by board members.
Fine Arts	None	$ 8,700,000		Loss due to damage to its art work.
Crime & Fidelity, Employee Theft, Forgery or Alteration, Funds Transfer Fraud	$ 10,000	$ 1,000,000	(A)	Loss due to employee dishonesty and other extended coverages.
Privacy & Network Liability	$ 250,000	$ 5,000,000		Loss due to a data breach and other extended coverages.
Garage Liability	$ 1,000	$ 1,000,000	(A)	Loss due to its non-City owned vehicle repair operations.
Storage Tank Liability	$ 10,000	$ 3,000,000		Loss due to any third party liability claims resulting from underground storage tank incidents.
Terrorism or Sabotage	None	$ 200,000,000		Loss due to an act of terrorism or sabotage.
Auto & Equipment Physical Damage	$ 25,000	$ 10,000,000	(A)	Loss due to damage to vehicles and equipment.
International Advantage	$ 50,000	$ 4,000,000		Employees while traveling abroad on city business.
Active Shooter	None	$ 1,000,000		Protects the city from Loss due to an active shooter event.

(A) per occurrence
(B) per individual

Discretely Presented Component Unit

BCCA utilizes Parker, Smith and Feek, Inc. for marketing and placement of its commercial policies. BCCA maintains insurance against most common hazards, including damage to the building, theft, natural disasters, and illness or injuries to clients, guests, and employees. BCCA carries a $10,000 deductible on its property coverage. There have been no claims in the last three years where the amount of the settlement exceeded the insurance coverage.

Note 10: Leases, Subscription-Based Information Technology Arrangements, and Other Contractual Commitments

Leases

City as Lessee

As a lessee, the city has entered into lease agreements involving building space and equipment. The total of the city's lease assets is recorded at a cost of $15.5 million, less accumulated amortization of $9.8 million.

The future lease payments under lease agreements are as follows, in thousands:

	Principal	Interest	Total
2026	$ 1,204	$ 76	$ 1,280
2027	1,239	59	1,298
2028	1,171	41	1,212
2029	1,173	25	1,198
2030	925	8	933
2031-2035	136	3	139
Total	$ 5,848	$ 212	$ 6,060

City as Lessor

As a lessor, the city has entered into lease agreements involving building space and land use for telecom facilities. The total amount of inflows of resources recognized during the fiscal year was $3.1 million, which includes lease revenue, interest revenue, and other lease-related inflows.

Subscription-Based Information Technology Arrangements (SBITA)

The city has entered into SBITAs involving:

- Geospatial innovations software
- Budget software
- Financial integration software
- Financial consultation software
- Risk management information system database
- Project management software
- Utilities billing software
- Hiring and onboarding software
- Parks registration system
- Financial reporting software
- Learning, performance, and succession planning software
- Digital management software
- Police body camera software
- Backflow and FOG (fats, oils, and grease) water compliance software

- Event management software
- Asset management software
- Smart buildings services with clean building compliance services

The total of the city's SBITA assets are recorded at a cost of $13.2 million, less accumulated amortization of $5.8 million.

The future subscription payments under the SBITA are as follows, in thousands:

	Principal	Interest	Total
2026	$ 2,320	$ 73	$ 2,393
2027	2,029	42	2,071
2028	1,407	17	1,424
2029	428	4	432
2030	29	-	29
Total	$ 6,213	$ 136	$ 6,349

Construction/Other Contractual Commitments

The city's outstanding contractual commitments by fund type as of December 31, 2025 are summarized below, in thousands:

Governmental activities:	
General fund	$ 635,658
Operating grants, donations, & special reserve fund	4,856
General CIP fund	84,885
Nonmajor governmental funds	19,157
Internal service activities	6,457
Total governmental activities	751,013
Business-type activities:	
Storm & surface water utility fund	42,454
Water utility fund	52,859
Sewer utility fund	8,809
Nonmajor proprietary fund	465
Total business-type activities	104,587
Total outstanding contractual commitments	$ 855,600

Note 11: Interfund Receivables, Payables, and Transfers

Interfund balances as of December 31, 2025, were as follows, in thousands:

Due To/From Other Funds	Receivable	Payable
Governmental activities:		
General fund	$ 14,972	$ 1,636
Operating grants, donations, & special reserve fund	-	7,218
General CIP fund	-	5,634
Nonmajor governmental funds	-	1,854
Internal service activities	1,531	135
Business-type activities:		
Storm & surface water utility fund	-	8
Water utility fund	-	9
Sewer utility fund	-	9
Total transfers	$ 16,503	$ 16,503

The due to/due from balances are a result of timing in processing fuel charges, the receipt of grant funding, and impacts from the fund structure change.

Interfund transfers as of December 31, 2025, were as follows, in thousands:

Interfund Transfers	In	Out
Governmental activities:		
General fund	$ 911	$ 8,134
Operating grants, donations, & special reserve fund	5	928
General CIP fund	8,244	21,242
Nonmajor governmental funds	28,931	7,487
Internal service activities	1,048	17
Business-type activities:		
Storm & surface water utility fund	-	422
Water utility fund	17	482
Sewer utility fund	-	435
Nonmajor proprietary funds	-	9
Total transfers	$ 39,156	$ 39,156

The city records interfund transfers as operating subsidies, financing capital improvement projects, acquisition of capital assets, and meeting scheduled debt service requirements.

Note 12: Long-Term Debt

The various categories of long-term debt reflected on the city's financial statements are briefly described in the following paragraphs.

Long-Term Debt

General obligation bonds are backed by the city's full faith and credit. Proceeds are typically used for the acquisition or construction of major capital projects, or to refund debt previously issued for those purposes. Councilmanic Bonds are general obligation bonds issued by the City Council without voter approval. Under RCW Chapter 39, repayment of these bonds must be paid from general city revenues. General obligation bonds approved by the voters are typically repaid through an annual voted property tax levy. Predominantly, general obligation bonds of the city have been issued for general governmental activity purposes.

The general obligation bond issues are recorded under governmental activities in the Government-Wide Statement of Net Position. These bonds are subject to federal arbitrage rules.

On June 9, 2017, the city entered a Transportation Infrastructure Finance and Innovation Act (TIFIA) limited tax general obligation (LTGO) bond with a principal amount of $99.6 million and up to $20.4 million in capitalized interest. At a closing interest rate of 2.9 percent, the closing terms provided the city with a full deferral to pay debt service until 2024, two years post project substantial completion. Interest that accrues prior to the first debt service payment will be capitalized. In addition, the terms allow for a phased disbursement, with no change in interest rate. The city draws loan disbursement in conjunction with spending. The bond will mature in either December 2056 or 35 years post substantial completion, whichever is earlier. This bond aids the construction of additional mobility projects to support growth in the BelRed, Downtown, and Wilburton areas. In 2021, the city refunded the outstanding TIFIA loan to obtain a more favorable interest rate of 1.9 percent.

The city has pledged 100 percent of future transient occupancy tax (also called hotel/motel tax) revenue to repay bonds issued by the city and by BCCA for the building, expansion, and capital improvements related to Meydenbauer Center. The repayments from hotel/motel tax included LTGO bonds issued by the city of $7.6 million in 2015 and $42.7 million in 2020. The bonds were payable solely from the hotel/motel tax revenue through 2034 or when all debt payments would have been made, whichever would have been earlier. Any remaining hotel/motel tax revenue after satisfying debt service payments was to be remitted to BCCA to fund its operations.

Refunded Debt

2015 LTGO Refunding Series

On April 28, 2015, the city issued $97.9 million in LTGO bonds, a portion of which was refunding two bond issues. The city issued $11.2 million in LTGO refunding bonds to advance refund a portion of (1) 2006 LTGO debt in the amount of $3.3 million of the total debt outstanding of $4.2 million with an average interest rate of 4.62 percent; and (2) 2008 LTGO debt in the amount of $7.9 million of the total debt outstanding of $10.3 million with an average interest rate of 4.32 percent.

The net proceeds of $13.1 million, after payment of $40 thousand in underwriting fees and other debt issuance costs, were used to purchase US government securities. The securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the advance refunded portion of the 2006 and 2008 LTGO bonds. This refunding resulted in reduction of total combined debt service payments over the next 10 years by $0.9 million and obtaining an economic gain of $0.8 million. The refunded portions of the 2006 and 2008 bonds are considered to be defeased and the liability for those bonds has been removed from the Government-Wide Statement of Net Position.

2020 LTGO Refunding Series

On December 17, 2020, the city issued $10.9 million in LTGO refunding bonds, with an average interest rate of 4.0 percent, to advance refund $7.0 million of the outstanding balance of 2010 LTGO Refunding Series 2002 (Meydenbauer Center) and the total outstanding $6.2 million of the 2010 LTGO bonds to reduce its total combined debt service payments by $2.6 million through 2023 and to obtain an economic gain of $0.1 million.

The net proceeds of $13.3 million, after payment of $0.1 million in underwriting fees and other debt issuance costs, were used to purchase US government securities. The securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the advance refunded portion of the 2010 LTGO bonds. This refunding resulted in a difference between the net reacquisition price and the net carrying amount of the old debt of $0.3 million. This amount, reported in the Government-Wide Statement of Net Position as a deferred outflow of resources, is being charged to operations through the year 2032 using the effective interest method. The refunded portion of the 2010 bonds are considered to be defeased and the liability for those bonds has been removed from the Government-Wide Statement of Net Position.

The city took full ownership of the BCCA issued bonds and recorded the bond liability on its balance sheet and removed further debt obligations from the BCCA. The BCCA contributed funds from their Trustee accounts for the 1994 bonds and their debt service fund to accomplish the debt refinancing. The city will retain the hotel/motel tax revenue to cover the related debt up to the point that the annual bond payments related to the BCCA are fully paid and then the city will transfer the excess funds to the BCCA to cover operations, destination marketing, and capital.

2021 LTGO Refunding

On December 1, 2021, the city issued $47.3 million in LTGO refunding bonds, with an average interest rate of 2.0 percent. This advance refunded the $47.3 million outstanding 2013 LTGO debt with an average interest rate of 4.4 percent. This original $70.4 million LTGO debt was made up of a $44.7 million Sound Transit portion and a $6.1 million Local Revitalization portion.

The net proceeds of $47.3 million, after payment of $0.1 million in underwriting fees and other debt issuance costs, were used to purchase US government securities. The securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the advance refunded portion of the 2013 LTGO bonds. The debt is considered defeased and the liability was removed from the Government-Wide Statement of Net Position.

2022 LTGO Refunding

On March 3, 2022, the city issued $72.7 million in LTGO refunding bonds, with an average interest rate of 4.1 percent. This advance refunded the $43.1 million outstanding refunded debt of 2012 LTGO debt with an average interest rate of 4.7 percent and the $42.6 million outstanding refunded debt of 2012 LTGO debt with an average interest rate of 4.3 percent. The original LTGO debts were issued at $55.9 million and $43.2 million, respectively.

The net proceeds of $86.9 million, after payment of $0.3 million in underwriting fees and other debt issuance costs, were used to purchase US government securities. The securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the advance refunded portion of the 2012 LTGO bonds. The 2012 LTGO bonds are defeased and the liability for those bonds was removed from the Government-Wide Statement of Net Position.

Other Long-Term Liabilities

Other long-term debt incurred by the enterprise and governmental funds includes State Department of Community Development Public Works Trust Fund (PWTF) loans, which were made to finance designated capital project construction costs.

Long- Term Debt- Governmental Activities

For the Year Ended December 31, 2025

(in thousands)

Description	Interest Rate	Maturity Date	Original Debt Issued	Debt Outstanding 1/1/25	Debt Issued	Debt Redeemed	Debt Outstanding 12/31/25
General Obligation Bonds-Councilmanic:							
1995 Limited G.O.	5.15-5.80%	2025	$ 5,139	$ 137	$ -	$ 137	$ -
2015 Limited G.O. Refunding Series 2006	3.00-5.00%	2026	3,295	795	-	390	405
2015 Limited G.O. Refunding Series 2008	3.00-5.00%	2027	7,855	2,755	-	880	1,875
2015 Limited G.O. Metro & CIP	3.00-5.00%	2034	79,140	50,660	-	4,275	46,385
2015 Limited G.O. BCCA	3.00-5.00%	2034	7,645	4,885	-	410	4,475
2020 A Limited Tax G.O. Refunding Series 2010	4.00%	2032	10,915	8,240	-	1,050	7,190
2020 B Limited Tax G.O. Taxable BCCA Refunding Series 2010	0.3-1.7%	2032	42,730	34,800	-	5,020	29,780
2021 Limited Tax G.O. Taxable Refunding Series 2013	0.4-2.76%	2037	47,315	38,145	-	4,250	33,895
2022 Limited Tax G.O. Refunding Series 2012	4.00-5.00%	2037	72,675	66,620	-	2,210	64,410
Transportation Infrastructure Finance & Innovation Act*	2.86%	2056	99,600	73,231	12,194	1,868	83,557
Other Long-Term Debt:							
Public Works Trust Fund Loan #06-962	0.50%	2028	750	80	-	40	40
Total			$377,059	$ 280,348	$12,194	$ 20,530	$ 272,012

*TIFIA beginning balance has been restated to the correct amount. For more information, please see Note 19: Accounting Changes.

At December 31, 2025, the city's annual debt service requirements for general obligation and other debt, in thousands, were:

	General Obligation Bonds		Governmental Activities Other Debt		
Year	Principal	Interest	Principal	Interest	Total Annual Requirements
2026	$ 21,816	$ 7,562	$ 40	$ -	29,418
2027	21,901	7,070	-	-	28,971
2028	21,450	6,547	-	-	27,997
2029	21,989	6,008	-	-	27,997
2030	22,589	5,391	-	-	27,980
2031 -2035	64,525	18,572	-	-	83,097
2036 -2040	33,798	10,739	-	-	44,537
2041 -2045	28,653	5,199	-	-	33,852
2046 -2050	15,137	2,655	-	-	17,792
2051 -2055	16,605	1,187	-	-	17,792
2056	3,509	49	-	-	3,558
Total	$271,972	$ 70,979	$ 40	$ -	$ 342,991

Change in Long-Term Liabilities
(in thousands)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General obligation bonds*	$ 280,268	$ 12,194	$ (20,490)	$ 271,972	$ 21,816
Add: for issuance premium	19,547	-	(1,557)	17,990	-
Net pension liability	10,800	-	(4,369)	6,431	-
Total OPEB liability	21,545	-	(2,126)	19,419	1,480
Compensated absences	36,697	49,545	(43,161)	43,081	33,763
Estimated claims payable	14,299	37,665	(38,149)	13,815	8,056
Asset retirement obligation	3,852	11,884	(8,149)	7,587	-
Lease liability	13,424	-	(7,576)	5,848	1,204
Subscription liability	5,410	5,211	(4,990)	5,631	1,934
Other long-term debt	80	-	(40)	40	40
Total	$ 405,922	$ 116,499	$ (130,607)	$ 391,814	$ 68,293
Business-type Activities:					
Compensated absences	$ 2,824	$ 4,136	$ (3,462)	$ 3,498	$ 2,756
Net pension liability	-	1,152	-	1,152	-
Subscription liability	2,018	168	(1,604)	582	386
Total	$ 4,842	$ 5,456	$ (5,066)	$ 5,232	$ 3,142
Bellevue Convention Center Authority:					
Compensated absences	$ 372	$ 773	$ (723)	$ 422	$ 42
Subscription liability	-	124	(39)	85	42
Deposits payable	1,057	4,385	(4,599)	843	740
Total	$ 1,429	$ 5,282	$ (5,361)	$ 1,350	$ 824

Estimated claims expenses are liquidated in general fund. The pension liabilities for PERS 1 and PERS 2/3 are liquidated by the general government, and business type funds, based on the contribution allocation.

The Governmental Activities subscription liability includes a SBITA in the Equipment Rental Fund.

*TIFIA beginning balance has been restated to the correct amount. For more information, please see Note 19: Accounting Changes.

Note 13: Related Party Transactions

The city acts as a conduit for hotel/motel tax revenues, which are collected by the city and transmitted to the BCCA for operations. A total of $5.5 million was remitted for the year ended December 31, 2025.

Note 14: Contingencies and Litigation

As of December 31, 2025, there were various claims for damages and lawsuits pending against the city. In the opinion of the City Attorney, the potential liability arising from all actions currently pending cannot be estimated at this time, and therefore, no current or long-term liability has been recorded.

Note 15: Joint Ventures

A Regional Coalition for Housing (ARCH)

The city is a participant (Party) in a joint venture called A Regional Coalition for Housing (ARCH) with the cities of Bothell, Clyde Hill, Hunts Point, Issaquah, Kenmore, Kirkland, Medina, Mercer Island, Newcastle, Redmond, Sammamish, Woodinville, and Yarrow Point. ARCH was created by an interlocal agreement to cooperatively formulate affordable housing goals and policies in north and east King County. ARCH fosters efforts to provide affordable housing on the Eastside by combining public funding with private-sector resources.

ARCH is governed by an Executive Board composed of the chief executive officer from each Party. The Board is responsible for reviewing and approving of all budgetary, financial, policy, and contractual matters. The Board is assisted by a program manager, an administrative staff, and a Community Advisory Board. The City of Bellevue serves as the administering agency for ARCH for the purposes of recording financial data and issuing contracts on behalf of the Parties.

Each Party provides annual funding for ARCH operations and contributes to a reserve held in the city's ARCH Housing Trust Fund for affordable housing development projects. The Parties' operating contribution is determined by the ARCH annual budget, which is approved by the Executive Board. The Executive Board identifies and prioritizes housing development projects to be funded by grants and loans from the ARCH Housing Trust Fund, as well as from Community Development Block Grants.

Parties may withdraw from the ARCH agreement by providing one year's written notice. Parties remain legally and financially responsible for any obligation incurred while a Party to the ARCH agreement. Upon dissolution, all property and assets are to be distributed among the Parties based on each Party's pro rata contribution to the overall budget at the time the agreement is terminated.

The city reports ARCH activity as a custodial fund. The ARCH Housing Private-Purpose Trust Fund net position for 2025 is $28.4 million, an increase of $10.2 million from 2024. In 2025, the city contributed $0.3 million for ARCH operations, and $1.1 million to fund affordable housing projects.

Budget monitoring information can be obtained from ARCH, 16305 NE 87th St., Suite 119, Redmond, WA 98052

eCityGov Alliance

The city is a participant (Partner) in a joint venture called eCityGov Alliance (the Alliance) with the cities of Issaquah, Kenmore, Kirkland, Sammamish, and Snoqualmie. The Alliance was created to develop, own, operate, manage, and maintain online public service programs and services. Prior to 2014, the Alliance was a joint operation under an interlocal agreement. As of March 1, 2014, the Alliance formed a legally separate nonprofit corporation. The Alliance is governed by an Executive Board comprised of one Board member from each Partner. Board officers are Chief Executive Officers, deputies, or equivalents.

Partners remit annual fees to the Alliance. The Partners each have a proportional ownership interest in property based on the city's population as a percentage of total population of all Partner cities. The Partners proportionally share in obligations and benefits, financial or otherwise, from such ownership interest. Partner fees and voting are based on relative population.

A Partner may withdraw by written notice to the Executive Board. Any portion of annual fees for the current calendar year shall be forfeited upon withdrawal. The withdrawing Partner also forfeits their proportionate interest, including but not limited to ownership rights to hardware, software intellectual property owned by the Alliance, and any future revenues associated with eCityGov products and services.

Upon dissolution of the corporation, all property acquired shall be disposed of as follows: (1) property contributed without charge by any member shall revert to the contributor or in the event the contributor had previously resigned, the Executive Board shall determine the disposition of the contributed assets; (2) all other real and personal property purchased after the effective date of the interlocal agreement shall be distributed to the Partner based upon proportional ownership interest at the time of the sale of the property; (3) ownership of intellectual property, including but not limited to, copyrighted and trademarked materials, software code, web designs and templates, web content, data and interfaces shall be transferred fully and equally to each Partner; and (4) Partner owned data shall be returned to the owner.

The city reports the Alliance activity as custodial activity. The eCityGov Alliance net position for 2025 is $1.1 million, a decrease of $0.1 million from 2024. In 2025, the city paid $0.6 million in annual fees.

Complete financial statements can be obtained from City of Bellevue, Information Technology Department, P.O. Box 90012, Bellevue, WA 98009-9012.

Community Connectivity Consortium

The city is a participant (Member) in a joint venture called Community Connectivity Consortium (the Consortium) with Kirkland, Federal Way, Renton, Seattle, Algona, Auburn, Kent, Pacific, Puyallup, Tukwila, Lake Washington School District, University of Washington, Bellevue College, Bellevue School District, and King County Public Hospital District No. 2 (EvergreenHealth and Valley Communications Center). The Consortium is a public corporation and was created to provide low-cost, stable, robust, and efficient connectivity services to members and their communities. The Consortium is governed by the Consortium Board comprised of representatives appointed by member agencies. The Consortium may change the composition and number of board positions, including the number of core members and at-large members, as the needs of the Consortium may dictate.

The Board establishes the Consortium's membership dues as part of its annual budget process. Annual dues are based on the size of the Member organization's general fund annual budget. Member agencies are bound by agreement to pay the annual member dues unless adequate notice is provided or the parties mutually agree to an early termination of membership.

Upon dissolution of the corporation, assets of the Consortium shall be distributed by the Consortium Board to Members after paying or making provisions for the payment of all debts, obligations, liabilities, costs, and expenses. Non cash assets will be returned to the original member, and remaining assets will be allocated per a valuation performed by the Consortium Board. Assets acquired with Consortium funds shall be sold by the Consortium Board, if appropriate, and the money or asset value distributed to those members still participating in the Consortium on the day prior to the termination date. The distribution shall be apportioned by taking the percentage that a member has contributed to the total Consortium budget over the existence of the agreement and applying that percentage to the remainder of the assets.

The city reports the Consortium activity as custodial activity. The Community Connectivity Consortium net position for 2025 is $452 thousand, an increase of $90 thousand from 2024. In 2025, the city paid $11 thousand in user fees.

Compiled financial statements can be obtained from City of Bellevue, Information Technology Department, P.O. Box 90012, Bellevue, WA 98009-9012.

Hazardous Materials Response Unit and Team

The city is a participant (Member) of a joint venture called Hazardous Materials Response Unit with Bothell, Kirkland, Redmond, Snoqualmie, Woodinville Fire and Life Safety District, King County Fire District #45, Eastside Fire & Rescue, and King County Fire District #27. The purpose of the agreement is to provide a basis and means for improving the quality of emergency services through development of a cooperative as a normal function of fire protection services.

The city is the administrative authority (Lead Agency) for the operations conducted in accordance with the interlocal agreement. Upon creation, a Joint Board was established and is composed of one voting representative or designee from each Member agency and one non-voting Member from the Hazardous Materials Incident Team. Board members selected should be above company-level rank. The Joint Board is responsible for policies and procedures, establishing an annual budget, and management of real and personal property.

As determined by the Joint Board, Members pay an annual fee to the Lead Agency for administrative overhead, as well as operating costs determined by a formula based on the percentage of calls originating within each Member's service area and the assessed property valuation of that jurisdiction.

Any Member may withdraw from the agreement without terminating it by giving written notice to all other Members prior to August 1st with withdrawal becoming effective on December 31st. The Member that withdraws relinquishes all rights to any reserve funds, equipment, or materials, purchased or accepted by the Joint Board as in-kind contributions through this agreement. This shall not apply to any equipment, vehicles, or materials contributed without charge, which shall revert to the contributor upon termination. A decision to withdraw will not relieve the withdrawing member of liability incurred prior to withdrawal.

The agreement may be terminated at any time upon the mutual agreement of all of the Members. Upon termination, all property purchased, along with unexpended or reserve funds, will be distributed to Members based on the percentage of the total annual charges assessed by the Joint Board.

The city reports the Hazardous Materials Response Unit and Team activity as custodial activity. The net position for 2025 is $912 thousand, an increase of $98 thousand from 2024. In 2025, the city paid $41 thousand in annual fees.

Compiled financial statements can be obtained from, City of Bellevue, Fire Department, P.O. Box 90012, Bellevue, WA 98009-9012

Cascade Water Alliance

The city is a participant (Member) in a joint venture called Cascade Water Alliance (Alliance) with Issaquah, Kirkland, Redmond, Tukwila, Sammamish Plateau Water and Sewer District, and Skyway Water and Sewer. The Alliance is a joint municipal utility service corporation created to provide water supply to meet current and future needs in a cost-effective and environmentally responsible manner. The Alliance is governed by a Board of Directors consisting of one individual representative from each Member, appointed by resolution of the Member's legislative authority.

The Members are each obligated by interlocal agreement to remit annual fees related to the Alliance based on the number of Cascade Equivalent Residential Units served by its water system, regardless of water usage or capacity, to offset part of the Alliance's administrative costs. In addition, to allocate growth costs to those Members that require capacity increases, each Member pays a Regional Capital Facilities Charge (RCFC) determined by the Board.

A Member may withdraw from the Alliance with a resolution of its legislative authority expressing such intent. The Board will then determine the withdrawing Member's obligations to the Alliance, as well as the withdrawing Member's allocable share of the Alliance's existing obligations. The Member's withdrawal shall be effective upon payment of obligations and shall have no right or interest in any water supply assets owned by the Alliance.

Upon dissolution of the corporation, the net position of the Alliance will be shared by current Members at the time of dissolution based on demand shares.

In 2025, the city paid $1.7 million in annual dues and $1.3 million in RCFC.

Complete financial statements for the Alliance can be obtained from Cascade Water Alliance, 11400 SE 8th Street, Suite 400, Bellevue, WA 98004.

North East King County Regional Public Safety Communications Agency (NORCOM)

The city is a participant (Principal) in a joint venture called North East King County Regional Public Safety Communications Agency (NORCOM) with Bothell, Clyde Hill, Kirkland, Medina, Mercer Island, Normandy Park, Snoqualmie, Eastside Fire and Rescue, King County Fire Protection District 27, King County Fire Protection District 45, King and Kittitas County Fire Protection District 51, Northshore Fire Department, Shoreline Fire Department, and Woodinville Fire and Life Safety District. NORCOM, a nonprofit corporation, was created to provide highly efficient emergency service communications and all related incidental functions for communicating and dispatching services between the public and Principals. NORCOM is governed by an executive board composed of one representative from each Principal.

Principals are obligated to remit annual fees related to NORCOM based upon a functional distribution model that considers the allocated Telecommunicator Full Time Employees by function and the number of service calls for fire and police operations to supplement NORCOM's operating revenues.

A Principal may withdraw its membership and terminate its participation by proving written notice and serving that notice to the NORCOM Governing Board on or before December 31st in any year. After providing appropriate notice, the Principal agent's membership withdrawal shall become effective on the last day of the calendar year, following delivery and service of appropriate notice to all other Principals.

Upon dissolution of the corporation, the net position of NORCOM will be shared by Principals at the time of dissolution based on the average of the prior five years of user fees contributed.

In 2025, the city paid $5.9 million in user fees.

Complete financial statements for NORCOM can be obtained from NORCOM, P.O. Box 50911, Bellevue, WA 98015-0911.

Note 16: Governmental Fund Balances

Fund balances, with the implementation of GASB Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions”, are segregated under the following categories and presented on the face of the financial statements in the aggregate.

Nonspendable

This fund balance category includes amounts not available to be spent because they are not in a spendable form or are legally required to be maintained intact.

Restricted

This fund balance category includes amounts constrained by an external party, such as those resulting from federal and state legislation, grant awards, bond covenants, and interlocal service agreements.

Committed

This fund balance category includes amounts constrained by ordinance as adopted by City Council and requires similar action to remove the constraint.

Assigned

This fund balance category includes amounts that are constrained by the city’s intent to be used for a specific purpose but are not restricted or committed. By reporting particular amounts that are not restricted or committed in a special revenue, capital project, or debt service fund, the government has assigned those amounts to the purpose of the respective fund.

Unassigned

Unassigned fund balance is the residual classification for the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. The city only reports unassigned fund balance in the General Fund.

Fund Balance Policy

Annually, the city will target 15 percent of General Fund revenues as a General Fund ending fund balance. This balance is to protect the city's essential programs during periods of economic downturn, which may temporarily reduce actual resources or cut the growth rate of city resources below that necessary to maintain pre-existing service levels. Additionally, the ending fund balance, commonly known as a reserve, can be used in the event of a natural catastrophe, to counter cyclical basic revenue growth (property, sales, and business and occupation taxes combined) below 5 percent for the biennium, or because of unfunded federal or state mandates.

All other governmental funds ending fund balances are determined by City Council and adopted with the budget ordinance.

The following schedule presents governmental fund balances in accordance with the purposes for which those balances are constrained for the year ending December 31, 2025, in thousands:

	General Fund	Operating Grants & Donations Fund	General CIP Fund	Other Governmental Funds	Total Governmental Funds
Fund balance					
Nonspendable for:					
Prepaids	$ 2,755	$ -	$ -	$ -	$ 2,755
Total Nonspendable fund balance	2,755	-	-	-	2,755
Restricted for:					
General government	$ 11,919	$ 7,283	$ -	$ 8	$ 19,210
Public safety	607	2,167	8,195	2,479	13,448
Physical environment	-	183	-	-	183
Transportation	-	1	25,487	-	25,488
Economic environment	-	-	-	191	191
Health & human services	-	329	-	-	329
Culture & recreation	8,006	1,111	54,379	-	63,496
Debt service	-	-	-	2,945	2,945
Total restricted fund balance	20,532	11,074	88,061	5,623	125,290
Committed for:					
General government	3,490	6,379	109,431	-	119,300
Public safety	-	61	-	-	61
Transportation	2,499	-	576	-	3,075
Economic environment	70,555	-	2,271	1,796	74,622
Health & human services	174	-	-	-	174
Culture & recreation	6,475	430	35,621	-	42,526
Debt service	-	-	-	4,249	4,249
Total committed fund balance	83,193	6,870	147,899	6,045	244,007
Assigned for:					
General government	5,117	-	18,563	947	24,627
Economic environment	-	-	-	480	480
Health & human services	-	-	-	36,291	36,291
Culture & recreation	1,768	54	-	-	1,822
Total assigned fund balance	6,885	54	18,563	37,718	63,220
Unassigned	74,300	-	-	-	74,300
Total unassigned fund balance	74,300	-	-	-	74,300
Fund Balance	$ 187,665	$ 17,998	$ 254,523	$ 49,386	$ 509,572

Note 17: Tax Abatement

The following table summarizes the estimated total revenue reduced by tax relief programs for the year ended December 31, 2025, in thousands:

	City of Bellevue	Other Governments		
	Multifamily Tax Exemption	King County Current Use	King County Single-family Dwelling Improvement	Total Revenue Reduction
Property Tax	$ 135	$ 41	$ 5	$ 181

The city's Multifamily Tax Exemption (MFTE) is an affordable housing incentive for new apartment development in targeted areas, pursuant to RCW 84.14 and BCC 4.52. The MFTE provides a 12-year exemption from property taxes paid on the housing portion of qualifying projects in exchange for setting aside 20 percent of the units for income-eligible households. To qualify, the property owner must submit an application to the city. This exemption may be canceled by the city for failure to comply with the terms of the MFTE contract or city code. Upon cancelation, property owners will become immediately liable for all taxes, interest, and penalties.

The King County Current Use tax relief programs provide property tax abatements to landowners who voluntarily preserve open space, farmland, or forestland pursuant to RCW 84.33.130 and RCW 84.34.010. To qualify, landowners must submit an application to the County Assessor. Once approved, participating properties are assessed according to their "current use," a value lower than the "highest and best use" assessment that would otherwise apply. When the land no longer meets the program requirements, landowners will be liable for abated taxes, interest, and penalties.

The King County Single-Family Dwelling Improvement program provides property tax relief to encourage home improvements under RCW 84.36.400. Additions or remodels of single-family dwellings may be exempted from taxation for the three years following completion of the improvement. Abatements are obtained through application by the property owner to the County Assessor prior to the start of the proposed construction. Once improvements are completed and approved, the property owner may receive an exemption of up to 30 percent of the pre-improvement value of the structure.

The Washington State Department of Revenue (DOR) High-Technology Sales and Use Tax Deferral is a sale and use tax abatement program pursuant to RCW 82.63. This deferral applies to sales and use tax arising from the construction or expansion of a qualified research and development facility, or a pilot scale manufacturing facility to be used in the technology categories of advanced computing, advanced materials, biotechnology, electronic device technology, or environmental technology. Under this incentive program, the DOR grants participants an exemption on sales and use tax for expenditures related to qualified buildings, qualified machinery and equipment, and labor and services rendered in the planning, installation, and construction of the project. To qualify, a business must submit an application to the DOR. Per the DOR, the amount of the abatement cannot be disclosed for the 2025 fiscal year because fewer than three businesses have been approved for this credit and releasing this data could reveal individual tax information.

Note 18: Asset Retirement Obligation

The city has a system of underground fuel storage tanks that have a legally enforceable liability associated with retirement due to environmental impacts. Each underground storage tanks system is made up of an underground storage tank with unconnected underground piping, underground ancillary equipment, and containment systems. According to RCW 90.76 and WAC 173-360A, retirement of these assets creates a threat of releasing hazardous materials, mainly petroleum, requiring financial assurance.

The city utilizes the straight-line depreciation method over the useful life of 30-year life. Annually, the city assesses the impact of inflation on the liability using CPI-U. In 2025, inflation rose which increased the liability.

For the in-service date, the city uses the information provided by the State of Washington State Department of Ecology Tanks database system.

The following table summarizes the impact of the asset retirement obligation for the year ended December 31, 2025, with dollars in thousands:

Underground Storage Site	Remaining Useful Life in Months	Liability	Current Year Expense
Bellevue Service Center	-	$ 750	$ 3
City Hall	104	750	27
Fire Station 1	-	637	3
Fire Station 2	-	637	3
Fire Station 3	-	637	11
Fire Station 4	24	637	30
Fire Station 5	-	583	2
Fire Station 6	-	579	2
Fire Station 7	-	580	6
Fire Station 8	-	580	2
Fire Station 9	60	580	22
Golf Course	-	637	27
Total		$ 7,587	$ 138

Note 19: Accounting Changes

Changes within financial reporting entity

With the adoption of the 2025-2026 budget, the city fund structure was reassessed, and the city minimized the number of funds in use. While remaining in compliance with GAAP, the fund structure was simplified.

Certain operating funds and the majority of the internal service funds have been absorbed into General Fund. The level of reporting in prior years no longer serves the intended purpose. Many of the activities that had restrictions are no longer applicable. In addition, the city decided to simplify the fund structure.

The General Fund absorbed the following funds:

- LEOFF 1 Medical Reserve Fund
- Parks M&O Reserve Fund
- Operating activity of the Housing Fund
- Workers' Compensation Fund
- Unemployment Compensation Fund
- General Self-Insurance Fund
- Health Benefits Fund
- Operating activity Information Technology Fund
- Facilities Services Fund
- Maintenance activity of the Equipment Rental Fund
- Marina Fund

The city created a new fund, the Restricted Special Purpose Fund, to summarize reporting of restricted revenue. This included

- Restricted activity from the General Fund
- Hotel/Motel Fund
- Restricted activity from the Housing Fund

The city retained the Equipment Rental Fund as the sole internal service fund to remain in compliance with RCW 35A.37.010 "Segregating and accounting".

Error Correction

When reassessing the fund structure, additional items were adjusted, resulting in an impact to the beginning fund balance or beginning net position.

The ARCH Private Purpose Trust Fund, while called a trust fund, is not held in a trust or trust-like arrangement. Therefore, per GASB 84, "Fiduciary Activities", this activity fits the definition of a custodial fund. The beginning fund balance for the private purpose trust fund has been reclassed to a custodial fund.

The Housing Fund was split into both the General Fund and Restricted Special Purpose Fund, as noted under the changes within financial reporting entity. However, some of the activities did not fit these two funds and should be reported as a fiduciary activity. These funds have been moved to the ARCH Private Purpose Trust Fund.

The ARO liability had been removed at the end of the useful life for some of the city's fuel tanks. However, each liability must remain until the asset is fully retired and the environmental impact is cleared. The liability and related expenses were reassessed and recorded to properly reflect the full liability. This impacted the Government-wide Governmental Activities Net Position.

The principal balance of the TIFIA loan has adjusted annually for the amount the city draws down against the allowable loan amount of $99.6 million. The city began payments on the loan in 2024. Per the United States Department of Transportation (USDOT) debt schedule provided in 2025, the city overstated the capitalized interest and therefore, overstated the outstanding loan. The amount was reconciled and the balance was adjusted properly reflecting the current of the loan. This impacted the Government-wide Governmental Activities Net Position.

	Government Wide		
	Governmental Activities	Business Type	Total
December 31, 2024 balance, as previously reported	$ 2,470,920	$ 1,048,936	$ 3,519,856
Change in financial reporting entity			
Movement of marina activity	10,499	(10,499)	-
Correction of error			
Housing Funds to Fiduciary Fund-ARCH	(6,579)	-	(6,579)
Adjustment of ARO Liability	(3,626)	-	(3,626)
Adjustment to TIFIA Loan Beginning Balance	4,169	-	4,169
Correction to TIFIA Loan	(2,418)	-	(2,418)
December 31, 2024 balance, as restated	$ 2,472,965	$ 1,038,437	$ 3,511,402

	Proprietary Funds	
	Marina Funds	Internal Service Funds
December 31, 2024 balance, as previously reported	$ 10,499	$ 64,928
Change in financial reporting entity		
Movement of marina activity	(10,499)	-
Internal service activity to the General Fund	-	(15,279)
December 31, 2024 balance, as restated	$ -	$ 49,649

	Fiduciary Funds	
	Private Purpose Trust Funds	Custodial Fund
	ARCH Housing Private Purpose Trust Fund	ARCH Housing Private Purpose Trust Fund
December 31, 2024 balance, as previously reported	$ 11,642	$ -
Correction of error		
ARCH to a Custodial Fund	(11,642)	11,642
Housing Funds to Fiducary Fund-ARCH	-	6,579
December 31, 2024 balance, as restated	$ -	$ 18,221

	Governmental Funds						
	General Fund	Restricted Special Purpose Fund	LEOFF 1 Medical Reserve Fund	Parks M&O Reserve	Hotel/Motel Tax	Housing Fund	Total
December 31, 2024 balance, as previously reported	$ 136,636	$ -	$ 587	$ 9,027	$ 2,041	$ 38,495	$ 186,786
Change in financial reporting entity, simplification of funds	43,066	37,473	(587)	(9,027)	(2,041)	(31,916)	36,968
Correction of error- ARCH Fiduciary Funds	-	-	-	-	-	(6,579)	(6,579)
December 31, 2024 balance, as restated	$ 179,702	$ 37,473	$ -	$ -	$ -	$ -	$ 217,175

	Internal Service Funds							
	Equipment Rental	Workers' Compensation Fund	Unemployment Compensation	General Self Insurance	Health Benefits	Information Technology	Facilities Service	Total
December 31, 2024 balance, as previously reported	$ 48,749	$ 475	$ 131	$ 399	$ 9,277	$ 2,705	$ 3,192	$ 64,928
Change in financial reporting entity, simplification of funds	900	(475)	(131)	(399)	(9,277)	(2,705)	(3,192)	(15,279)
December 31, 2024 balance, as restated	$ 49,649	$ -	$ -	$ -	$ -	$ -	$ -	$ 49,649

Note 20: Subsequent Event

The city had two notable events occur after December 31, 2025, but before the date the financial statements were issued. Both activities relate to financing the Grand Connection Crossing Project. This project will include a land acquisition and construction of a pedestrian bridge over Interstate 405. The estimated costs to complete this are $175-230 million.

Bond Issuance

On May 14, 2026, the city issued $76.5 million in LTGO refunding bonds, with an average interest rate of 5.0 percent and a $7.6 million premium, to advance refund the 2015 LTGO Refunding Series. This issuance is expected to provide net present value debt service savings of approximately $2.5 million over the life of the bonds.

The pledged security for the 2026 LTGO and Refunding Bonds will remain substantially the same as was established for the 2015 LTGO Refunding Series. A portion of the 2015 Bonds debt service will continue to be paid by the Hotel/Motel Tax and the local revitalization funds.

The new money portion of LTGO debt will assist in financing the Grand Connection Crossing Project. The debt will have a 20-year maturity and annual debt service payments of approximately $2.2 million.

Tax increment financing (TIF)

Per the TIF act, local governments are authorized to carry out tax increment financing of public improvements supporting vital private economic development within the established Tax Increment Area (TIA). In June 2026, the city established a TIA which includes approximately 63.3 acres.

The governing bodies of King County, EMS (King County), King County Flood Control District, Port of Seattle, Sound Transit, and King County Library District approved by majority vote to participate. This authorizes the allocation of property tax revenues generated by the increased assessed valuation to fund a portion of the Grand Connection Crossing project. These revenues are estimated to be $67.7 million. The collection of these funds will sunset on December 31, 2052.

Required Supplementary Information

Schedule of Changes in the City's Net Pension Liability and Related Ratios
Firefighters' Pension Fund

Last Ten Fiscal Years
(Dollars in thousands)

	2016	2017	2018	2019	2020
Total pension liability					
Service cost	$ -	$ -	$ -	$ -	$ -
Interest	137	145	143	156	130
Differences between expected & actual experience	290	90	539	(616)	168
Changes of assumptions	-	-	-	-	-
Benefit payments, including refunds of member contributions	(219)	(198)	(356)	(256)	(312)
Net change in total pension liability	208	37	326	(716)	(14)
Total pension liability--beginning	4,025	4,233	4,271	4,598	3,882
Total pension liability--ending	$ 4,233	$ 4,271	$ 4,598	$ 3,882	$ 3,868
Plan fiduciary net position					
Contributions - State of Washington	$ 214	$ 216	$ 217	$ 227	$ 277
Contributions - employer and member	-	-	-	-	-
Net investment income	69	67	132	199	42
Benefit payments	(219)	(198)	(356)	(256)	(313)
Administrative expense	(3)	(14)	(15)	(22)	(7)
Other	(13)	-	-	-	-
Net change in plan fiduciary net position	48	71	(21)	148	(1)
Plan fiduciary net position--beginning	6,767	6,815	6,886	6,865	7,013
Plan fiduciary net position--ending	$ 6,815	$ 6,886	$ 6,865	$ 7,013	$ 7,012
City's net pension liability (asset)-ending	$ (2,581)	$ (2,615)	$ (2,267)	$ (3,131)	$ (3,144)
Plan fiduciary net position as a percentage of the total pension liability	160.98%	161.23%	149.30%	180.62%	181.30%
Covered payroll	$ -	$ -	$ -	$ -	$ -
City's net pension liability (asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

The notes to the RSI are an integral part of this schedule.

Schedule of Changes in the City's Net Pension Liability and Related Ratios
Firefighters' Pension Fund

Last Ten Fiscal Years
(Dollars in thousands)

	2021	2022	2023	2024	2025
Total pension liability					
Service cost	$ -	$ -	$ -	$ -	$ -
Interest	130	160	124	101	121
Differences between expected & actual experience	680	(875)	(468)	464	(199)
Changes of assumptions	346	-	-	315	-
Benefit payments, including refunds of member contributions	(301)	(312)	(307)	(320)	(291)
Net change in total pension liability	855	(1,027)	(651)	560	(369)
Total pension liability--beginning	3,868	4,723	3,696	3,045	3,605
Total pension liability--ending	$ 4,723	$ 3,696	$ 3,045	$ 3,605	$ 3,236
Plan fiduciary net position					
Contributions - State of Washington	$ 260	$ 276	$ 310	$ 333	$ 378
Contributions - employer and member	-	-	-	-	-
Net investment income	15	40	282	334	338
Benefit payments	(302)	(312)	(307)	(320)	(291)
Administrative expense	(13)	-	-	(20)	(13)
Other	-	-	54	-	-
Net change in plan fiduciary net position	(40)	4	339	327	412
Plan fiduciary net position--beginning	7,012	6,972	6,976	7,315	7,642
Plan fiduciary net position--ending	$ 6,972	$ 6,976	$ 7,315	$ 7,642	$ 8,054
City's net pension liability (asset)-ending	$ (2,249)	$ (3,280)	$ (4,270)	$ (4,037)	$ (4,818)
Plan fiduciary net position as a percentage of the total pension liability	147.61%	188.76%	240.21%	211.95%	248.85%
Covered payroll	$ -	$ -	$ -	$ -	$ -
City's net pension liability (asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

The notes to the RSI are an integral part of this schedule.

Schedule of Contributions and Schedule of Investment Returns
Firefighters' Pension Fund

Last Ten Fiscal Years
(Dollars in thousands)

	2016	2017	2018	2019	2020
Actuarially determined contribution	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the actuarially determined contribution	214	215	217	227	277
Contribution deficiency (excess)	$ 214	$ 215	$ 217	$ 227	$ 277
Covered payroll	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A
Annual money-weighted rate of return, net of investment expense	0.82%	0.98%	1.94%	2.91%	0.61%

The notes to the RSI are an integral part of this schedule.

Schedule of Contributions and Schedule of Investment Returns
Firefighters' Pension Fund

Last Ten Fiscal Years
(Dollars in thousands)

	2021	2022	2023	2024	2025
Actuarially determined contribution	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the actuarially determined contribution	260	276	310	333	378
Contribution deficiency (excess)	$ 260	$ 276	$ 310	$ 333	$ 378
Covered payroll	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A
Annual money-weighted rate of return, net of investment expense	0.21%	0.58%	4.82%	4.57%	4.40%

The notes to the RSI are an integral part of this schedule.

City of Bellevue, WA

Schedule of City's Proportionate Share of the Net Pension Liability
Department of Revenue Plans- PERS

As of June 30, 2025
Last Ten Fiscal Years
(Dollars in thousands)

	PERS 1				
	2016	2017	2018	2019	2020
City's proportion of the net pension liability (asset)	0.68%	0.64%	0.65%	0.64%	0.64%
City's proportionate share of the net pension liability (asset)	$ 36,620	$ 30,206	$ 29,195	$ 24,714	$ 22,710
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	$ 36,620	$ 30,206	$ 29,195	$ 24,714	$ 22,710
City's covered payroll	$ 83,134	$ 84,231	$ 89,556	$ 93,477	$ 100,985
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	46.1%	37.6%	34.2%	27.8%	23.6%
Plan fiduciary net position as a percentage of the total pension liability (asset)	57.0%	61.2%	63.2%	67.1%	68.6%

	PERS 2/3				
	2016	2017	2018	2019	2020
City's proportion of the net pension liability (asset)	0.84%	0.81%	0.81%	0.81%	0.82%
City's proportionate share of the net pension liability (asset)	$ 42,134	$ 28,183	$ 13,880	$ 7,877	$ 10,459
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	$ 42,134	$ 28,183	$ 13,880	$ 7,877	$ 10,459
City's covered payroll	$ 78,251	$ 79,679	$ 84,506	$ 88,407	$ 95,958
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	53.8%	35.4%	16.4%	8.9%	10.9%
Plan fiduciary net position as a percentage of the total pension liability (asset)	86.0%	91.0%	96.0%	98.0%	97.2%

The notes to the RSI are an integral part of this schedule.

Schedule of City's Proportionate Share of the Net Pension Liability
Department of Revenue Plans- PERS

As of June 30, 2025
Last Ten Fiscal Years
(Dollars in thousands)

	PERS 1				
	2021	2022	2023	2024	2025
City's proportion of the net pension liability (asset)	0.63%	0.62%	0.61%	0.61%	0.64%
City's proportionate share of the net pension liability (asset)	$ 7,680	$ 17,136	$ 14,018	$ 10,800	$ 7,583
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	$ 7,680	$ 17,136	$ 14,018	$ 10,800	$ 7,583
City's covered payroll	$ 100,107	$ 103,917	$ 113,183	$ 124,511	$ 140,725
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	8.0%	17.1%	12.9%	8.9%	7.4%
Plan fiduciary net position as a percentage of the total pension liability (asset)	88.7%	76.6%	80.2%	84.1%	89.1%

	PERS 2/3				
	2021	2022	2023	2024	2025
City's proportion of the net pension liability (asset)	0.79%	0.79%	0.78%	0.78%	0.82%
City's proportionate share of the net pension liability (asset)	$ (79,164)	$ (29,410)	$ (32,074)	$ (25,567)	$ (31,252)
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	$ (79,164)	$ (29,410)	$ (32,074)	$ (25,567)	$ (31,252)
City's covered payroll	$ 95,308	$ 100,114	$ 108,908	$ 120,813	$ 137,101
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	(83.1%)	(29.4%)	(29.4%)	(21.2%)	(22.8%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	120.3%	106.7%	107.0%	105.2%	105.6%

The notes to the RSI are an integral part of this schedule.

Schedule of City’s Proportionate Share of the Net Pension Liability
Department of Revenue Plans- PSERS

As of June 30, 2025
Last Ten Fiscal Years
(Dollars in thousands)

	PSERS 2				
	2016	2017	2018	2019	2020
City's proportion of the net pension liability (asset)	0.23%	0.21%	0.18%	0.15%	0.13%
City's proportionate share of the net pension liability (asset)	$ 99	$ 42	$ 2	$ (19)	$ (18)
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	$ 99	$ 42	$ 2	$ (19)	$ (18)
City's covered payroll	$ 762	$ 750	$ 717	$ 661	$ 825
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	13.0%	5.6%	0.3%	(2.9%)	(2.2%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	95.1%	96.3%	96.3%	101.9%	101.7%

The notes to the RSI are an integral part of this schedule.

Schedule of City's Proportionate Share of the Net Pension Liability
Department of Revenue Plans- PSERS

As of June 30, 2025
Last Ten Fiscal Years
(Dollars in thousands)

	PSERS 2				
	2021	2022	2023	2024	2025
City's proportion of the net pension liability (asset)	0.15%	0.15%	0.13%	0.13%	0.12%
City's proportionate share of the net pension liability (asset)	$ (347)	$ (104)	$ (137)	$ (54)	$ (47)
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	$ (347)	$ (104)	$ (137)	$ (54)	$ (47)
City's covered payroll	$ 1,022	$ 991	$ 987	$ 1,179	$ 1,455
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	(34.0%)	(10.5%)	(139.9%)	(4.6%)	(3.2%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	123.7%	106.0%	107.9%	102.6%	102.0%

The notes to the RSI are an integral part of this schedule.

Schedule of City's Proportionate Share of the Net Pension Liability
Department of Revenue Plans- LEOFF

As of June 30, 2025
Last Ten Fiscal Years
(Dollars in thousands)

LEOFF 1

	2016	2017	2018	2019	2020
City's proportion of the net pension liability (asset)	0.30%	0.31%	0.31%	0.31%	0.32%
City's proportionate share of the net pension liability (asset)	$ (3,051)	$ (4,639)	$ (5,643)	$ (6,215)	$ (6,012)
State proportionate share of the net pension liability (asset) associated with the city	(20,638)	(31,381)	(38,171)	(42,034)	(40,671)
Total	$ (23,689)	$ (36,020)	$ (43,814)	$ (48,249)	$ (46,683)
City's covered payroll	$ -	$ -	$ -	$ -	$ -
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability (asset)	123.7%	135.9%	144.4%	148.8%	146.9%

LEOFF 2

	2016	2017	2018	2019	2020
City's proportion of the net pension liability (asset)	1.37%	1.38%	1.44%	1.41%	1.37%
City's proportionate share of the net pension liability (asset)	$ (7,987)	$ (19,186)	$ (29,159)	$ (32,676)	$ (27,968)
	(5,207)	(12,445)	(18,880)	(21,399)	(17,883)
Total	$ (13,194)	$ (31,631)	$ (48,039)	$ (54,075)	$ (45,851)
City's covered payroll	$ 41,682	$ 43,213	$ 47,425	$ 49,311	$ 51,907
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	(19.2%)	(44.4%)	(61.5%)	(66.3%)	(53.9%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	106.0%	113.4%	118.5%	119.4%	115.8%

The notes to the RSI are an integral part of this schedule.

Schedule of City's Proportionate Share of the Net Pension Liability
Department of Revenue Plans- LEOFF

As of June 30, 2025
Last Ten Fiscal Years
(Dollars in thousands)

	LEOFF 1				
	2021	2022	2023	2024	2025
City's proportion of the net pension liability (asset)	0.32%	0.33%	0.32%	0.33%	0.33%
City's proportionate share of the net pension liability (asset)	$ (10,911)	$ (9,361)	$ (9,510)	$ (9,308)	$ (10,562)
State proportionate share of the net pension liability (asset) associated with the city	(73,803)	(63,320)	(64,326)	(62,959)	(71,440)
Total	$ (84,714)	$ (72,681)	$ (73,836)	$ (72,267)	$ (82,002)
City's covered payroll	$ -	$ -	$ -	$ -	$ -
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability (asset)	187.5%	169.6%	176.0%	168.5%	178.0%

	LEOFF 2				
	2021	2022	2023	2024	2025
City's proportion of the net pension liability (asset)	1.38%	1.36%	1.30%	1.47%	1.35%
City's proportionate share of the net pension liability (asset)	$ (80,400)	$ (37,038)	$ (31,133)	$ (27,505)	$ (26,133)
State proportionate share of the net pension liability (asset) associated with the city	(51,867)	(23,992)	(19,881)	(17,850)	(16,695)
Total	$ (132,267)	$ (61,030)	$ (51,014)	$ (45,355)	$ (42,828)
City's covered payroll	$ 53,555	$ 55,054	$ 57,406	$ 70,618	$ 71,964
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	(150.1%)	(67.3%)	(54.2%)	(38.9%)	(36.1%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	142.0%	116.1%	113.2%	109.3%	108.8%

The notes to the RSI are an integral part of this schedule.

Schedule of City's Contributions -Department of Revenue Plans

Last Ten Fiscal Years
(Dollars in thousands)

PERS 1

	2016	2017	2018	2019	2020
Contractually required contributions	$ 8,867	$ 9,965	$ 11,089	$ 11,800	$ 12,509
Contributions in relation to the contractually required contribution, including administration costs	(8,867)	(9,930)	(11,035)	(11,799)	(12,445)
Contribution deficiency (excess)	$ -	$ (35)	$ 54	$ 1	$ 64
City's covered payroll	$ 83,055	$ 87,108	$ 90,950	$ 96,379	$ 101,617
Contributions as a percentage of covered payroll	11.2%	12.0%	12.7%	12.8%	12.8%

PERS 2/3

	2016	2017	2018	2019	2020
Contractually required contributions	$ 8,749	$ 9,835	$ 10,970	$ 11,733	$ 12,466
Contributions in relation to the contractually required contribution, including administration costs	(8,770)	(9,834)	(10,951)	(11,732)	(12,402)
Contribution deficiency (excess)	$ (21)	$ 1	$ 19	$ 1	$ 64
City's covered payroll	$ 78,251	$ 82,274	$ 85,937	$ 91,338	$ 96,666
Contributions as a percentage of covered payroll	11.2%	12.0%	12.7%	12.8%	12.8%

PSERS 2

	2016	2017	2018	2019	2020
Contractually required contributions	$ 89	$ 84	$ 85	$ 84	$ 117
Contributions in relation to the contractually required contribution, including administration costs	(89)	(84)	(84)	(84)	(117)
Contribution deficiency (excess)	$ -	$ -	$ 1	$ -	$ -
City's covered payroll	$ 774	$ 715	$ 697	$ 690	$ 959
Contributions as a percentage of covered payroll	11.5%	11.7%	12.1%	12.3%	12.2%

LEOFF 2

	2016	2017	2018	2019	2020
Contractually required contributions	$ 2,204	$ 2,332	$ 2,646	$ 2,753	$ 2,840
Contributions in relation to the contractually required contribution, including administration costs	(2,204)	(2,332)	(2,658)	(2,786)	(2,840)
Contribution deficiency (excess)	$ -	$ -	$ (12)	$ (33)	$ -
City's covered payroll	$ 42,143	$ 43,741	$ 48,728	$ 51,159	$ 53,287
Contributions as a percentage of covered payroll	5.2%	5.3%	5.5%	5.4%	5.3%

The notes to the RSI are an integral part of this schedule.

Schedule of City’s Contributions -Department of Revenue Plans

Last Ten Fiscal Years
(Dollars in thousands)

PERS 1

	2021	2022	2023	2024	2025
Contractually required contributions	$ 11,167	$ 10,709	$ 11,531	$ 12,042	$ 10,693
Contributions in relation to the contractually required contribution, including administration costs	(11,138)	(10,656)	(11,496)	(12,052)	(10,394)
Contribution deficiency (excess)	$ 29	$ 53	$ 35	$ (10)	$ 299
City's covered payroll	$ 100,220	$ 107,898	$ 120,001	$ 133,068	$ 143,670
Contributions as a percentage of covered payroll	11.6%	10.2%	9.9%	9.9%	7.3%

PERS 2/3

	2021	2022	2023	2024	2025
Contractually required contributions	$ 11,155	$ 10,698	$ 11,519	$ 12,030	$ 10,940
Contributions in relation to the contractually required contribution, including administration costs	(11,126)	(10,644)	(11,483)	(12,040)	(10,940)
Contribution deficiency (excess)	$ 29	$ 54	$ 36	$ (10)	$ -
City's covered payroll	$ 95,999	$ 103,903	$ 115,959	$ 129,385	$ 141,742
Contributions as a percentage of covered payroll	11.6%	10.2%	9.9%	10.2%	7.3%

PSERS 2

	2021	2022	2023	2024	2025
Contractually required contributions	$ 108	$ 105	$ 105	$ 141	$ 115
Contributions in relation to the contractually required contribution, including administration costs	(115)	(105)	(105)	(132)	(118)
Contribution deficiency (excess)	$ (7)	$ -	$ -	$ 9	$ (3)
City's covered payroll	$ 959	$ 1,004	$ 1,024	$ 1,366	$ 1,409
Contributions as a percentage of covered payroll	12.0%	10.5%	10.2%	9.7%	8.4%

LEOFF 2

	2021	2022	2023	2024	2025
Contractually required contributions	$ 2,832	$ 2,948	$ 3,489	$ 3,719	$ 3,916
Contributions in relation to the contractually required contribution, including administration costs	(2,888)	(2,947)	(3,489)	(3,726)	(3,934)
Contribution deficiency (excess)	$ (56)	$ 1	$ -	$ (7)	$ (18)
City's covered payroll	$ 53,287	$ 55,614	$ 65,735	$ 69,915	$ 73,603
Contributions as a percentage of covered payroll	5.4%	5.3%	5.3%	5.3%	5.3%

The notes to the RSI are an integral part of this schedule.

Schedule of Changes in the City's Total OPEB Liability and Related Ratios
LEOFF 1 Other Postemployment Benefits Plan

Last Ten Fiscal Years[1]
(Dollars in thousands)

	2018	2019	2020	2021
Total OPEB liability:				
Service Cost	$ 4	$ 4	$ 3	$ 3
Interest	1,045	1,134	851	576
Difference between expected & actual experience	-	-	(1,414)	-
Changes of assumption or other inputs	(1,988)	4,093	144	434
Benefit Payments	(1,774)	(1,808)	(1,828)	(1,840)
Net change in total OPEB liability	(2,713)	3,423	(2,244)	(827)
Total OPEB liability- beginning	31,260	28,547	31,970	29,726
Total OPEB liability- ending	$ 28,547	$ 31,970	$ 29,726	$ 28,899
Covered employee payroll	N/A	N/A	N/A	N/A
Total OPEB liability as a percentage of covered employee payroll	N/A	N/A	N/A	N/A

[1] GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" was implemented in 2018. Prior to 2018, these items were not utilized for the OPEB calculation.

Schedule of Changes in the City's Total OPEB Liability and Related Ratios
LEOFF 1 Other Postemployment Benefits Plan

Last Ten Fiscal Years[1]
(Dollars in thousands)

	2022	2023	2024	2025
Total OPEB liability:				
Service Cost	$ -	$ -	$ -	$ -
Interest	515	895	822	841
Difference between expected & actual experience	(1,865)	-	(445)	-
Changes of assumption or other inputs	(2,755)	519	215	(1,109)
Benefit Payments	(1,862)	(1,675)	(1,718)	(1,858)
Net change in total OPEB liability	(5,967)	(261)	(1,126)	(2,126)
Total OPEB liability- beginning	28,899	22,932	22,671	21,545
Total OPEB liability- ending	$ 22,932	$ 22,671	$ 21,545	$ 19,419
Covered employee payroll	N/A	N/A	N/A	N/A
Total OPEB liability as a percentage of covered employee payroll	N/A	N/A	N/A	N/A

[1] GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" was implemented in 2018. Prior to 2018, these items were not utilized for the OPEB calculation.

(This page is intentionally left blank.)

Schedule of Modified Approach for Reporting Infrastructure Assets

For the Fiscal Year Ended December 31, 2025

The city's minimum acceptable condition levels have been defined as having at least 60 percent of arterial roadways and 75 percent of residential roadways at or above satisfactory condition.

The following disclosures compare roadway conditions for the last three years, and the related estimated and actual expenditures involved in maintaining arterial and residential roadways for the last five years.

Condition Rating of the City's Street System

	2023	2024	2025
Arterial:			
Percent above satisfactory	88%	89%	90%
Overall performance rating:	75	75	73
Residential:			
Percent above satisfactory	89%	96%	98%
Overall performance rating:	75	74	76

Comparison of Needed to Actual Expenditures
(in thousands)

	2021	2022	2023	2024	2025
Arterial:					
Needed:	$ 5,884	$ 5,290	$ 6,303	$ 4,933	$ 6,045
Actual:	7,370	-	5,283	6,056	10,268
Residential:					
Needed:	$ 147	$ 2,267	$ 1,566	$ 4,319	$ 2,359
Actual:	137	2,405	637	5,296	1,655

Following GASB Statement No. 34 "Basic Financial Statements- Management's Discussion and Analysis- for State and Local Governments", the city is reporting major historic infrastructure acquired in fiscal years ending after June 30, 1980.

Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget to Actuals- General Fund

For the Fiscal Year Ended December 31, 2025

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues:				
Taxes & special assessments	$ 264,261	$ 264,261	$ 252,922	$ 11,339
Licenses & permits	13,540	13,540	16,044	(2,504)
Intergovernmental	32,128	32,520	34,710	(2,190)
Service charges & fees	41,987	41,987	39,939	2,048
Fines & forfeitures	2,271	2,271	2,714	(443)
Interest & penalties	2,783	2,777	6,742	(3,965)
Net change in fair value of investments	2	2	(712)	714
Rent	7,458	6,645	8,658	(2,013)
Judgments & settlements	15	15	-	15
Insurance recovery	334	334	258	76
Premiums/contributions	36,174	36,174	36,521	(347)
Other	1,912	1,912	2,928	(1,016)
Total revenues	402,865	402,438	400,724	1,714
Expenditures:				
Current:				
General government	121,282	121,282	113,277	8,005
Public safety	138,482	138,482	136,879	1,603
Physical environment	594	594	641	(47)
Transportation	44,408	44,408	41,160	3,248
Economic environment	60,006	60,398	45,898	14,500
Health & human services	2,339	2,339	8,431	(6,092)
Culture & recreation	44,006	43,707	42,984	723
Debt service:				
Principal	-	-	3,012	(3,012)
Interest & fiscal charges	-	-	220	(220)
Capital outlay:				
General government	-	-	1,666	(1,666)
Public safety	-	-	810	(810)
Transportation	-	-	90	(90)
Culture & recreation	-	-	68	(68)
Total expenditures	411,117	411,210	395,136	16,074
Excess (deficiency) of revenues over (under) expenditures	(8,252)	(8,772)	5,588	(14,360)
Other financing sources (uses):				
Transfers in	(4,882)	(4,882)	333	(5,215)
Transfers out	7,948	7,948	(8,134)	16,082
Contributed capital	(875)	(875)	-	(875)
Lease financing	-	-	2,930	(2,930)
Total other financing sources & uses	2,191	2,191	(4,871)	7,062
Net change in fund balance	(6,061)	(6,581)	717	(7,298)
Fund balance at beginning of year, as previously reported	-	-	124,718	(124,718)
Change within financial reporting entity	-	-	45,992	(45,992)
Fund balance at beginning of year, as restated	-	-	170,710	(170,710)
Fund balance at end of year	$ (6,061)	$ (6,581)	$ 171,427	$ (178,008)

The notes to the RSI are an integral part of this schedule.

Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget to Actuals- General Fund

For the Fiscal Year Ended December 31, 2025

Perspective Difference Reconciliation:

Actual fund balance - General Fund Statement of Revenues, Expenditures, & Changes in Fund Balances	$ 171,427
The following funds were budgeted as special revenue funds but do not meet the definition under GASB Statement 54 and are accounted for within the General Fund:	
Human Service Fund	6,813
Land Purchase Revolving Fund	8,818
LEOFF 1 Medical Fund	607
Total Fund Balance - General Fund Balance for Governmental Funds	$ 187,665

The notes to the RSI are an integral part of this schedule.

Schedule of Revenues, Expenditures, and Changes in Fund Balance-
Budget to Actuals- Operating Grants & Donation Fund

For the Fiscal Year Ended December 31, 2025

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues:				
Intergovernmental	$ 16,571	$ 18,390	$ 15,445	$ 2,945
Service charges & fees	56	56	122	(66)
Interest & penalties	-	-	485	(485)
Net change in fair value of investments	-	-	22	(22)
Premiums/contributions	259	259	529	(270)
Other	-	400	725	(325)
Total revenues	16,886	19,105	17,328	1,777
Expenditures:				
Current:				
General government	-	-	74	(74)
Public safety	918	1,881	2,979	(1,098)
Physical environment	5,861	6,261	5,820	441
Transportation	7,973	8,249	7,542	707
Economic environment	1,809	2,388	1,409	979
Health & human services	393	393	307	86
Culture & recreation	152	152	577	(425)
Debt service:				
Capital outlay:				
Public safety	334	334	292	42
Total expenditures	17,440	19,658	19,000	658
Excess (deficiency) of revenues over (under) expenditures	(554)	(553)	(1,672)	1,119
Other financing sources (uses):				
Transfers in	-	-	5	(5)
Transfers out	-	-	(928)	928
Total other financing sources & uses	-	-	(923)	923
Net change in fund balance	(554)	(553)	(2,595)	2,042
Fund balance at beginning of year, as previously reported	-	-	20,593	(20,593)
Fund balance at beginning of year, as restated	-	-	20,593	(20,593)
Fund balance at end of year	$ (554)	$ (553)	$ 17,998	$ (18,551)

Notes to the Required Supplementary Information

Firefighter Pension Plan

Actuarial assumptions

- Valuation date: Actuarially determined contribution rates are calculated as of January 1.
- Actuarial cost method: Entry age normal cost
- Amortization method: Level amortization of net pension liability as level dollar amount over five-year period
- Asset valuation method: Market value
- Salary increases: 3.0 percent, including inflation
- Investment rate of return 3.5 percent
- Service Retirement: All members who are owed benefit under this plan have commenced benefits.
- Mortality: The mortality rates used are based on the 2024 IRS Generational Mortality Tables, projected with the 2024 Adjusted MP-2021 Project Scale.

Department of Retirement System Pension Programs

Changes in methods

OSA adjusted their methods, improving the model of benefits paid to retirees and beneficiaries in their month of death to better match current administration.

OPEB

Changes in assumption.

Changes in assumptions and other inputs reflect the effect of changes in the discount rate for each period.

Year	Discount Rate
2018	4.1%
2019	2.7%
2020	2.0%
2021	1.8%
2022	4.1%
2023	3.8%
2024	4.1%
2025	4.8%

Assets

There are no assets in a trust compliant with GASB codification P22.101 or P52.101.

Modified Approach

The roadways in the city are made up of two systems: arterial roadways and residential roadways. The condition of these systems is assessed every two years. This assessment measures the condition of the pavement surface to classify the roads into two performance rating levels illustrated in the table below. During years when the roadways are not physically assessed, calculated updates are made by the Transportation Pavement Management System.

	Satisfactory	Unsatisfactory
Arterial	50-100	0-49
Residential	30-100	0-29

Budget and Actual Schedules

The city budgets and accounts for all funds on a modified accrual basis. Expenditure appropriations include ending fund balance as reserves. The General Fund, for financial reporting purposes, includes the Human Services Fund, Land Purchase Revolving Fund, and LEOFF 1 Medical Fund for these funds are adopted separately within the city's budget adoption ordinance. Detailed schedules for these can be found in the Nonmajor Governmental Funds section of the report.

Nonmajor Governmental Funds

The details for the nonmajor governmental funds are included in the following statements.

The Restricted Special Purpose Fund accounts for activities that are supported by funds that are restricted to a specific purpose. These include:

- Activity that is restricted by interlocal agreement
- Collection of hotel/motel taxes used for debt service payments on general obligation bonds of the Bellevue Convention Center Authority
- Funds that support the Bellevue Redmond Tourism Promotion Area
- State of Washington House Bill 1590 funding restricted for Affordable Housing funding

The Interest and Debt Redemption - Regular Levy Fund accounts for debt service on the City Council-approved general obligation bond. Primary revenues for the fund consist of general property tax and local sales tax.

Combining Balance Sheet
Nonmajor Governmental Funds

As of December 31, 2025
(in thousands)

	Restricted Special Purpose Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Assets:			
Cash & equity in pooled investments	$ 40,367	$ 7,171	$ 47,538
Receivables (net of allowances):			
Taxes	3,445	-	3,445
Accounts	1,770	-	1,770
Interest	169	23	192
Total assets	$ 45,751	$ 7,194	$ 52,945
Liabilities:			
Accounts payable	$ 1,283	$ -	$ 1,283
Due to other funds	1,854	-	1,854
Due to component unit	260	-	260
Accrued payroll	102	-	102
Deposits payable	60	-	60
Total liabilities	$ 3,559	$ -	$ 3,559
Fund balance:			
Restricted	2,678	2,945	5,623
Committed	1,796	4,249	6,045
Assigned	37,718	-	37,718
Total fund balance	42,192	7,194	49,386
Total liabilities, deferred inflows, & fund balance	$ 45,751	$ 7,194	$ 52,945

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended December 31, 2025
(in thousands)

	Restricted Special Purpose Fund	LEOFF 1 Medical Fund	Parks M&O Reserve	Hotel/Motel Fund
Revenues:				
Taxes & special assessments	$ 21,708	$ -	$ -	$ -
Intergovernmental	1,285	-	-	-
Service charges & fees	3,581	-	-	-
Fines & forfeitures	11	-	-	-
Interest & penalties	1,477	-	-	-
Net change in fair value of investments	69	-	-	-
Judgments & settlements	314	-	-	-
Other	85	-	-	-
Total revenues	28,530	-	-	-
Expenditures:				
Current:				
General government	5,811	-	-	-
Public safety	1,009	-	-	-
Physical environment	544	-	-	-
Economic environment	7,396	-	-	-
Health & human services	1,804	-	-	-
Debt service:				
Principal	-	-	-	-
Interest & fiscal charges	-	-	-	-
Capital outlay:				
Public safety	72	-	-	-
Total expenditures	16,636	-	-	-
Excess (deficiency) of revenues over (under) expenditures	11,894	-	-	-
Other financing sources (uses):				
Transfers in	312	-	-	-
Transfers out	(7,487)	-	-	-
Total other financing sources & uses	(7,175)	-	-	-
Net change in fund balance	4,719	-	-	-
Fund balance at beginning of year, as previously reported	-	587	9,027	2,041
Change within financial reporting entity	37,473	(587)	(9,027)	(2,041)
Correction of error	-	-	-	-
Fund balance at beginning of year, as restated	37,473	-	-	-
Fund balance at end of year	$ 42,192	$ -	$ -	$ -

City of Bellevue, WA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended December 31, 2025

(in thousands)

	Housing Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:			
Taxes & special assessments	$ -	$ 500	$ 22,208
Intergovernmental	-	-	1,285
Service charges & fees	-	-	3,581
Fines & forfeitures	-	-	11
Interest & penalties	-	350	1,827
Net change in fair value of investments	-	13	82
Judgments & settlements	-	-	314
Other	-	-	85
Total revenues	-	863	29,393
Expenditures:			
Current:			
General government	-	-	5,811
Public safety	-	-	1,009
Physical environment	-	-	544
Economic environment	-	-	7,396
Health & human services	-	-	1,804
Debt service:			
Principal	-	20,530	20,530
Interest & fiscal charges	-	8,589	8,589
Capital outlay:			
Public safety	-	-	72
Total expenditures	-	29,119	45,755
Excess (deficiency) of revenues over (under) expenditures	-	(28,256)	(16,362)
Other financing sources (uses):			
Transfers in	-	28,619	28,931
Transfers out	-	-	(7,487)
Total other financing sources & uses	-	28,619	21,444
Net change in fund balance	-	363	5,082
Fund balance at beginning of year, as previously reported	38,495	6,831	56,981
Change within financial reporting entity	(31,916)	-	(6,098)
Correction of error	(6,579)	-	(6,579)
Fund balance at beginning of year, as restated	-	6,831	44,304
Fund balance at end of year	$ -	$ 7,194	$ 49,386

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actuals- Human Services

For the Year Ended December 31, 2025
(in thousands)

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues:				
Taxes & special assessments	$ -	$ -	$ 6,529	$ (6,529)
Net change in fair value of investments	-	-	9	(9)
Premiums/contributions	-	-	9	(9)
Total revenues	-	-	6,547	(6,547)
Expenditures:				
Current:				
Economic environment	1	1	1	-
Health & human services	1,479	1,479	1,667	(188)
Total expenditures	1,480	1,480	1,668	(188)
Excess (deficiency) of revenues over (under) expenditures	(1,480)	(1,480)	4,879	(6,359)
Other financing sources (uses):				
Transfers in	-	-	579	(579)
Total other financing sources & uses	-	-	579	(579)
Net change in fund balance	(1,480)	(1,480)	5,458	(6,938)
Fund balance at beginning of year	-	-	(303)	303
Fund balance at end of year	$ (1,480)	$ (1,480)	$ 5,155	$ (6,635)

The Human Service Fund, while adopted by budget, has been reported in the General Fund and Restricted Purpose Fund. The fund balance is broken out as follows:

General Fund	6,813
Restricted Special Purpose Fund	(1,658)
Total Fund Balance - Human Services Fund	$ 5,155

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actuals- LEOFF 1

For the Year Ended December 31, 2025
(in thousands)

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues:				
Intergovernmental	$ -	$ -	$ 39	$ (39)
Interest & penalties	-	-	24	(24)
Net change in fair value of investments	-	-	1	(1)
Total revenues	-	-	64	(64)
Expenditures:				
Current:				
Public safety	55	55	44	11
Total expenditures	55	55	44	11
Excess (deficiency) of revenues over (under) expenditures	(55)	(55)	20	(75)
Fund balance at beginning of year	-	-	587	(587)
Fund balance at end of year	$ (55)	$ (55)	$ 607	$ (662)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actuals- Land Purchase Revolving Fund

For the Year Ended December 31, 2025
(in thousands)

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues:				
Net change in fair value of investments	$ -	$ -	$ 15	$ (15)
Rent	1,012	1,012	922	90
Other	-	-	-	-
Total revenues	1,012	1,012	937	75
Expenditures:				
Current:				
General government	274	274	193	81
Transportation	10	10	32	(22)
Culture & recreation	570	570	602	(32)
Total expenditures	854	854	827	27
Excess (deficiency) of revenues over (under) expenditures	158	158	110	48
Other financing sources (uses):				
Gain on disposal of capital assets	-	-	2	(2)
Total other financing sources & uses	-	-	2	(2)
Net change in fund balance	158	158	112	46
Fund balance at beginning of year	-	-	8,706	(8,706)
Fund balance at end of year	$ 158	$ 158	$ 8,818	$ (8,660)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actuals- Restricted Special Purpose

For the Year Ended December 31, 2025
(in thousands)

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues:				
Taxes & special assessments	$ 25,137	$ 25,137	$ 21,708	$ 3,429
Intergovernmental	3,068	3,068	1,285	1,783
Service charges & fees	3,941	3,941	3,581	360
Fines & forfeitures	-	-	11	(11)
Interest & penalties	32	32	1,477	(1,445)
Net change in fair value of investments	-	-	69	(69)
Judgments & settlements	-	-	314	(314)
Premiums/contributions	1,000	1,000	-	1,000
Other	-	-	85	(85)
Total revenues	33,178	33,178	28,530	4,648
Expenditures:				
Current:				
General government	5,969	5,969	5,811	158
Public safety	568	568	1,009	(441)
Physical environment	2,500	2,500	544	1,956
Economic environment	15,338	15,338	7,395	7,943
Health & human services	-	-	145	(145)
Capital outlay:				-
Public safety	-	-	72	(72)
Total expenditures	24,375	24,375	14,976	9,399
Excess (deficiency) of revenues over (under) expenditures	8,803	8,803	13,554	(4,751)
Other financing sources (uses):				
Transfers in	528	528	312	216
Transfers out	(7,469)	(7,469)	(7,486)	17
Total other financing sources & uses	(6,941)	(6,941)	(7,174)	233
Net change in fund balance	1,862	1,862	6,380	(4,518)
Fund balance at beginning of year, as previously reported	-	-	-	-
Change within financial reporting entity	-	-	37,473	(37,473)
Fund balance at beginning of year, as restated	-	-	37,473	(37,473)
Fund balance at end of year	$ 1,862	$ 1,862	$ 43,853	$ (41,991)

(This page is intentionally left blank.)

Internal Service Fund

Descriptions of the Internal Service funds included in the city's Annual Comprehensive Financial Report are provided below:

The Equipment Rental Fund accounts for the operation of the electronic equipment shop, maintenance of city vehicles and other motorized equipment, and reserves for replacement of designated equipment. Rates charged to user departments are based on the full cost of operations and maintenance, including the recovery of related depreciation expense.

Combining Statement of Fund Net Position- Internal Service Funds

As of December 31, 2025
(in thousands)

	Equipment Rental Fund
Assets:	
Current assets:	
Cash & equity in pooled investments	$ 21,737
Receivables (net of allowances):	
Interest	92
Due from other funds	1,531
Customer deposits	55
Total current assets	23,415
Noncurrent assets:	
Capital assets (net)	33,326
Total noncurrent assets	33,326
Total assets	$ 56,741
Liabilities:	
Current liabilities:	
Accounts payable	$ 525
Due to other funds	135
Subscription liability	137
Customer deposits	55
Total current liabilities	852
Noncurrent liabilities:	
Subscription liability	568
Total current liabilities	568
Total liabilities	1,420
Net position:	
Net investment in capital assets	32,109
Unrestricted	23,212
Total net position	$ 55,321

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds

For the Year Ended December 31, 2025
(in thousands)

	Equipment Rental Fund	Workers' Compensation Fund	Unemployment Fund
Operating revenues:			
Service charges & fees	$ 9,455	$ -	$ -
Other	35	-	-
Total revenues	9,490	-	-
Operating expenses			
Administration & general	580	-	-
Maintenance & operations	1,427	-	-
Depreciation	4,362	-	-
Total expenditures	6,369	-	-
Operating income (loss)	3,121	-	-
Interest income	1,154	-	-
Net change in fair value of investments	38	-	-
Gain (loss) on disposal of capital assets	259	-	-
Other nonoperating revenues	13	-	-
Total other financing sources & uses	1,464	-	-
Income before contributions & transfers	4,585	-	-
Special items, contributions & transfers:			
Transfers in	1,048	-	-
Transfers out	(17)	-	-
Capital contributed from external sources	56	-	-
Total special items, contributions & transfers	1,087	-	-
Change in net position	5,672	-	-
Net position at beginning of year, as previously reported	48,749	475	131
Change within financial reporting entity	900	(475)	(131)
Net position at beginning of year, as restated	49,649	-	-
Net position at end of year	$ 55,321	$ -	$ -

City of Bellevue, WA

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds

For the Year Ended December 31, 2025
(in thousands)

	General Self-Insurance Fund	Health Benefits Fund	Information Technology Fund
Operating revenues:			
Service charges & fees	$ -	$ -	$ -
Other	-	-	-
Total revenues	-	-	-
Operating expenses			
Administration & general	-	-	-
Maintenance & operations	-	-	-
Depreciation	-	-	-
Total expenditures	-	-	-
Operating income (loss)	-	-	-
Interest income	-	-	-
Net change in fair value of investments	-	-	-
Gain (loss) on disposal of capital assets	-	-	-
Other nonoperating revenues	-	-	-
Total other financing sources & uses	-	-	-
Income before contributions & transfers	-	-	-
Special items, contributions & transfers:			
Transfers in	-	-	-
Transfers out	-	-	-
Capital contributed from external sources	-	-	-
Total special items, contributions & transfers	-	-	-
Change in net position	-	-	-
Net position at beginning of year, as previously reported	399	9,277	2,705
Change within financial reporting entity	(399)	(9,277)	(2,705)
Net position at beginning of year, as restated	-	-	-
Net position at end of year	$ -	$ -	$ -

City of Bellevue, WA

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds

For the Year Ended December 31, 2025
(in thousands)

	Facilities Services Fund	Total
Operating revenues:		
Service charges & fees	$ -	$ 9,455
Other	-	35
Total revenues	-	9,490
Operating expenses		
Administration & general	-	580
Maintenance & operations	-	1,427
Depreciation	-	4,362
Total expenditures	-	6,369
Operating income (loss)	-	3,121
Interest income	-	1,154
Net change in fair value of investments	-	38
Gain (loss) on disposal of capital assets	-	259
Other nonoperating revenues	-	13
Total other financing sources & uses	-	1,464
Income before contributions & transfers	-	4,585
Special items, contributions & transfers:		
Transfers in	-	1,048
Transfers out	-	(17)
Capital contributed from external sources	-	56
Total special items, contributions & transfers	-	1,087
Change in net position	-	5,672
Net position at beginning of year, as previously reported	3,192	64,928
Change within financial reporting entity	(3,192)	(15,279)
Net position at beginning of year, as restated	-	49,649
Net position at end of year	$ -	$ 55,321

Pension
(and Other Employee Benefits)
Trust Funds

Descriptions of the pension trust funds included as supplementary information in the city's Annual Comprehensive Financial Report are provided below:

The Firefighters’ Pension Fund accounts for a single-employer, defined benefit system established under Washington State law to provide pension benefits for eligible firefighters.

The Municipal Employees’ Benefit Trust (MEBT) Fund accounts for a multiple-employer, defined contribution pension plan comprised of contributions from participating employees and employers which currently includes the cities of Bellevue, Edmonds, Federal Way, Kirkland, Mill Creek, Redmond, Woodinville and the North East King County Regional Public Safety Communication Agency (NORCOM).

Combining Statement of Fiduciary Net Position
Fiduciary Funds- Pension Funds
As of December 31, 2025
(in thousands)

	Firefighters' Pension Fund	Municipal Employees' Benefit Trust	Total
Assets:			
Cash & equity in pooled investments			
State investment pool	$ 8,020	$ -	$ 8,020
Mutual funds	-	741,374	741,374
Common & preferred stocks	-	150,619	150,619
Collective trust fund	-	306,271	306,271
Money market funds and cash	-	3,312	3,312
Interest receivable	34	1,383	1,417
Other receivables	-	8,610	8,610
Total assets	$ 8,054	$ 1,211,569	$ 1,219,623
Liabilities:			
Accounts payable	$ -	$ 451	$ 451
Total liabilities	-	451	451
Total net position	$ 8,054	$ 1,211,118	$ 1,219,172

Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds- Pension Funds

For the Year Ended December 31, 2025
(in thousands)

	Firefighters' Pension Fund	Municipal Employees' Benefit Trust	Total
Additions:			
Investment income:			
Interest	$ 323	$ 686	$ 1,009
Net change in fair value of investments	14	132,610	132,624
Dividends	-	41,518	41,518
Other contributions:			
Contributions from employers & nonemployer premiums	378	30,799	31,177
Contributions from participants & members	-	34,653	34,653
Rollovers	-	466	466
Other	781	-	781
Total additions	1,496	240,732	242,228
Deductions:			
Benefit payments	1,072	84,381	85,453
Insurance premiums	-	2,967	2,967
Administrative expenses	13	2,100	2,113
Total deductions	1,085	89,448	90,533
Net increase (decrease) in net position	411	151,284	151,695
Net position at beginning of year	7,643	1,059,834	1,067,477
Net position end of year	$ 8,054	$ 1,211,118	$ 1,219,172

Custodial Funds

(This page is intentionally left blank.)

Descriptions of the custodial funds included as supplementary information in the city's Annual Comprehensive Financial Report are provided below:

The e-CityGov Alliance Fund accounts for a multi-jurisdictional site created to provide a regionally-coordinated portal for the delivery of municipal services through the Internet, providing community members with internet access to a variety of services, and offers a forum for the sharing of resources in the development and deployment of future online municipal services.

The Community Connectivity Consortium Fund accounts for contributions from members of an interlocal agreement which provides for connectivity services to meet the needs of community institutions.

The Hazardous Materials Fund accounts for contributions from members of an interlocal agreement which provides for the development and operation of the Hazardous Materials Unit and Team.

The Custodial Fund records activities conducted in a fiduciary capacity for other governments or external entities. The City of Bellevue has no legal right to ownership of these balances. This fund includes balances for sales, use, and leasehold taxes collected for other governments; and amounts held as evidence for police investigations.

The ARCH Housing Private- Purpose Trust Fund accounts for contributions from members of an interlocal agreement to provide affordable housing for low- and moderate-income households on the Eastside.

Combining Statement of Fiduciary Net Position
Fiduciary Funds- Custodial Funds
As of December 31, 2025
(in thousands)

	eCityGov Alliance	Community Connectivity Consortium	Hazardous Materials
Assets:			
Cash & equity in pooled investments:	$ 1,128	$ 451	$ 833
Accounts	-	-	-
Interest receivable	5	2	3
Due from other governments/employers	16	-	-
Capital assets (net)	-	-	622
Total assets	$ 1,149	$ 453	$ 1,458
Liabilities:			
Accounts payable	$ -	$ 1	$ 546
Total liabilities	-	1	546
Total net position	$ 1,149	$ 452	$ 912

Combining Statement of Fiduciary Net Position
Fiduciary Funds- Custodial Funds

As of December 31, 2025
(in thousands)

	Custodial Fund	ARCH Housing Private-Purpose Trust Fund	Total
Assets:			
Cash & equity in pooled investments:	$ 740	$ 27,856	$ 31,008
Accounts	-	6	6
Interest receivable	3	117	130
Due from other governments/employers	-	440	456
Capital assets (net)	-	-	622
Total assets	$ 743	$ 28,419	$ 32,222
Liabilities:			
Accounts payable	$ -	$ 11	$ 558
Total liabilities	-	11	558
Total net position	$ 743	$ 28,408	$ 31,664

Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds- Pension Funds

For the Year Ended December 31, 2025
(in thousands)

	eCityGov Alliance	Community Connectivity Consortium	Hazardous Materials
Additions:			
Investment income:			
Interest	$ 58	$ 18	$ 29
Net change in fair value of investments	2	1	1
Contributions from participants & members	1,795	153	142
Tax collections for other governments	-	-	-
Deposits payable	-	-	-
Other	-	-	-
Total additions	1,855	172	172
Deductions:			
Administrative expenses	1,975	82	74
Distributions to developers	-	-	-
Distributions to human services agencies	-	-	-
Payments to other governments	-	-	-
Deposits released	-	-	-
Total deductions	1,975	82	74
Net increase (decrease) in net position	(120)	90	98
Net position at beginning of year, as previously reported	1,269	362	814
Correction of error	-	-	-
Net position at beginning of year, as restated	1,269	362	814
Net position end of year	$ 1,149	$ 452	$ 912

Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds- Pension Funds
For the Year Ended December 31, 2025
(in thousands)

	Custodial Fund	ARCH Housing Private-Purpose Trust Fund	Total
Additions:			
Investment income:			
Interest	$ 26	$ 967	$ 1,098
Net change in fair value of investments	1	48	53
Contributions from participants & members	-	11,957	14,047
Tax collections for other governments	1,597	-	1,597
Deposits payable	7	-	7
Other	-	346	346
Total additions	1,631	13,318	17,148
Deductions:			
Administrative expenses	78	-	2,209
Distributions to developers	-	2,084	2,084
Distributions to human services agencies	-	1,047	1,047
Payments to other governments	1,834	-	1,834
Deposits released	3	-	3
Total deductions	1,915	3,131	7,177
Net increase (decrease) in net position	(284)	10,187	9,971
Net position at beginning of year, as previously reported	1,027	-	3,472
Correction of error	-	18,221	18,221
Net position at beginning of year, as restated	1,027	18,221	21,693
Net position end of year	$ 743	$ 28,408	$ 31,664

(This page is intentionally left blank.)

Statistical Section

(This page is intentionally left blank.)

The Statistical Section is an important source of information regarding a government's economic condition. There are five categories of statistical tables. Those sections, and related tables, are:

The Financial Trends provides selected information from previous years' financial statements to show trends of the city. This section includes the following tables:

Table 1: Net Position by Component
Table 2: Changes in Net Position
Table 3: Governmental Activities Tax Revenue by Source
Table 4: Fund Balances of Governmental Funds
Table 5: Changes in Fund Balances of Governmental Funds
Table 6: General Governmental Tax Revenue by Source

The Revenue Capacity provides information useful in assessing the city's ability to raise its own source revenue. This section includes the following tables:

Table 7: Taxable Sales by Category
Table 8: Sales Tax Rates – Direct and Overlapping Governments
Table 9: Assessed and Estimated Actual Value of Taxable Property
Table 10: Property Tax Rates Direct and Overlapping Governments
Table 11: Principal Property Taxpayers
Table 12: Property Tax Levies and Collections

The Debt Capacity section offers information useful in assessing a government's ability to issue new debt. This section includes the following tables:

Table 13: Ratio of Outstanding Debt by Type
Table 14: Ratio of General Bonded Debt Outstanding
Table 15: Computation of Direct and Overlapping Debt
Table 16: Legal Debt Margin Information
Table 17: Pledged Revenue Coverage

Demographic and Economic Information offers information designed to help users better understand the socio-economic environment. This section includes the following tables:

Table 18: Demographic Statistics
Table 19: Principal Employers

The Operating Information provides information on the size of the city's workforce, the level of services provided, and the city's capital assets. This section includes the following tables:

Table 20: Full-Time Equivalent City Government Employees by Function
Table 21: Operating Indicators by Function
Table 22: Capital Assets by Function

Table 1: Net Position by Component- Full Accrual Basis

Last Ten Fiscal Years
(in thousands)

	Governmental Activities				Business-type Activities	
Year	Net investment in capital assets	Restricted	Unrestricted	Total	Net investment in capital assets	Restricted
2016	$ 1,605,104	$ 101,621	$ (37,081)	$ 1,669,644	$ 336,121	$ 800
2017	1,626,502	112,522	5,774	1,744,798	353,414	804
2018	1,661,776	117,031	27,875	1,806,682	375,075	378
2019	1,707,871	105,692	56,849	1,870,412	403,636	578
2020	1,761,119	120,961	46,419	1,928,499	431,961	520
2021	1,809,539	203,861	94,227	2,107,627	462,545	2,520
2022	1,859,753	244,539	145,931	2,250,223	487,560	4,377
2023	1,882,612	290,608	226,580	2,399,800	512,304	6,036
2024	1,930,876	209,789	330,255	2,470,920	540,422	3,825
2025	2,030,495	193,355	342,274	2,566,124	569,355	4,747

Table 1: Net Position by Component- Full Accrual Basis

Last Ten Fiscal Years
(in thousands)

	Business-type Activities		Total - Primary Government			
Year	Unrestricted	Total	Net investment in capital assets	Restricted	Unrestricted	Total
2016	$ 215,615	$ 552,536	$ 1,941,225	$ 102,421	$ 178,534	$ 2,222,180
2017	249,089	603,307	1,979,916	113,326	254,863	2,348,105
2018	282,087	657,540	2,036,851	117,409	309,962	2,464,222
2019	325,907	730,121	2,111,507	106,270	382,756	2,600,533
2020	351,271	783,752	2,193,080	121,481	397,690	2,712,251
2021	379,982	845,047	2,272,084	206,381	474,209	2,952,674
2022	414,227	906,164	2,347,313	248,916	560,158	3,156,387
2023	450,378	968,718	2,394,916	296,644	676,958	3,368,518
2024	504,689	1,048,936	2,471,298	213,614	834,944	3,519,856
2025	554,411	1,128,513	2,599,850	198,102	896,685	3,694,637

City of Bellevue, WA

Table 2: Change in Net Position- Full Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2016	2017	2018	2019	2020
Expenses					
Governmental activities					
General government	$ 39,840	$ 27,174	$ 34,751	$ 38,187	$ 82,024
Public safety	90,827	94,620	98,732	107,391	104,615
Physical environment	1,509	1,361	1,194	1,452	1,284
Transportation	36,729	43,071	40,929	62,788	47,976
Economic environment	32,573	31,821	31,259	43,764	44,271
Health & human services	6,766	7,492	6,548	6,897	6,393
Culture & recreation	39,356	47,522	43,080	42,243	41,637
Interest on long-term debt	12,010	11,686	11,097	10,990	10,960
Total governmental activities	259,610	264,747	267,590	313,712	339,160
Business-type activities					
Water	$ 48,299	$ 45,722	$ 49,899	$ 50,474	$ 51,027
Sewer	49,470	47,913	50,623	53,173	53,215
Storm & surface water	14,413	15,020	11,973	13,622	14,710
Solid waste (A)	-	-	-	-	-
Marina(B)	216	349	154	318	318
Total business-type activities	112,398	109,004	112,649	117,587	119,270
Total primary government expenses	$ 372,008	$ 373,751	$ 380,239	$ 431,299	$ 458,430
Program Revenues					
Governmental activities					
Charges for services					
General government	$ 3,519	$ 3,449	$ 3,295	$ 3,801	$ 4,601
Public safety	22,274	22,668	23,994	23,713	24,395
Physical environment	705	708	742	641	800
Transportation	8,518	11,361	15,224	7,626	18,876
Economic environment	19,334	17,444	17,873	24,502	28,513
Health & human services	2,150	3,015	3,048	412	283
Culture & recreation	11,569	11,258	11,488	11,992	7,119
Operating grants & contributions	8,043	7,542	7,542	18,168	21,845
Capital grants & contributions	9,811	20,027	10,969	28,532	38,193
Total governmental activities program revenues	85,923	97,472	94,175	119,387	144,625
Business-type activities					
Charges for Services					
Water	$ 57,215	$ 61,622	$ 64,373	$ 67,555	$ 65,993
Sewer	59,678	61,758	63,479	66,384	64,244
Storm & surface water	22,593	23,376	24,490	26,178	26,866
Solid waste (A)	-	-	-	-	-
Marina(B)	624	606	653	715	680
Operating grants & contributions	-	-	104	75	66
Capital grants & contributions	6,068	6,617	7,644	20,341	12,649
Total business-type activities program revenues	146,178	153,979	160,743	181,248	170,498
Total primary government program revenues	$ 232,101	$ 251,451	$ 254,918	$ 300,635	$ 315,123

(A) The Solid Waste Fund was moved to a Proprietary Fund in 2024.
(B) The Marina Fund was moved to the General Fund in 2025

Table 2: Change in Net Position- Full Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2021	2022	2023	2024	2025
Expenses					
Governmental activities					
General government	$ 11,811	$ 47,661	$ 54,322	$ 99,417	$ 130,228
Public safety	98,731	113,870	132,676	149,724	135,189
Physical environment	1,455	1,578	1,549	3,404	7,079
Transportation	46,400	43,085	56,543	60,751	64,146
Economic environment	46,043	61,241	56,722	83,969	59,062
Health & human services	7,455	9,695	9,010	9,343	10,550
Culture & recreation	44,730	43,639	52,246	57,049	55,119
Interest on long-term debt	10,443	7,915	11,170	8,596	7,316
Total governmental activities	267,068	328,684	374,238	472,253	468,689
Business-type activities					
Water	$ 55,899	$ 56,462	$ 57,437	$ 62,968	$ 65,564
Sewer	53,511	58,261	64,411	62,049	70,084
Storm & surface water	14,466	15,894	18,082	22,462	19,666
Solid waste (A)	-	-	-	938	770
Marina (B)	353	398	345	420	-
Total business-type activities	124,229	131,015	140,275	148,837	156,084
Total primary government expenses	$ 391,297	$ 459,699	$ 514,513	$ 621,090	$ 624,773
Program Revenues					
Governmental activities					
Charges for services					
General government	$ 4,791	$ 17,063	$ 20,329	$ 24,764	$ 44,810
Public safety	25,868	26,930	27,418	32,367	30,738
Physical environment	810	746	863	699	489
Transportation	25,812	22,451	17,396	13,317	7,697
Economic environment	31,384	24,839	26,549	26,844	27,739
Health & human services	30	29	50	76	81
Culture & recreation	9,093	11,609	13,152	13,420	14,455
Operating grants & contributions	30,117	34,467	34,549	44,441	39,170
Capital grants & contributions	18,998	23,028	20,147	26,396	34,486
Total governmental activities program revenues	146,903	161,162	160,453	182,324	199,665
Business-type activities					
Charges for Services					
Water	$ 75,020	$ 74,135	$ 77,152	$ 76,738	$ 86,940
Sewer	69,524	74,712	77,961	79,323	91,392
Storm & surface water	28,567	29,177	30,262	31,256	34,241
Solid waste (A)	-	-	-	906	1,023
Marina (B)	700	752	693	634	-
Operating grants & contributions	74	1	32	8,458	3,461
Capital grants & contributions	9,799	7,537	4,698	7,483	8,638
Total business-type activities program revenues	183,684	186,314	190,798	204,798	225,695
Total primary government program revenues	$ 330,587	$ 347,476	$ 351,251	$ 387,122	$ 425,360

(A) The Solid Waste Fund was moved to a Proprietary Fund in 2024.
(B) The Marina Fund was moved to the General Fund in 2025

Table 2: Change in Net Position- Full Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2016	2017	2018	2019	2020
Net (Expense)/Revenue					
Governmental activities	$ (173,687)	$ (167,275)	$ (173,415)	$ (194,325)	$ (194,535)
Business-type activities	33,780	44,975	48,094	63,661	51,228
Total primary government net expense	$ (139,907)	$ (122,300)	$ (125,321)	$ (130,664)	$ (143,307)
General Revenues & Other Changes in Net Position					
Governmental activities					
Taxes					
Property tax	$ 41,304	$ 55,907	$ 57,754	$ 59,210	$ 61,172
Retail sales & use tax	69,686	72,981	78,251	83,781	74,150
Utility tax	27,169	29,386	29,036	27,092	26,398
Business & occupation tax	38,380	43,530	47,811	43,012	41,515
Excise tax	22,815	21,350	20,951	28,310	27,969
Hotel/motel tax	11,214	11,780	12,645	12,531	3,139
Other tax	1,837	1,969	2,065	2,115	264
Payments from component unit	11	9	11	10	8,906
Grants & contributions - unrestricted	1,202	2,746	1,398	1,525	1,166
Unrestricted investment interest	1,622	2,098	3,459	5,214	2,159
Gain (loss) in change of fair value of investments	(304)	(490)	341	1,124	2
Miscellaneous	823	572	750	1,513	3,856
Gain (loss) on sale of capital assets	221	991	2,682	283	304
Transfers	(60)	48	(171)	382	400
Total governmental activities	$ 215,920	$ 242,877	$ 256,983	$ 266,102	$ 251,400
Business-type activities					
Unrestricted investment interest	$ 2,099	$ 2,857	$ 4,496	$ 6,830	$ 1,937
Gain (loss) in change of fair value of investments	(432)	(707)	432	1,613	2
Miscellaneous	1,747	3,658	1,041	861	864
Gain (loss) on sale of capital assets	46	44	(1)	-	-
Transfers	60	(48)	171	(382)	(400)
Total business-type activities	3,520	5,804	6,139	8,922	2,403
Total primary government	$ 219,440	$ 248,681	$ 263,122	$ 275,024	$ 253,803
Change in Net Position					
Governmental activities	$ 42,233	$ 75,602	$ 83,568	$ 71,777	$ 56,865
Business-type activities	37,300	50,779	54,233	72,583	53,631
Total primary government	$ 79,533	$ 126,381	$ 137,801	$ 144,360	$ 110,496

Table 2: Change in Net Position- Full Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2021	2022	2023	2024	2025
Net (Expense)/Revenue					
Governmental activities	$ (120,165)	$ (167,522)	$ (213,785)	$ (289,929)	$ (269,024)
Business-type activities	59,455	55,299	50,523	55,961	69,611
Total primary government net expense	$ (60,710)	$ (112,223)	$ (163,262)	$ (233,968)	$ (199,413)
General Revenues & Other Changes in Net Position					
Governmental activities					
Taxes					
Property tax	$ 62,581	$ 64,392	$ 87,675	$ 90,911	$ 92,994
Retail sales & use tax	100,443	110,590	109,198	105,517	99,503
Utility tax	28,140	29,834	32,980	32,943	34,833
Business & occupation tax	52,796	67,328	76,160	72,489	77,536
Excise tax	39,377	22,113	14,605	19,746	22,546
Hotel/motel tax	4,543	9,827	11,570	13,411	12,969
Other tax	417	739	706	587	816
Payments from component unit	11	12	-	-	-
Grants & contributions - unrestricted	1,170	1,184	1,177	1,167	1,156
Unrestricted investment interest	1,230	5,883	19,780	24,283	15,164
Gain (loss) in change of fair value of investments	(145)	(216)	37	(1)	(71)
Miscellaneous	2,401	3,257	3,966	2,824	3,080
Gain (loss) on sale of capital assets	6,329	322	576	546	325
Transfers	-	131	4,940	421	1,332
Total governmental activities	$ 299,293	$ 315,396	$ 363,370	$ 364,844	$ 362,183
Business-type activities					
Unrestricted investment interest	$ 874	$ 5,253	$ 15,839	$ 19,619	$ 19,884
Gain (loss) in change of fair value of investments	(146)	(187)	3	-	881
Miscellaneous	1,112	866	1,121	1,264	975
Gain (loss) on sale of capital assets	-	-	-	-	57
Transfers	-	(131)	(4,940)	(421)	(1,332)
Total business-type activities	1,840	5,801	12,023	20,462	20,465
Total primary government	$ 301,133	$ 321,197	$ 375,393	$ 385,306	$ 382,648
Change in Net Position					
Governmental activities	$ 179,128	$ 147,874	$ 149,585	$ 74,915	$ 93,159
Business-type activities	61,295	61,100	62,546	76,423	90,076
Total primary government	$ 240,423	$ 208,974	$ 212,131	$ 151,338	$ 183,235

Table 3: Governmental Activities Tax Revenue by Source- Full Accrual Basis

Last Ten Fiscal Years
(in thousands)

Fiscal Year	Total Taxes	General Property Taxes	General Sales Taxes	Utility Taxes	Business & Occupation Taxes
2016	$ 201,190	$ 41,303	$ 69,184	$ 27,169	$ 38,380
2017	225,124	55,908	72,481	29,386	43,530
2018	235,868	57,754	77,751	29,036	47,811
2019	243,520	59,210	83,281	27,092	43,012
2020	231,468	61,172	73,650	26,398	41,515
2021	283,754	62,581	99,943	28,140	52,796
2022	294,996	64,392	110,090	29,834	67,327
2023	321,324	87,675	108,698	32,980	76,160
2024	322,193	90,911	105,017	32,943	72,489
2025	328,228	92,994	99,003	34,833	77,536

Table 3: Governmental Activities Tax Revenue by Source- Full Accrual Basis

Last Ten Fiscal Years
(in thousands)

Fiscal Year	LFR Local Option Sales & Use Tax	Excise Taxes	Other Taxes & Assessments (A)	Memo Only Hotel/Motel Tax (B)
2016	$ 502	$ 22,815	$ 1,837	$ 11,214
2017	500	21,350	1,969	11,780
2018	500	20,951	2,065	12,645
2019	500	28,310	2,115	12,531
2020	500	27,969	264	3,139
2021	500	39,377	417	4,543
2022	500	22,113	739	9,827
2023	500	14,605	706	11,570
2024	500	19,746	587	13,411
2025	500	22,546	816	12,969

(A) Includes miscellaneous tax revenue and special assessments.

(B) Hotel/Motel tax receipts are reported in BCCA Financial Statements and included here as a memo item. City of Bellevue collects the tax on behalf of the BCCA. A portion of the receipts are passed directly through to the BCCA and a portion of funds are used towards BCCA bond repayment.

Table 4: Fund Balances of Governmental Funds- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2016	2017	2018	2019	2020
General Fund					
Nonspendable for:					
Prepaids	$ 491	$ 522	$ 2	$ 488	$ 644
Total nonspendable fund balance	491	522	2	488	644
Restricted for:					
General government	-	-	3	-	-
Public safety	245	341	287	647	561
Culture & recreation	38	225	2,472	13	-
Total restricted fund balance	283	566	2,762	660	561
Committed for:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Health & human services	-	-	-	-	-
Culture & recreation	-	-	-	-	-
Total committed fund balance	-	-	-	-	-
Assigned for:					
General government	1,640	1,086	1,050	1,125	1,045
Public safety	-	57	60	-	-
Transportation	-	716	3,591	863	847
Economic environment	-	-	16,056	23,368	31,669
Health & human services	58	-	-	772	975
Culture & recreation	1,132	914	1,253	2,126	1,603
Total assigned fund balance	2,830	2,773	22,010	28,254	36,139
Unassigned	36,907	44,735	44,193	47,784	42,657
Total unassigned fund balance	36,907	44,735	44,193	47,784	42,657
Fund Balance - General fund	$ 40,511	$ 48,597	$ 68,967	$ 77,186	$ 80,001

Table 4: Fund Balances of Governmental Funds- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2021	2022	2023	2024	2025
General Fund					
Nonspendable for:					
Prepaids	$ 1,165	$ 1,084	$ 2,034	$ 1,424	$ 2,755
Total nonspendable fund balance	1,165	1,084	2,034	1,424	2,755
Restricted for:					
General government	8	188	281	7	11,919
Public safety	638	714	687	2,493	607
Culture & recreation	-	-	-	-	8,006
Total restricted fund balance	646	902	968	2,500	20,532
Committed for:					
General government	-	4,278	4,255	4,275	3,490
Public safety	-	-	-	7	-
Transportation	-	3,740	4,514	2,508	2,499
Economic environment	-	49,410	55,012	60,712	70,555
Health & human services	-	1,303	83	-	174
Culture & recreation	-	3,100	3,814	3,808	6,475
Total committed fund balance	-	61,831	67,678	71,310	83,193
Assigned for:					
General government	4,708	539	980	1,455	5,117
Public safety	25	-	-	-	-
Transportation	3,751	-	-	-	-
Economic environment	43,996	-	-	-	-
Health & human services	1,496	-	-	-	-
Culture & recreation	2,291	-	-	-	1,768
Total assigned fund balance	56,267	539	980	1,455	6,885
Unassigned	51,018	59,483	67,536	59,947	74,300
Total unassigned fund balance	51,018	59,483	67,536	59,947	74,300
Fund Balance - General fund	$ 109,096	$ 123,839	$ 139,196	$ 136,636	$ 187,665

Table 4: Fund Balances of Governmental Funds- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2016	2017	2018	2019	2020
Other Governmental Funds					
Nonspendable for:					
Prepaids	$ -	$ -	$ -	$ -	$ -
Total nonspendable fund balance	-	-	-	-	-
Restricted for:					
General government	38,975	19,018	571	-	-
Public safety	825	6,323	12,780	18,855	23,286
Physical environment	394	595	1,413	13	-
Transportation	9,604	18,213	34,942	16,116	11,685
Economic environment	12,386	12,210	281	241	618
Health & human services	8,387	5,083	5,372	10	492
Culture & recreation	20,676	23,963	21,737	35,146	41,719
Debt services	1,867	110	103	642	4,897
Total restricted fund balance	93,114	85,515	77,199	71,023	82,697
Committed for:					
General government	-	189	2,201	-	-
Public safety	-	-	-	-	-
Physical environment	-	-	-	2,065	2,409
Transportation	-	2,078	-	-	-
Economic environment	-	-	-	-	-
Health & human services	-	-	-	2,687	7,535
Culture & recreation	-	-	-	-	34
Debt services	-	-	-	-	-
Total committed fund balance	-	2,267	2,201	4,752	9,978
Assigned for:					
General government	492	10,648	30,119	36,486	50,752
Public safety	3,900	1,981	537	-	-
Physical environment	1,420	1,306	1,386	407	421
Transportation	6,204	-	-	2,973	2,210
Economic environment	-	1,627	-	1,256	-
Health & human services	398	1,698	3,651	-	1,802
Culture & recreation	466	707	-	1,148	1,206
Debt services	-	1,012	1,049	559	141
Total assigned fund balance	12,880	18,979	36,742	42,829	56,532
Fund Balance - Other Governmental Funds	$ 105,994	$ 106,761	$ 116,142	$ 118,604	$ 149,207

City of Bellevue, WA

Table 4: Fund Balances of Governmental Funds- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2021	2022	2023	2024	2025
Other Governmental Funds					
Nonspendable for:					
Prepaids	$ -	$ -	$ -	$ 478	$ -
Total nonspendable fund balance	-	-	-	478	-
Restricted for:					
General government	7,222	310	7,473	75	7,291
Public safety	27,831	34,498	33,852	31,363	12,841
Physical environment	530	492	426	1,934	183
Transportation	29,008	33,827	28,905	24,301	25,488
Economic environment	579	1,229	1,925	247	191
Health & human services	11,617	25,267	30,451	25,876	329
Culture & recreation	58,363	63,594	83,740	54,016	55,490
Debt services	4,247	6,414	5,875	6,831	2,945
Total restricted fund balance	139,397	165,631	192,647	144,643	104,758
Committed for:					
General government	-	90,567	114,121	135,561	115,810
Public safety	-	132	108	97	61
Physical environment	2,578	2,961	3,330	-	-
Transportation	-	-	1,948	326	576
Economic environment	-	2,816	-	1,485	4,067
Health & human services	7,188	5,435	3,112	7,785	-
Culture & recreation	34	1,206	1,730	43,738	36,051
Debt services	-	-	-	-	4,249
Total committed fund balance	9,800	103,117	124,349	188,992	160,814
Assigned for:					
General government	68,299	4,546	11,193	17,308	19,510
Public safety	297	-	71	71	-
Physical environment	36	-	19	51	-
Transportation	830	245	897	-	-
Economic environment	-	-	-	310	480
Health & human services	632	3,124	7,187	4,988	36,291
Culture & recreation	1,698	2	43	47	54
Debt services	805	-	-	-	-
Total assigned fund balance	72,597	7,917	19,410	22,775	56,335
Fund Balance - Other Governmental Funds	$ 221,794	$ 276,665	$ 336,406	$ 356,888	$ 321,907

Table 4: Fund Balances of Governmental Funds- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2016	2017	2018	2019	2020
Governmental Funds					
Nonspendable for:					
Prepaids	$ 491	$ 522	$ 2	$ 488	$ 644
Total nonspendable fund balance	491	522	2	488	644
Restricted for:					
General government	38,975	19,019	574	-	-
Public safety	1,070	6,664	13,067	19,502	23,847
Physical environment	394	595	1,413	13	-
Transportation	9,604	18,213	34,942	16,116	11,685
Economic environment	12,386	12,210	281	241	618
Health & human services	8,425	5,308	7,844	23	492
Culture & recreation	20,676	23,963	21,737	35,146	41,719
Debt services	1,867	110	103	642	4,897
Total restricted fund balance	93,397	86,082	79,961	71,683	83,258
Committed for:					
General government	-	189	2,201	-	-
Public safety	-	-	-	-	-
Physical environment	-	-	-	2,065	2,409
Transportation	-	2,078	-	-	-
Economic environment	-	-	-	-	-
Health & human services	-	-	-	2,687	7,535
Culture & recreation	-	-	-	-	34
Debt services	-	-	-	-	-
Total committed fund balance	-	2,267	2,201	4,752	9,978
Assigned for:					
General government	2,132	11,734	31,169	37,611	51,797
Public safety	3,900	2,038	597	-	-
Physical environment	1,420	2,022	4,977	1,270	421
Transportation	6,204	-	16,056	26,341	3,057
Economic environment	58	1,627	-	2,028	31,669
Health & human services	1,530	2,612	4,904	2,126	2,777
Culture & recreation	466	707	-	1,148	2,809
Debt services	-	1,012	1,049	559	141
Total assigned fund balance	15,710	21,752	58,752	71,083	92,671
Unassigned	36,907	44,736	44,193	47,784	42,657
Total unassigned fund balance	36,907	44,736	44,193	47,784	42,657
Fund balance - governmental funds	$ 146,505	$ 155,358	$ 185,109	$ 195,790	$ 229,208

Table 4: Fund Balances of Governmental Funds- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2021	2022	2023	2024	2025
Governmental Funds					
Nonspendable for:					
Prepaids	$ 1,165	$ 1,084	$ 2,034	$ 1,902	$ 2,755
Total nonspendable fund balance	1,165	1,084	2,034	1,902	2,755
Restricted for:					
General government	7,230	498	7,754	82	19,210
Public safety	28,469	35,212	34,539	33,856	13,448
Physical environment	530	492	426	1,934	183
Transportation	29,008	33,827	28,905	24,301	25,488
Economic environment	579	1,229	1,925	247	191
Health & human services	11,617	25,267	30,451	25,876	329
Culture & recreation	58,363	63,594	83,740	54,016	63,496
Debt services	4,247	6,414	5,875	6,831	2,945
Total restricted fund balance	140,043	166,533	193,615	147,143	125,290
Committed for:					
General government	-	94,845	118,376	139,836	119,300
Public safety	-	132	108	104	61
Physical environment	2,578	2,961	3,330	-	-
Transportation	-	6,556	6,462	2,834	3,075
Economic environment	-	49,410	55,012	62,197	74,622
Health & human services	7,188	6,738	3,195	7,785	174
Culture & recreation	34	4,306	5,544	47,546	42,526
Debt services	-	-	-	-	4,249
Total committed fund balance	9,800	164,948	192,027	260,302	244,007
Assigned for:					
General government	73,007	5,085	12,173	18,763	24,627
Public safety	322	-	71	71	-
Physical environment	36	-	19	51	-
Transportation	4,581	245	897	-	-
Economic environment	43,996	-	-	310	480
Health & human services	2,128	3,124	7,187	4,988	36,291
Culture & recreation	3,989	2	43	47	1,822
Debt services	805	-	-	-	-
Total assigned fund balance	128,864	8,456	20,390	24,230	63,220
Unassigned	51,018	59,483	67,536	59,947	74,300
Total unassigned fund balance	51,018	59,483	67,536	59,947	74,300
Fund balance - governmental funds	$ 330,890	$ 400,504	$ 475,602	$ 493,524	$ 509,572

Table 5: Changes in Fund Balances of Governmental Funds- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2016	2017	2018	2019	2020
Revenues					
Taxes & special assessments	$ 211,295	$ 236,956	$ 244,132	$ 259,732	$ 234,659
Licenses & permits	11,516	9,969	10,948	14,536	16,416
Intergovernmental	44,920	48,611	34,847	42,423	80,458
Service charges & fees	31,400	29,393	38,492	38,614	47,737
Fines & forfeitures	2,880	2,014	2,261	2,156	1,198
Interest & penalties	1,303	1,701	2,894	4,453	1,951
Net change in fair value of investments	(244)	(390)	287	944	2
Rent	6,419	4,896	5,184	7,100	5,664
Judgements & settlements	8	-	11	3,631	8
Insurance recovery	-	-	-	-	-
Premiums & contributions	1,721	4,189	2,378	4,366	1,435
Other	1,435	954	1,321	1,107	2,663
Total revenues	312,653	338,293	342,755	379,062	392,191
Expenditures					
General government	30,167	28,273	30,325	38,280	74,881
Public safety	90,928	95,476	102,063	105,768	108,067
Physical environment	1,330	1,391	1,207	1,462	1,299
Transportation	29,432	34,332	35,961	51,649	40,544
Economic environment	35,645	36,836	39,417	44,415	44,133
Health & human services	6,786	7,442	6,586	6,898	6,393
Culture & recreation	38,524	36,558	37,896	40,373	37,373
Capital outlay	51,010	66,346	40,426	60,954	79,695
Debt service:					
Principal	7,192	9,542	9,875	10,333	10,793
Interest & fiscal charges	15,485	12,804	12,136	11,680	11,563
Total expenditures	306,499	329,000	315,892	371,812	414,741
Other Financing Sources (Uses)					
Transfers in	$ 27,193	$ 26,861	$ 30,770	$ 35,977	$ 29,940
Transfers out	(27,920)	(28,032)	(31,669)	(36,975)	(29,674)
Issuance of long term debt	-	-	908	6,133	65,255
Refunding bonds issued	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(13,185)
Sale of capital assets	-	731	2,879	39	42
Premium on issuance of long-term debt	-	-	-	-	2,368
Total other financing sources (uses)	(727)	(440)	2,888	5,174	54,746
Net change in fund balance	$5,427	$8,853	$29,751	$12,424	$32,196
Debt service as a percentage of noncapital expenditures	8.88%	8.51%	7.99%	7.08%	6.67%

Table 5: Changes in Fund Balances of Governmental Funds- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

	2021	2022	2023	2024	2025
Revenues					
Taxes & special assessments	$ 288,294	$ 307,786	$ 331,717	$ 335,893	$ 339,699
Licenses & permits	21,875	12,981	16,838	17,679	16,044
Intergovernmental	64,807	49,819	54,522	56,623	61,344
Service charges & fees	54,297	51,690	48,490	47,155	45,460
Fines & forfeitures	1,480	1,570	761	1,781	2,725
Interest & penalties	1,158	5,171	17,644	21,613	19,965
Net change in fair value of investments	(131)	(194)	16	-	(136)
Rent	7,623	11,322	11,200	10,221	9,580
Judgements & settlements	4	253	118	1,419	314
Insurance recovery	-	-	-	-	258
Premiums & contributions	8,287	17,316	5,017	9,871	37,299
Other	1,195	1,191	1,211	1,033	3,738
Total revenues	448,889	455,905	487,534	503,288	536,290
Expenditures					
General government	31,497	38,288	42,293	50,371	122,212
Public safety	113,615	118,388	139,883	147,505	141,377
Physical environment	1,464	1,692	1,564	3,448	7,005
Transportation	42,693	39,821	49,001	53,189	55,625
Economic environment	49,749	63,477	58,081	83,196	55,197
Health & human services	7,454	9,696	9,011	9,343	10,551
Culture & recreation	38,635	40,613	46,367	49,482	47,062
Capital outlay	50,493	45,984	63,779	76,209	94,618
Debt service:					
Principal	10,798	99,836	15,972	20,873	23,598
Interest & fiscal charges	11,297	10,345	8,306	9,396	8,812
Total expenditures	357,695	468,140	434,257	503,012	566,057
Other Financing Sources (Uses)					
Transfers in	$ 34,545	$ 46,756	$ 34,576	$ 40,624	$ 38,091
Transfers out	(33,217)	(55,455)	(34,282)	(45,324)	(37,791)
Issuance of long term debt	50,196	10,218	21,286	26,101	15,124
Refunding bonds issued	(47,083)	72,675	-	-	-
Payment to refunded bond escrow agent	-	(86,692)	-	-	-
Sale of capital assets	6,047	-	240	1	2
Premium on issuance of long-term debt	-	14,447	-	-	-
Total other financing sources (uses)	10,488	1,949	21,820	21,402	15,426
Net change in fund balance	$101,682	$76,406	$75,098	$21,678	$ (14,341)
Debt service as a percentage of noncapital expenditures	7.19%	26.10%	6.53%	7.09%	6.87%

Table 6: General Governmental Tax Revenue by Source- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

Fiscal Year	Total Taxes	General Property Taxes	General Sales Taxes	Utility Taxes
2016	$ 200,081	$ 41,256	$ 69,183	$ 27,169
2017	225,200	55,974	72,481	29,386
2018	231,486	57,667	77,751	29,060
2019	247,201	59,231	83,281	27,118
2020	231,520	60,924	73,650	26,421
2021	283,749	62,417	99,942	28,172
2022	294,960	64,615	110,090	29,834
2023	320,689	86,447	109,240	32,980
2024	323,247	91,207	105,783	32,943
2025	326,730	91,563	99,002	34,833

Table 6: General Governmental Tax Revenue by Source- Modified Accrual Basis

Last Ten Fiscal Years
(in thousands)

Fiscal Year	Business & Occupation Taxes	Local Option Sales & Use Tax	Other Taxes & Assessments (A)	Memo Only Hotel/Motel Tax (B)
2016	$ 38,987	$ 502	$ 22,984	$ 11,214
2017	43,530	500	23,329	11,780
2018	43,506	500	23,002	12,645
2019	46,662	500	30,409	12,531
2020	41,817	500	28,209	3,139
2021	52,955	500	39,763	4,543
2022	67,448	500	22,473	9,827
2023	76,211	500	15,311	11,570
2024	72,479	500	20,335	13,411
2025	77,470	500	23,362	12,969

(A) Includes miscellaneous tax revenues and special assessments.
(B) Hotel/Motel receipts are reported in BCCA Financial Statements and included here as a memo item. City of Bellevue collects the tax on behalf of the BCCA. A portion of the receipts are passed directly through to BCCA, and a portion of funds are used towards BCCA bond repayment.

City of Bellevue, WA

Table 7: Taxable Sales By Category

Last Ten Fiscal Years
(in thousands)

	2016	2017	2018	2019	2020
Contracting	$ 1,439,618	$ 1,579,775	$ 1,538,415	$ 1,735,586	$ 1,821,117
Manufacturing	82,192	94,236	126,221	128,936	94,989
Transportation, communications & utilities	313,202	345,163	413,748	417,965	418,568
Finance, insurance, & real estate	261,724	202,781	192,955	206,034	198,650
Wholesale trade	340,796	357,548	479,677	437,027	386,034
Retail - building materials	134,739	133,530	128,599	149,580	147,959
Retail - general merchandise	176,441	188,332	203,095	203,158	183,652
Retail - food	95,884	99,667	104,032	101,696	97,088
Retail - automotive	1,147,166	1,252,278	1,446,424	1,362,354	1,245,120
Retail - apparel	507,741	511,368	531,937	541,700	314,074
Retail - furniture & accessories	392,609	409,314	442,617	455,356	432,135
Retail - restaurants	515,601	552,794	607,142	649,253	354,194
Retail - miscellaneous	561,930	584,338	641,498	701,579	687,068
Services - hotels	270,072	286,425	306,679	305,583	77,378
Services - business	611,070	682,897	744,410	883,585	880,489
Services - other	301,751	308,410	327,476	339,633	221,783
All other categories	1,220	988	1,327	1,366	654
Total sales	$ 7,153,756	$ 7,589,845	$ 8,236,252	$ 8,620,390	$ 7,560,952

Table 7: Taxable Sales By Category

Last Ten Fiscal Years
(in thousands)

	2021	2022	2023	2024	2025
Contracting	$ 2,346,962	$ 2,732,451	$ 2,720,749	$ 2,232,595	$ 2,035,950
Manufacturing	97,936	108,713	112,864	99,694	100,842
Transportation, communications & utilities	430,278	450,166	452,083	471,740	567,013
Finance, insurance, & real estate	223,255	216,433	200,476	207,250	219,844
Wholesale trade	476,985	511,766	515,682	514,649	526,711
Retail - building materials	171,030	183,485	162,971	151,918	146,802
Retail - general merchandise	190,647	171,558	159,110	171,180	171,946
Retail - food	106,242	114,529	121,431	129,177	155,905
Retail - automotive	1,549,064	1,664,111	1,568,786	1,572,887	1,521,579
Retail - apparel	523,425	585,487	582,207	599,180	655,454
Retail - furniture & accessories	529,160	491,543	481,024	492,702	518,438
Retail - restaurants	508,615	672,407	741,951	798,921	838,428
Retail - miscellaneous	847,088	883,676	899,459	887,121	907,813
Services - hotels	103,848	214,896	262,378	297,605	293,964
Services - business	1,070,047	1,231,903	1,105,523	1,107,674	1,219,599
Services - other	247,554	319,314	367,167	405,620	407,383
All other categories	1,447	1,121	969	920	1,165
Total sales	$ 9,423,584	$ 10,553,562	$ 10,454,828	$ 10,140,831	$10,288,836

Table 8: Sales Tax Rates Direct and Overlapping Governments

Last Ten Fiscal Years

	2016	2017	2018	2019	2020
Local rate:					
City of Bellevue					
Base rate	0.85%	0.85%	0.85%	0.85%	0.85%
Affordable & supportive housing (A)	0.00%	0.00%	0.00%	0.00%	0.00%
King County					
Base rate	0.15%	0.15%	0.15%	0.15%	0.15%
Metro transit	0.90%	0.90%	0.90%	0.90%	0.90%
Mental health	0.10%	0.10%	0.10%	0.10%	0.10%
Criminal justice (B)	0.10%	0.10%	0.10%	0.10%	0.10%
Regional Transit Authority-Sound Transit (C)	0.90%	1.40%	1.40%	1.40%	1.40%
Total local rate	3.00%	3.50%	3.50%	3.50%	3.50%
State of Washington rate	6.50%	6.50%	6.50%	6.50%	6.50%
Total sales tax rate	9.50%	10.00%	10.00%	10.00%	10.00%

(A) In 2021, the City Council imposed a sales and use tax for Affordable and Supportive Housing of 0.1 percent, as detailed under Bellevue City Code 4.12.028. Pursuant to RCW 82.13.540, this tax will expire 20 years after the date on which it was first imposed.

(B) Criminal Justice tax is 0.01 percent of gross sales. 10 percent of this is paid directly to King County, and the remaining 90 percent is shared between cities within the county. King County retains the portion for unincorporated areas within the county. In 2025, the city's estimated population was 158,000 and the County's population was 2,411,700. Bellevue represented 6.55 percent of the total population of King County and as such would receive 0.006 percent of this tax.

(C) Effective April 1, 2017, the Regional Transit Authority (RTA) portion of the combined retail sales tax rate in King, Pierce, and Snohomish Counties in Washington increased 0.5 percent for a total RTA rate of 1.4 percent. This tax increase was approved by voters with the passage of Proposition 1 which will expand and coordinate light-rail, commuter-rail, and express bus service, and improve access to transit facilities in King, Pierce, and Snohomish Counties.

Sources:

- King County/Bellevue Population Data - Washington State Office of Financial Management
- Tax rates - Washington State Department of Revenue and Bellevue City Code

Table 8: Sales Tax Rates Direct and Overlapping Governments

Last Ten Fiscal Years

	2021	2022	2023	2024	2025
Local rate:					
City of Bellevue					
Base rate	0.85%	0.85%	0.85%	0.85%	0.85%
Affordable & supportive housing [A]	0.10%	0.10%	0.10%	0.10%	0.10%
King County					
Base rate	0.15%	0.15%	0.15%	0.25%	0.25%
Metro transit	0.90%	0.90%	0.90%	0.90%	0.90%
Mental health	0.10%	0.10%	0.10%	0.10%	0.10%
Criminal justice [B]	0.10%	0.10%	0.10%	0.10%	0.10%
Regional Transit Authority-Sound Transit [C]	1.40%	1.40%	1.40%	1.40%	1.40%
Total local rate	3.60%	3.60%	3.60%	3.70%	3.70%
State of Washington rate	6.50%	6.50%	6.50%	6.50%	6.50%
Total sales tax rate	10.10%	10.10%	10.10%	10.20%	10.20%

(A) In 2021, the City Council imposed a sales and use tax for Affordable and Supportive Housing of 0.1 percent, as detailed under Bellevue City Code 4.12.028. Pursuant to RCW 82.13.540, this tax will expire 20 years after the date on which it was first imposed.

(B) Criminal Justice tax is 0.01 percent of gross sales. 10 percent of this is paid directly to King County, and the remaining 90 percent is shared between cities within the county. King County retains the portion for unincorporated areas within the county. In 2025, the city's estimated population was 158,000 and the County's population was 2,411,700. Bellevue represented 6.55 percent of the total population of King County and as such would receive 0.006 percent of this tax.

(C) Effective April 1, 2017, the Regional Transit Authority (RTA) portion of the combined retail sales tax rate in King, Pierce, and Snohomish Counties in Washington increased 0.5 percent for a total RTA rate of 1.4 percent. This tax increase was approved by voters with the passage of Proposition 1 which will expand and coordinate light-rail, commuter-rail, and express bus service, and improve access to transit facilities in King, Pierce, and Snohomish Counties.

Sources:

- King County/Bellevue Population Data - Washington State Office of Financial Management
- Tax rates - Washington State Department of Revenue and Bellevue City Code

Table 9: Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years
(in thousands, except tax rate)

	Assessed & Estimated Actual Value[(A)]					
Fiscal Year	Real Property	Personal Property	State Public Service Property	Exemptions	Grand Total	Total Direct Tax Rate
2016	$ 42,830,040	$ 1,095,002	$ 621,096	$ 111,493	$ 44,546,138	0.94
2017	47,695,767	1,225,116	578,180	128,759	49,499,063	1.14
2018	54,621,525	1,241,081	624,729	138,047	56,487,335	1.03
2019	63,060,612	1,264,406	661,148	140,984	64,986,166	0.92
2020	66,388,028	1,310,043	620,331	214,840	68,318,403	0.90
2021	69,172,311	1,348,251	678,201	227,048	71,198,763	0.89
2022	74,891,425	1,389,524	924,209	239,884	77,205,158	0.84
2023	96,788,718	1,341,809	866,584	239,018	98,997,111	0.88
2024	90,443,186	1,503,531	753,194	405,110	92,699,911	0.98
2025	92,695,140	1,514,107	618,839	520,598	94,828,086	0.99

(A) Real, personal, and state public service property have been assessed at 100% of the estimated value.

Note: These figures represent Bellevue's total assessed valuations as of December 31st for the last ten years. Included in these figures are all final tax adjustments, omits, and senior citizen exempted property. Breakout of residential/commercial real property and motor vehicle/other personal property valuations are not available.

Source: King County Assessor

Table 10: Property Tax Rates of Direct and Overlapping Governments
Per Thousand Dollars of Assessed Valuation

Last Ten Fiscal Years

Fiscal Year	City of Bellevue	School District	King County	Washington State	Port of Seattle	Other	Total
2016	$ 0.94	$ 3.14	$ 1.48	$ 2.17	$ 0.17	$ 0.88	$ 8.78
2017	1.14	2.93	1.38	2.03	0.15	1.09	8.72
2018	1.03	2.80	1.33	2.92	0.14	0.97	9.19
2019	0.92	2.43	1.22	2.63	0.12	0.90	8.22
2020	0.90	2.50	1.24	3.03	0.12	0.92	8.71
2021	0.89	2.60	1.25	3.09	0.12	0.91	8.85
2022	0.84	2.36	1.23	2.82	0.11	0.84	8.20
2023	0.88	2.00	1.10	2.31	0.09	0.69	7.07
2024	0.98	2.12	1.34	2.52	0.10	0.75	7.81
2025	0.99	1.90	1.36	2.25	0.10	0.73	7.33

Note: These figures represent property tax levies and rates for Bellevue District 1, levy code 330, which is considered to be a typical Bellevue taxing district. Some areas within the city may have a different tax rate depending on the boundaries of other taxing jurisdictions.

Source: King County Assessor

Table 11: Principal Property Taxpayers

Current year and ten years ago

			2025	
Rank	Taxpayer	Type of Business	Assessed Valuation (in millions)	Percentage of Total Assessed Valuation[(A)]
1	Kemper Development	Mixed use developer	$ 774	0.82%
2	Essex Property Trust Inc.	Real estate investment	633	0.67%
3	AvalonBay Communities	Real estate investment	443	0.47%
4	Bellevue Investors II	Real estate investment	398	0.42%
5	1001 Office LLC	Office property management	371	0.39%
6	Bellevue Investors 1 LLC	Real estate investment	369	0.39%
7	Kilroy Realty	Office property management	361	0.38%
8	LS2 Office LLC	Office property management	329	0.35%
9	FSP-City Center	Office property management	276	0.29%
10	Bellevue Place Hotel LLC	Hotel property management	262	0.28%

			2016	
Rank	Taxpayer	Type of Business	Assessed Valuation (in millions)	Percentage of Total Assessed Valuation[(A)]
1	Kemper Development	Mixed use developer	$ 629	1.43%
2	Microsoft	Computer software	612	1.39%
3	Kilroy Realty	Office property management	388	0.88%
4	AvalonBay Communities Inc.	Real estate investment	361	0.82%
5	Puget Sound Energy-Elec/Gas	Utility services	337	0.77%
6	FSP-City Center Plaza LLC	Office property management	310	0.71%
7	Boeing	Aerospace	273	0.62%
8	Braven Residences North and South LLC	Office property management	265	0.60%
9	Ivanhoe Cambridge Property	Office property management	231	0.53%
10	Urban Renaissance	Office property management	228	0.52%

(A) Total 2025 assessed valuation is $94.8 billion. Total 2016 assessed valuation was $43.9 billion.

Source: King County Assessor

Table 12: Property Levies and Collections

Last Ten Fiscal Years
(in thousands)

Fiscal Year	Total Tax Levy [A]	Collected within the Fiscal Year of the Levy: Amount	Collected within the Fiscal Year of the Levy: Percentage	Collected in Subsequent Years	Total Collections to Date: Amount[B]	Total Collections to Date: Percentage
2016	$ 41,419	$ 40,958	98.9%	$ 468	$ 41,426	100.0%
2017	56,018	55,647	99.3%	401	56,048	100.1%
2018	57,871	57,400	99.2%	494	57,895	100.0%
2019	59,405	58,934	99.2%	480	59,414	100.0%
2020	61,113	60,437	98.9%	633	61,071	99.9%
2021	62,552	61,908	99.0%	646	62,556	100.0%
2022	64,760	64,199	99.1%	508	64,738	100.0%
2023	87,031	86,220	99.1%	643	86,932	99.9%
2024	89,686	89,070	99.3%	400	89,470	99.8%
2025	92,243	91,533	99.2%	-	91,533	99.2%

(A) This amount is updated annually to include omits and levy changes in subsequent years.
(B) Total collections are updated annually to include amounts collected in subsequent years.

Source: King County Department of Executive Services, Finance and Business Operations Division

Table 13: Ratio of Outstanding Debt

Last Ten Fiscal Years

(in thousands, except per capita)

Fiscal Year	Governmental Activities			
	General Obligation Bonds[(A)]	PWTF	Leases	Subscriptions
2016	$ 301,894	$ 398	$ -	$ -
2017	290,768	358	-	-
2018	280,299	319	-	-
2019	274,989	279	-	-
2020	315,942	239	-	-
2021	309,145	199	-	-
2022	293,273	159	12,047	-
2023	303,086	119	11,530	2,040
2024	299,815	80	13,424	5,410
2025	289,962	40	5,848	5,631

Table 13: Ratio of Outstanding Debt

Last Ten Fiscal Years
(in thousands, except per capita)

Fiscal Year	Business- Type Activities: General Obligation Bonds	Business- Type Activities: Subscriptions	Total primary government	Percentage of personal income (B)	Per capita
2016	$ 965	$ -	$ 303,257	2.76%	$ 2,175
2017	477	-	291,603	2.49%	2,073
2018	-	-	280,618	2.23%	1,971
2019	-	-	275,268	1.99%	1,894
2020	-	-	316,181	2.14%	2,135
2021	-	-	309,344	1.88%	2,037
2022	-	-	305,479	1.70%	1,985
2023	-	60	316,835	1.68%	2,049
2024	-	2,018	320,747	1.61%	2,069
2025	-	582	302,063	N/A (B)	1,912

(A) The 2024 balance has been adjusted for the TIFIA beginning balance adjustment. See Note 19: Accounting Changes for more information.
(B) See Table 18: Demographic Statistics for personal income and population data. Some of the numbers may reflect revised inputs, re-estimations, and/or adjustments to data.
(C) Personal income data not available at time of printing.

Table 14: Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years
(in thousands, except per capita)

Fiscal Year	General Obligation Bonds[(A)]	Less Debt Service Funds	Net Bonded Debt	Percentage of estimated actual taxable value of property[(B)]	Net Bonded Debt per Capita [(C)]
2016	$ 302,860	$ 1,575	$ 301,285	0.68%	$ 2,161
2017	291,245	288	290,957	0.59%	2,068
2018	280,299	103	280,196	0.50%	1,968
2019	274,989	642	274,347	0.42%	1,888
2020	315,942	4,897	311,045	0.46%	2,100
2021	309,145	4,247	304,898	0.43%	2,059
2022	293,273	6,414	286,859	0.40%	1,937
2023	303,086	5,875	297,211	0.30%	1,922
2024	299,815	6,831	292,984	0.32%	1,917
2025	289,962	7,194	282,768	0.30%	1,790

(A) The 2024 balance has been adjusted for the TIFIA beginning balance adjustment. See Note 19: Accounting Changes for more information.
(B) See Table 9: Assessed and Estimated Actual Value of Taxable Property for property value statistics.
(C) See Table 18: Demographic Statistics for population statistics.

Table 15: Computation of Direct and Overlapping Debt

As of December 31, 2025
(in thousands)

Jurisdiction	Net Outstanding Debt	Percentage Applicable to Bellevue (A)	Amount Applicable to Bellevue
City of Bellevue	$ 282,768	100.00%	$ 282,768
Bellevue School District #405	531,335	79.16%	420,612
King County (1)	1,098,810	10.86%	119,306
Issaquah School District #411	548,918	12.21%	66,996
Port of Seattle	419,575	10.86%	45,556
Renton School District #403	464,492	2.94%	13,656
Lake Washington School District #414	392,448	0.86%	3,380
Fire District #10	470	7.32%	34
Total other jurisdictions	3,456,048		669,540
Total Direct & Overlapping Debt	$ 3,738,816		$ 952,308

(A) Determined by ratio of 2025 assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit.

Note: Total general obligation bonds outstanding on December 31, 2025 are exclusive of refunded bonds.

Source: King County Assessor

Table 16: Legal Debt Margin

Last Ten Fiscal Years
(in thousands)

	2016	2017	2018	2019	2020
Debt limit	$ 3,332,598	$ 3,702,773	$ 4,226,197	$ 4,863,389	$ 5,123,880
Total net debt applicable to limit	312,743	299,875	287,670	281,143	315,591
Legal debt margin	$ 3,019,855	$ 3,402,898	$ 3,938,527	$ 4,582,246	$ 4,808,289
Total net debt applicable to the limit as a percentage of debt limit	9.38%	8.10%	6.81%	5.78%	6.16%

Table 16: Legal Debt Margin

Last Ten Fiscal Years
(in thousands)

	2021	2022	2023	2024	2025
Debt limit	$ 5,346,984	$ 5,790,387	$ 7,424,817	$ 6,953,858	$ 7,112,106
Total net debt applicable to limit	304,882	287,658	297,211	297,152	282,791
Legal debt margin	$ 5,042,102	$ 5,502,729	$ 7,127,606	$ 6,656,706	$ 6,829,315
Total net debt applicable to the limit as a percentage of debt limit	5.70%	4.97%	4.00%	4.27%	3.98%

Table 16: Legal Debt Margin

Last Ten Fiscal Years
(in thousands)

Description	Councilmanic Debt (Non-Voted)	Voted Debt	General Purpose Indebtedness [A]
Assessed value [B]	$ 94,828,086	$ 94,828,086	$ 94,828,086
Statutory debt limit percentages:	1.50%	1.00%	2.50%
Statutory debt limit	$ 1,422,421	$ 948,281	$ 2,370,702
Debt applicable to limit			
Bonds outstanding	$ 289,962	$ -	$ 289,962
Less: cash on hand for debt redemption [C]	7,171	-	7,171
Total net debt applicable to limit	282,791	-	282,791
Remaining debt capacity	$ 1,139,630	$ 948,281	$ 2,087,911

(A) The principal portion of the Bellevue Convention Center Authority's (BCCA) capital lease is included in the city's debt calculation because the BCCA qualifies as a component unit under Section 2100 of the GASB Codification.
(B) This figure represents the city’s final assessed valuation for 2025, which will be used to determine the 2025 property tax levy.
(C) Includes year-end balances available in the I&D Redemption Fund designated for future redemption of the associated bonds less bond interest payments.

Source: King County Assessor

Table 16: Legal Debt Margin

Last Ten Fiscal Years
(in thousands)

Description	Excess Levy Open Space and Park	Excess Levy Utility Purposes	Total Debt Capacity
Assessed value [B]	$ 94,828,086	$ 94,828,086	$ 94,828,086
Statutory debt limit percentages:	2.50%	2.50%	7.50%
Statutory debt limit	$ 2,370,702	$ 2,370,702	$ 7,112,106
Debt applicable to limit			
Bonds outstanding	$ -	$ -	$ 289,962
Less: cash on hand for debt redemption [C]	-	-	7,171
Total net debt applicable to limit	-	-	282,791
Remaining debt capacity	$ 2,370,702	$ 2,370,702	$ 6,829,315

(A) The principal portion of the Bellevue Convention Center Authority's (BCCA) capital lease is included in the city's debt calculation because the BCCA qualifies as a component unit under Section 2100 of the GASB Codification.
(B) This figure represents the city's final assessed valuation for 2025, which will be used to determine the 2025 property tax levy.
(C) Includes year-end balances available in the I&D Redemption Fund designated for future redemption of the associated bonds less bond interest payments.

Source: King County Assessor·

(This page is intentionally left blank.)

Table 17: Pledge Revenue Coverage

Last Ten Fiscal Years
(in thousands)

	Revenue Bonds						
				Debt Service Requirement			
Fiscal Year	Gross Revenue	Expenses	Net revenue available for debt service	Principal	Interest	Total	Coverage
2016	$ 11,214	$ -	$ 11,214	$ 1,246	$ 5,354	$ 6,600	1.70
2017	11,780	-	11,780	1,227	5,817	7,044	1.67
2018	12,645	-	12,645	1,204	6,321	7,525	1.68
2019	12,531	-	12,531	1,180	6,795	7,975	1.57
2020	3,139	-	3,139	539	2,901	3,440	1.32
2021	4,543	-	4,543	-	-	-	-
2022	9,827	-	9,827	-	-	-	-
2023	11,570	-	11,570	-	-	-	-
2024	13,411	-	13,411	-	-	-	-
2025	12,969	-	12,969	-	-	-	-

Note: Revenue bond information for fiscal years 2016 – 2025 represent amounts for the discretely presented component unit BCCA. There are no expenses for 2025 as the entire revenues collected are pledged to BCCA. Hotel/motel tax revenues from the Hotel/Motel Tax Fund are included as Gross Revenues. In addition, the revenue generated by BCCA is excluded as they are not pledged to debt coverage and included hotel/motel tax revenues from the Hotel/Motel Tax Fund.

Table 18: Demographics

Last Ten Fiscal Years

Fiscal Year	Population	Per Capita Personal Income	Personal Income	Median Age	Number of Households
2016	139,400	$ 77,638	$ 10,822,737	39	58,056
2017	140,700	82,387	11,591,851	37	58,290
2018	142,400	87,809	12,504,002	37	58,936
2019	145,300	93,643	13,606,328	37	59,562
2020	148,100	98,830	14,636,723	38	60,953
2021	151,854	109,827	16,677,669	39	61,430
2022	153,900	113,317	17,439,486	39	62,087
2023	154,600	122,235	18,897,531	39	62,226
2024	155,000	128,684	19,946,020	38	62,383
2025	158,000	(A)	(A)	(A)	63,805

(A) Data not available at time of publication.

Sources:

- Population provided by Washington State's Office of Financial Management April 1 postcensal estimates of population.
- Per Capita Personal Income data was provided by US Bureau of Economic Analysis Table CAINC1. Estimates are for King County, in which Bellevue is located. Bellevue data are not available. Please note previous years may reflect revised inputs, reestimation, and/or adjustment to data.
- Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 2013-2021 reflect county population estimates available as of January 2025. Metropolitan Areas are defined (geographically delineated) by the Office of Management and Budget bulletin no. 20-01 issued March 6, 2020. Note- All dollar estimates are in thousands of current dollars (not adjusted for inflation). Calculations are performed on unrounded data.
- Personal Income was calculated from Per Capita Personal Income and Population estimates and is presented in thousands.
- Median Age was provided by the U.S. Census Bureau's annual American Community Survey 1-Year Estimates Table S0101 for all years except 2020. Estimates for 2020 are from the 2020 Decennial Census Table DP1.
- Number of Households provided by Washington State's Office of Financial Management April 1 intercensal estimates of population and housing for 2011-2020. Data for 2021-2025 are calculated based on 2020 housing occupancy rates using the April 1 postcensal estimates of housing.

Table 18: Demographics

Last Ten Fiscal Years

Fiscal Year	Public School Enrollment	Number of Jobs	Unemployment Rate	CPI-U%
2016	20,284	146,115	3.5%	2.2%
2017	20,585	147,647	3.3%	3.1%
2018	20,623	152,758	3.0%	3.2%
2019	20,705	158,805	2.4%	2.5%
2020	20,005	155,031	6.3%	1.7%
2021	19,189	150,628	3.6%	4.6%
2022	18,722	163,784	2.7%	9.0%
2023	19,200	162,040	3.2%	5.7%
2024	19,715	157,479	3.9%	3.5%
2025	19,705	(A)	3.8%	2.3%

(A) Data not available at time of publication.

Sources:

- Public School Enrollment was provided by the Washington State Office of Superintendent of Public Instruction. Population is K-12 students.
- Number of total jobs provided by the Puget Sound Regional Council. Revised September 2024.
- Unemployment Rate provided by the Bureau of Labor Statistics series id LAUCT530521000000003. Estimates are the annual average of monthly rates. Please note previous years may reflect revised inputs, reestimation, and/or adjustment to new state control totals.
- CPI-U was provided by the Bureau of Labor Statistics series id CUURS49DSA0. Estimates are the percentage change in the Consumer Price Index from the prior year. Data are for Seattle-Tacoma-Bellevue Consolidated Metropolitan Statistical Area, which includes King, Pierce, and Snohomish counties.

(This page is intentionally left blank.)

Table 19: Principal Employers

Current Year and Nine Years Ago

Employer	Type of Business	2025 Rank	2025 Number of Employees[(A)]	2025 Percentage of Total City Employment[(B)]
Amazon	Online Retail	1	15,700	9.85%
Meta/Facebook	Online Social Network	2	6,300	3.95%
T-Mobile USA	Cellular Telephone	3	4,900	3.07%
Overlake Hospital Medical Center	Medical Hospital	4	3,900	2.45%
Bellevue School District	Education K-12	5	2,700	1.69%
Tik-Tok	Online Social Network	6	2,200	1.38%
City of Bellevue	Government	7	1,900	1.19%
Salesforce	Business Services	8	1,500	0.94%
Bellevue College	Higher Education	9	1,100	0.69%
Pokémon	Video Game Developer	10	1,100	0.69%

Employer	Type of Business	2016 Rank	2016 Number of Employees[(A)]	2016 Percentage of Total City Employment[(C)]
Microsoft	Technology	1	7,200	4.93%
T-Mobile USA	Cellular Telephone	2	5,000	3.42%
Expedia	Online Travel	3	3,300	2.26%
Overlake Hospital Medical Center	Medical Hospital	4	3,100	2.12%
Boeing	Aviation	5	2,800	1.92%
Bellevue School District	Education K-12	6	2,500	1.71%
Bellevue College	Higher Education	7	2,100	1.44%
City of Bellevue	Government	8	1,600	1.10%
Puget Sound Energy	Utility Service	9	1,200	0.82%
Concur	Online Travel	10	1,200	0.82%

(A) Estimates are rounded to the nearest hundred.

(B) Percentages of total city employment for 2025 are derived from a projection of the most recent year of data available - 2024 - from the Puget Sound Regional Council (PSRC). To project 2025 employment, Bellevue's total employment estimate for 2024 (157,479) was adjusted by the average annual growth rate from 2015-2024.

(C) Percentages of total city employment for 2016 are derived from employment estimates provided by PSRC. In 2016, there were an estimated 146,115 people employed in Bellevue.

Source: City of Bellevue Community Development Department

Table 20: Full Time Equivalent Employees by Function

Last Ten Fiscal Years

	2016	2017	2018	2019	2020
General government	386	389	405	415	423
Public Safety					
Police					
Officers	186	184	184	185	186
Civilians	41	41	41	46	47
Fire					
Firefighters & officers	216	216	216	227	228
Civilians	28	28	28	24	31
Transportation	129	140	142	143	144
Culture & recreation	165	166	165	168	168
Water	69	71	71	71	71
Sewer	52	52	53	52	52
Storm Drainage	48	50	50	50	50
Total	1,320	1,337	1,355	1,381	1,400

Table 20: Full Time Equivalent Employees by Function

Last Ten Fiscal Years

	2021	2022	2023	2024	2025
General government	444	456	505	503	515
Public Safety					
Police					
Officers	186	187	199	206	206
Civilians	47	47	49	49	50
Fire					
Firefighters & officers	211	219	231	231	230
Civilians	50	51	57	57	59
Transportation	147	152	158	159	161
Culture & recreation	168	168	169	170	191
Water	71	69	66	66	66
Sewer	52	52	54	54	58
Storm Drainage	50	50	54	54	55
Total	1,426	1,451	1,542	1,549	1,591

Source: City of Bellevue Budget Office

Table 21: Operating Indicators by Function

Last Ten Fiscal Years

	2016	2017	2018	2019	2020
Public safety/judicial:					
Police:					
Offenses:					
Rape	15	24	25	28	21
Robbery	63	59	87	77	70
Homicide[(A)]	-	-	-	1	6
Assault[(B)]	479	519	609	562	614
Auto theft	323	331	386	351	305
Burglary	636	570	524	403	540
Larceny	3,615	3,568	3,602	3,565	3,742
Citations:					
Traffic	13,021	11,872	8,239	9,611	9,075
Criminal[(C)]	1,827	2,302	2,618	2,055	2,304
Judicial system:					
Handled by district court	14,848	14,174	10,857	11,666	11,379
Fire:					
First response:					
Buildings	198	192	178	172	153
Non-Buildings	251	325	288	223	193
Service	840	1,252	1,706	1,845	2,179
False alarm	1,548	1,702	1,536	1,756	1,562
Other	981	1,033	1,004	1,095	997
Medic 1 Responses:					
First aid	14,951	15,319	15,307	15,618	13,847
Runs per week	288	295	294	300	266
Transportation:					
Area of roadway repaired (sq. ft)	29,192	30,407	20,951	18,239	12,481
Miles of streets swept	4,856	3,373	4,812	6,627	5,326
Area of sidewalk repaired (sq. ft)	22,235	1,550	4,596	8,174	43
Physical/economic environment:					
Building permits issued	15,185	14,999	15,084	16,134	13,732
Estimated value (in millions)	$ 793	$ 718	$ 942	$ 712	$ 1,161
Culture & recreation:					
Number of rounds of golf played	77,270	71,105	77,682	75,920	71,729

(A) The homicide category includes the following: negligent (vehicular or drug related, etc.), non-negligent (willful), and justifiable (self-defense).
(B) Includes aggravated assaults, simple assaults, and sexual assaults (not including rapes).
(C) Includes declined citations.

Sources: City of Bellevue Departments - Development Services, Fire, Parks and Community Services, Police, Transportation, and Utilities

Table 21: Operating Indicators by Function

Last Ten Fiscal Years

	2021	2022	2023	2024	2025
Public safety/judicial:					
Police:					
Offenses:					
Rape	13	23	13	13	15
Robbery	88	105	104	78	51
Homicide[(A)]	3	4	1	3	2
Assault[(B)]	587	702	673	695	615
Auto theft	448	499	739	530	169
Burglary	601	746	601	521	375
Larceny	4,290	4,464	4,165	4,068	2,863
Citations:					
Traffic	18,372	10,300	4,947	3,545	5,875
Criminal[(C)]	2,061	2,073	2,311	2,445	2,680
Judicial system:					
Handled by district court	20,433	12,373	7,258	5,990	8,555
Fire:					
First response:					
Buildings	145	159	154	147	117
Non-Buildings	303	304	355	272	340
Service	3,340	2,513	2,697	2,975	2,798
False alarm	1,652	1,864	1,991	2,435	2,209
Other	1,248	1,321	1,540	1,923	1,727
Medic 1 Responses:					
First aid	15,962	17,087	16,890	17,134	16,391
Runs per week	307	329	325	330	315
Transportation:					
Area of roadway repaired (sq. ft)	4,629	17,429	35,528	71,011	21,146
Miles of streets swept	2,471	3,266	3,454	5,082	4,366
Area of sidewalk repaired (sq. ft)	3,340	3,876	6,487	1,268	12,903
Physical/economic environment:					
Building permits issued	15,523	16,230	15,243	16,221	16,663
Estimated value (in millions)	$ 1,656	$ 1,152	$ 689	$ 569	$ 685
Culture & recreation:					
Number of rounds of golf played	85,917	80,257	84,013	80,709	75,012

(A) The homicide category includes the following: negligent (vehicular or drug related, etc.), non-negligent (willful), and justifiable (self-defense).
(B) Includes aggravated assaults, simple assaults, and sexual assaults (not including rapes).
(C) Includes declined citations.

Sources: City of Bellevue Departments - Development Services, Fire, Parks and Community Services, Police, Transportation, and Utilities

Table 21: Operating Indicators by Function

Last Ten Fiscal Years

	2016	2017	2018	2019	2020
Water utility:					
Water consumption (CCF in thousands)	6,854	6,829	6,759	6,427	6,327
Number of customers:					
Residential	35,150	34,301	34,352	34,380	34,421
Multi-residential	666	660	688	691	698
Commercial	2,064	2,062	2,048	2,053	1,767
Total number of customers	37,880	37,023	37,088	37,124	36,886
Water consumption peak in a day (millions of gallons)	33	29	31	26	26
Water consumption peak in a month (millions of gallons)	912	783	808	803	840
Sewer utility: (D)					
Sewer consumption (CCF in thousands)	5,418	5,389	5,725	5,918	5,690
Number of customers:					
Residential	34,775	32,580	32,557	32,540	32,530
Multi-residential	657	650	676	689	695
Commercial	1,682	1,667	1,663	1,670	1,645
Total number of customers	37,114	34,897	34,896	34,899	34,870
Storm & surface water utility: (D)					
Number of customers:					
Residential	30,579	30,612	30,623	30,650	30,678
Multi-residential	549	549	557	559	564
Commercial	1,923	1,901	1,899	1,903	1,887
Total number of customers	33,051	33,062	33,079	33,112	33,129

(D) 2017 totals declined due to South Cove area being annexed by Issaquah.

Sources: City of Bellevue Departments - Development Services, Fire, Parks and Community Services, Police, Transportation, and Utilities

Table 21: Operating Indicators by Function

Last Ten Fiscal Years

	2021	2022	2023	2024	2025
Water utility:					
Water consumption (CCF in thousands)	6,658	6,502	6,627	6,433	6,690
Number of customers:					
Residential	34,466	34,528	34,568	34,645	34,713
Multi-residential	699	702	704	704	712
Commercial	1,773	1,764	1,767	1,764	1,763
Total number of customers	36,938	36,994	37,039	37,113	37,188
Water consumption peak in a day (millions of gallons)	31	28	28	28	27
Water consumption peak in a month (millions of gallons)	780	779	774	762	753
Sewer utility:					
Sewer consumption (CCF in thousands)	5,759	5,498	5,844	5,534	5,574
Number of customers:					
Residential	32,522	32,562	32,619	33,294	33,329
Multi-residential	696	698	700	702	710
Commercial	1,651	1,636	1,649	1,645	1,653
Total number of customers	34,869	34,896	34,968	35,641	35,692
Storm & surface water utility:					
Number of customers:					
Residential	30,714	30,735	30,740	30,738	30,760
Multi-residential	566	569	570	571	575
Commercial	1,883	1,881	1,881	1,881	1,906
Total number of customers	33,163	33,185	33,191	33,190	33,241

Sources: City of Bellevue Departments - Development Services, Fire, Parks and Community Services, Police, Transportation, and Utilities

Table 22: Capital Assets by Function

Last Ten Fiscal Years

	2016	2017	2018	2019	2020
Public Safety:					
Police					
Traffic/patrol units	67	67	72	79	79
Fire					
Fire stations	9	9	9	9	9
Fire apparatus	20	20	20	20	20
Fire aid units	15	14	14	14	14
Transportation:					
Paved streets (miles)	416	416	416	416	416
Sidewalks (miles)	358	366	359	359	363
Traffic signals	200	202	202	203	211
City of Bellevue streetlights	3,237	3,306	3,312	3,321	3,383
Puget Sound Energy streetlights	5,899	5,914	5,951	5,962	5,975
Culture & Recreation/Marina:					
Parks acreage	2,732	2,732	2,700	2,704	2,710
Parks	77	77	78	78	78
Maintained trails (miles)	93	98	98	98	98
Play areas	46	46	47	47	47
Tennis courts/centers	38	38	38	38	38
Sports fields	35	35	30	30	30
Sports courts	27	27	26	26	26
Swimming beaches/pools	7	7	7	7	8
Community activity buildings	4	4	4	4	4
Community centers/recreation facilities	5	5	7	7	7
Golf courses	2	2	2	2	2
Marinas/boat launches	2	2	2	2	2
Water Utility:					
Water mains (miles)	620	611	605	605	608
Vehicles	45	44	45	46	47
Sewer Utility:					
Sanitary sewers (miles)	525	516	516	516	516
Vehicles	40	37	35	41	39
Storm & surface water Utility:					
Vehicles	30	29	31	31	30

Sources: City of Bellevue Departments - Finance and Asset Management, Parks and Community Services, Transportation, and Utilities

Table 22: Capital Assets by Function

Last Ten Fiscal Years

	2021	2022	2023	2024	2025
Public Safety:					
Police					
Traffic/patrol units	80	77	72	91	101
Fire					
Fire stations	9	9	9	9	9
Fire apparatus	20	20	21	20	20
Fire aid units	14	14	14	14	14
Transportation:					
Paved streets (miles)	416	416	416	416	412
Sidewalks (miles)	367	368	369	371	397
Traffic signals	217	218	220	221	224
City of Bellevue streetlights	3,419	3,489	3,536	3,550	3,552
Puget Sound Energy streetlights	5,995	6,003	6,010	6,018	6,029
Culture & Recreation/Marina:					
Parks acreage	2,713	2,714	2,731	2,739	2,749
Parks	78	78	78	79	79
Maintained trails (miles)	98	98	98	98	98
Play areas	47	48	48	48	48
Tennis courts/centers	38	37	39	39	37
Sports fields	30	28	31	31	31
Sports courts	26	26	26	26	26
Swimming beaches/pools	8	8	8	8	8
Community activity buildings	7	26	27	27	27
Community centers/recreation facilities	7	8	8	8	8
Golf courses	2	2	2	2	2
Marinas/boat launches	9	9	9	9	9
Water Utility:					
Water mains (miles)	608	608	608	608	606
Vehicles	51	50	38	44	47
Sewer Utility:					
Sanitary sewers (miles)	517	517	517	517	518
Vehicles	45	45	33	38	32
Storm & surface water Utility:					
Vehicles	31	31	31	35	32

Sources: City of Bellevue Departments - Finance and Asset Management, Parks and Community Services, Transportation, and Utilities