



City of Bellevue, Washington
**Annual Comprehensive
Financial Report**

For the fiscal year ended December 31, 2024

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Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2024

**Prepared by the Accounting Team,
Finance and Asset Management Department**

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**ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended December 31, 2024
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Introductory 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, 2023

Christopher P. Morill

Executive Director/CEO



June 27, 2024

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

The City of Bellevue's (the city) Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024, is hereby submitted. The 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. The letter of transmittal is a complement to the MD&A and should be read in conjunction with it.

Profile of the Government

Incorporated in 1953, the City of Bellevue is the 5th most populous city in the State of Washington, with a population of approximately 155,000. The city encompasses 33.51 square miles. Bellevue is located on the eastern shore of Lake Washington, 11 miles east of Seattle. The city is 175 miles north of Portland, Oregon, 230 miles south of Vancouver, Canada, and 275 miles west of Spokane. 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 Section 35A of the Revised Code of Washington (RCW). The city is a Council-Manager form of government with a seven-member City Council elected by the voters of the city. City Council members are elected at large, rather than by district, and are responsible for establishing the general guidelines and policies for the city. Each member serves a four-year term. The City Council elects the Mayor and Deputy Mayor from within its ranks. The City Council appoints the City Manager as the city's chief executive officer responsible for carrying out the policies and direction set by the City Council. This includes the enforcement of laws and ordinances, the execution of contracts and agreements, and maintenance of peace and order in the city. The city has six core values, including exceptional public services, stewardship, commitment to employees, integrity, innovation, and diversity, equity and inclusion.

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

The city's economy is comprised of a variety of industries, including 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. Meydenbauer Center is in Downtown Bellevue and contains a 54,000-square foot convention center and trade show facility, a 410-seat theater, and 434-stall underground parking garage.

Economic Condition and Outlook

In 2024, the City of Bellevue's economic condition remains stable in an uncertain economic environment. Elevated inflation remains as a negative impact to the city. However, the city continues to uphold its fiscal policies to mitigate the uncertainty and thoughtfully invest in the community.

In 2023, the construction sector was a notable contributor to the increase in tax revenue. While the pace of construction slowed in 2024, development in Bellevue continues to remain strong with many future projects anticipated. The growth in the Downtown Bellevue and BelRed neighborhoods is estimated to add facilities for an additional 46,800 jobs by 2044.

The unemployment rate for the City of Bellevue as of October 2024 was 3.9 percent. This rate increased marginally from the previous year's rate of 3.7 percent. The unemployment rate for the city remains below the national average of 4.1 percent.

In the near term, revenues are expected to remain modest. The city created the 2025-26 budget with a focus on meeting immediate and essential needs while continuing to make strategic investments for the future.

Long-Term Financial Planning

Several updates were made to the budget process in 2024, including adoption of guiding principles related to financial strategy. The city also refined prioritization of investments, focusing on current operations and maintenance, debt service, planned new investments, growth planning, and lastly new pilot and service delivery demonstrations. Additionally, the city implemented a budget equity toolkit, which tracks department diversity, equity, and inclusion resourcing while assessing new opportunities.

The city prepares a six-year financial operational forecast for the General Fund, Storm and Surface Water Utility Fund, Water Utility Fund, and Sewer Utility Fund to ensure the economic outlook is incorporated into the City of Bellevue's financial planning. The city uses the operational forecasts and the six-year Capital Improvement Program (CIP) Plan as long-term financial planning tools. These planning tools provide valuable information that enables city management to make decisions with greater consideration of the financial consequences.

Major Initiatives

The city has many initiatives that have continued into 2024 under the 2023-24 adopted budget.

The city continues development under the Environmental Stewardship Initiative (ESI), a sustainability program that oversees a range of actions designed to help the city achieve its environmental goals. The initiative continues to build upon past sustainability efforts by adding staff, resources, electric vehicle charging infrastructure, energy efficiency projects at city facilities, and programs to support residential and commercial building electrification.

As a "city in a park", Bellevue invested in parks by acquiring land for future park development in the Eastgate and West Lake Sammamish neighborhoods and opening a new park in the Bridle Trails neighborhood.

The \$99.6 million Transportation Infrastructure Finance and Innovation (TIFIA) loan continues the construction of eleven identified projects:

- Northeast 4th Street from 116th Avenue Northeast to 120th Avenue Northeast
- 120th Avenue Northeast from Northeast 4th Street to Northeast 7th Street (Stage 1)
- 120th Avenue Northeast from Northeast 4th Street to Northeast 7th Street (Stage 2)
- 120th Avenue Northeast from Northeast 12th Street to Northeast 16th Street (Stage 3)
- Northeast Spring Boulevard from 116th Avenue Northeast to 120th Avenue Northeast (Zone 1)

- Northeast Spring Boulevard / East Link Property Acquisition of the Pine Forest Property
- Northeast Spring Boulevard from 120th Avenue Northeast to 124th Avenue Northeast (Zone 2)
- Northeast Spring Boulevard from 130th Avenue Northeast to 132nd Avenue Northeast (WB)
- 124th Avenue Northeast from Northeast Spring Boulevard to Ichigo Way (Northeast 18th Street)
- 124th Avenue Northeast from Northeast 12th Street to Northeast Spring Boulevard
- Northeast Spring Boulevard from 130th Avenue to 132nd Avenue Northeast (EB)

In 2024, the city began debt repayment on the TIFIA loan. This debt was refinanced in 2021, saving the city more than \$20.0 million in interest cost of the 30-year term of the loan.

For the 2025-26 budget, the city focused on three general areas: improving access to and the supply of affordable housing; supporting how people thrive in Bellevue; and enhancing community safety and resiliency. Many projects have been planned and budgeted to support these areas, including the creation of the Office of Housing, the Vision Zero Safe Speed Program, the remodel of City Hall, replacement of city owned fuel tanks, as well as partnering with and supporting various parts of the community.

Financial Management and Controls

The City of Bellevue’s management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the city are protected from loss, theft, or misuse, and to ensure that 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 that 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.

For the 2025-26 biennium, the city refined and codified the city’s Financial Strategy and Comprehensive Policies. The budget was developed with the 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 in line with the Strategic Target Areas.

The Strategic Target Areas are:

- 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 2023-24 budget, the City of Bellevue maintains budgetary controls in accordance with RCW 35A.34. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the budget appropriations established by the City Council. The General Fund and all special revenue funds are included in the biennially appropriated operating budget as listed below, with the exception of the Housing Fund, and the Operating Grants, Donations, and Special Reserves Fund. These 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
 - Land Purchase Revolving Fund
 - Development Services Fund
 - Parks Enterprise Fund
- LEOFF I Medical Reserve Fund
- Park Maintenance & Operations Fund
- Solid Waste Fund
- Hotel/Motel Tax 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 was given an unmodified opinion for 2024. 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, 2023. The city has earned this prestigious award for 44 out of 47 Annual Report submissions. This was the 41st 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 2024 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 2023-24 biennial budget document for the 25th 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 and 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; Cheryl Harmon, Senior Financial Analyst; and Colin Miller, Financial Analyst; who served as the main Annual Comprehensive Financial Report 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

**City Officials and Administrative Staff
As of December 31, 2024**

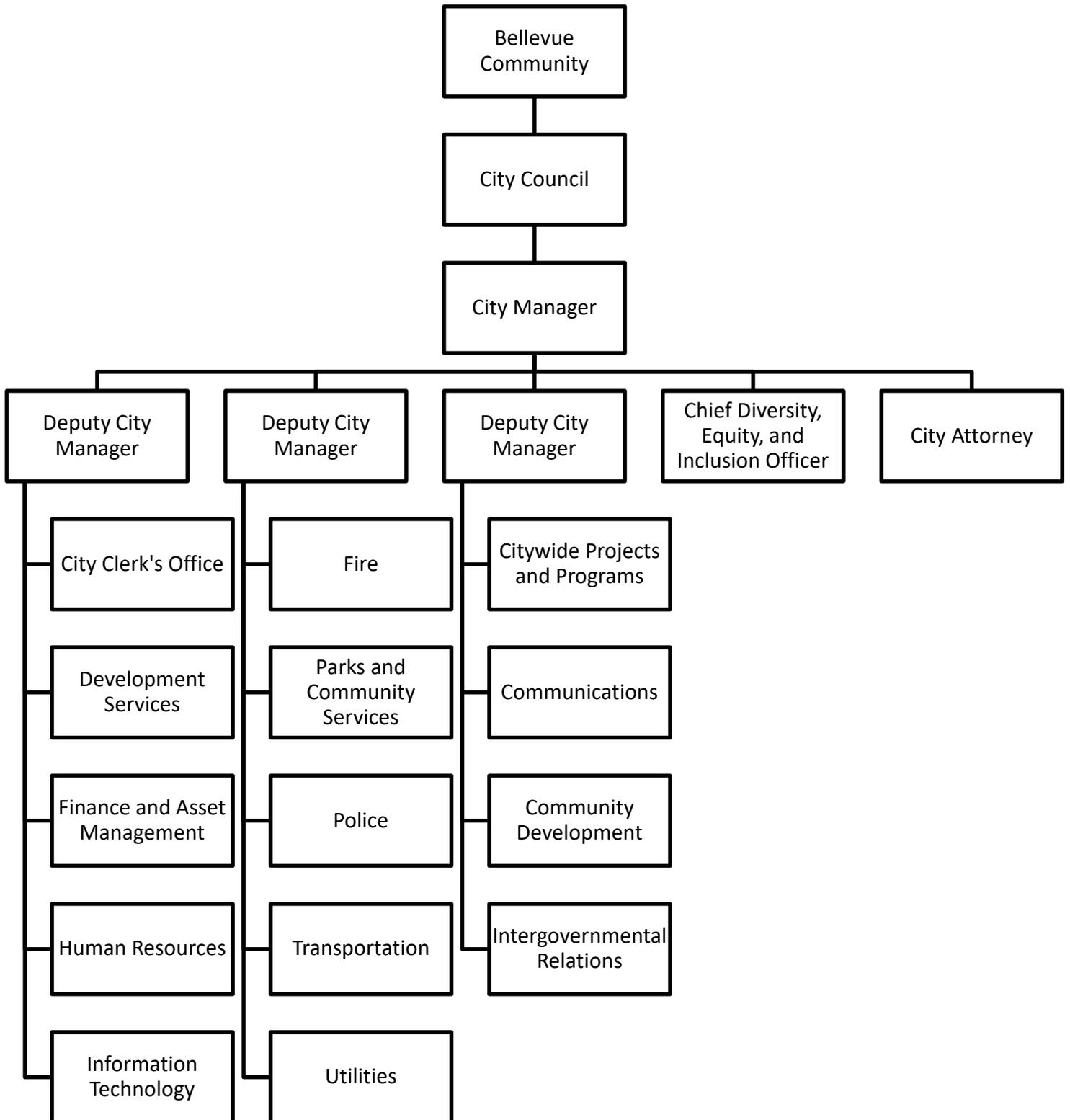
ELECTED CITY COUNCIL

Mayor	Lynne Robinson
Deputy Mayor.....	Mo Malakoutian
Councilmembers.....	Dave Hamilton Conrad Lee Jared Nieuwenhuis John Stokes Janice Zahn

APPOINTED ADMINISTRATIVE STAFF

City Manager	Diane Carlson
Deputy City Managers	Joseph Todd Genesee Adkins Nathan McCommon
Chief Information Officer	Sabra Schneider
Chief Diversity, Equity, and Inclusion Officer	Linda Whitehead
City Attorney (Acting)	Trisna Tanus
City Clerk.....	Charmaine Arredondo
Community Development Director	Emil King
Development Services Director	Rebecca Horner
Finance & Asset Management Director	John Resha
Fire Chief.....	Jay Hagen
Human Resources Director.....	Joy St. Germain
Parks & Community Services Director.....	Michael Shiosaki
Police Chief	Wendell Shirley
Transportation Director.....	Andrew Singelakis
Utilities Director	Lucy Liu

City Hierarchical Organization Chart



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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, 2024, 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, 2024, 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 82 percent, and 82 percent, respectively, of the assets and net position, of the Aggregate Remaining Funds opinion unit. Those statements were audited by the other auditor, 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 auditor.

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 1 to the financial statements, in 2024, the City adopted new accounting guidance, Governmental Accounting Standards Board *Statement No. 101, Compensated Absences*. 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 June 30, 2025, 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,

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

June 27, 2025

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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, 2024. 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 \$151.3 million, or 4.5 percent, from 2023.
- The city's total revenues increased 6.3 percent from the prior year and expenses increased 20.7 percent.
- Tax revenues increased \$2.7 million and assessed property values decreased 6.3 percent since 2023.

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, solid waste utility, and marina operations. 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.

City of Bellevue, Washington

Fiduciary funds account for activities the city conducts for the benefit of others and for certain pension and other post-employment benefit (OPEB) 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 three types of fiduciary funds: pension trust funds, a private-purpose trust fund, 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, 2024 and December 31, 2023 is summarized in the following table:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
			(in thousands)			
Current & other assets	\$ 684,738	\$ 680,816	\$ 511,343	\$ 463,185	\$ 1,196,081	\$ 1,144,001
Capital assets, net	2,215,336	2,153,172	548,222	517,061	2,763,558	2,670,233
Total assets	<u>2,900,074</u>	<u>2,833,988</u>	<u>1,059,565</u>	<u>980,246</u>	<u>3,959,639</u>	<u>3,814,234</u>
Deferred outflows	68,442	50,259	5,013	3,581	73,455	53,840
Total deferred outflows	<u>68,442</u>	<u>50,259</u>	<u>5,013</u>	<u>3,581</u>	<u>73,455</u>	<u>53,840</u>
Total assets & deferred outflows	<u>\$ 2,968,516</u>	<u>\$ 2,884,247</u>	<u>\$ 1,064,578</u>	<u>\$ 983,827</u>	<u>\$ 4,033,094</u>	<u>\$ 3,868,074</u>
Long-term liabilities	\$ 410,091	\$ 386,338	\$ 4,842	\$ 1,312	\$ 414,933	\$ 387,650
Other liabilities	56,502	63,150	9,277	11,295	65,779	74,445
Total liabilities	<u>466,593</u>	<u>449,488</u>	<u>14,119</u>	<u>12,607</u>	<u>480,712</u>	<u>462,095</u>
Deferred inflows	31,003	34,953	1,523	2,508	32,526	37,461
Total deferred inflows	<u>31,003</u>	<u>34,953</u>	<u>1,523</u>	<u>2,508</u>	<u>32,526</u>	<u>37,461</u>
Total liabilities & deferred inflows	<u>\$ 497,596</u>	<u>\$ 484,441</u>	<u>\$ 15,642</u>	<u>\$ 15,115</u>	<u>\$ 513,238</u>	<u>\$ 499,556</u>
Net investment in capital assets	\$ 1,930,876	\$ 1,882,612	\$ 540,422	\$ 512,304	\$ 2,471,298	\$ 2,394,916
Restricted	209,789	290,608	3,825	6,036	213,614	296,644
Unrestricted	330,255	226,586	504,689	450,372	834,944	676,958
Total net position	<u>\$ 2,470,920</u>	<u>\$ 2,399,806</u>	<u>\$ 1,048,936</u>	<u>\$ 968,712</u>	<u>\$ 3,519,856</u>	<u>\$ 3,368,518</u>

Governmental Activities

Governmental activities' net position increased \$71.1 million, or 3.0 percent, in 2024. The restricted net position consists of \$95.9 million for capital projects, \$62.6 million for net pension assets, \$25.9 million for health and human services, \$11.1 million for culture and recreation, and the remaining \$14.3 million covers a variety of municipal purposes.

Factors contributing to the changes in net position include:

- Capital assets increased \$62.2 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 2024 included a decrease in net pension assets, a decrease in net pension liability, an increase in the deferred outflows, and a decrease in deferred inflows of resources for pensions. In 2024, 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.
- In 2024, the city implemented GASB Statement No. 101, "Compensated Absences." The remeasurement contributed to an increased liability of \$19.7 million.
- The unearned revenue for unspent American Rescue Plan Act (ARPA) grant funds decreased by \$4.5 million.

Business-Type Activities

Business-type activities' net position increased by \$80.2 million, or 8.3 percent, in 2024. Contributing factors of the increase in net position were:

- Total cash increased \$37.8 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 \$31.2 million due to investments in infrastructure. 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 DRS pension funds, which impact the city's Government-Wide Statement of Net Position. The impact for 2024 included a decrease in net pension assets, an increase in the deferred outflows, and a decrease in deferred inflows of resources for pensions. In 2024, DRS reported an asset for PERS 2/3. More information on these plans can be found in Note 6: Pension Plans.
- In 2024, the city implemented GASB Statement No. 101, "Compensated Absences." The remeasurement contributed to an increased liability of \$1.6 million.

City of Bellevue, Washington

Changes in Net Position

The table below 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	
	2024	2023	2024	2023	2024	2023
Revenues:	(in thousands)					
Program revenues:						
Charges for services	\$ 111,487	\$ 105,757	\$ 188,857	\$ 186,068	\$ 300,344	\$ 291,825
Operating grants & contributions	44,441	34,549	8,458	32	52,899	34,581
Capital grants & contributions	26,396	20,147	7,483	4,698	33,879	24,845
General revenues:						
Property taxes	90,911	87,675	-	-	90,911	87,675
Sales taxes	105,517	109,198	-	-	105,517	109,198
Other taxes	139,176	136,021	-	-	139,176	136,021
Investment interest	24,283	19,780	19,619	15,839	43,902	35,619
Miscellaneous	4,536	10,696	1,264	1,124	5,800	6,880
Total revenues	546,747	523,823	225,681	207,761	772,428	726,644
Expenses:						
General government	99,417	54,323	-	-	99,417	54,323
Public safety	149,724	132,676	-	-	149,724	132,676
Physical environment	3,404	1,549	-	-	3,404	1,549
Transportation	60,751	56,543	-	-	60,751	56,543
Economic environment	83,969	56,722	-	-	83,969	56,722
Health & human services	9,343	9,010	-	-	9,343	9,010
Culture & recreation	57,049	52,246	-	-	57,049	52,246
Unallocated interest on long-term debt	8,596	11,171	-	-	8,596	11,171
Water utility	-	-	62,968	57,436	62,968	57,436
Sewer utility	-	-	62,049	64,410	62,049	64,410
Storm & surface water utility	-	-	22,462	18,082	22,462	18,082
Solid waste	-	-	938	-	938	-
Marina	-	-	420	345	420	345
Total expenses	472,253	374,240	148,837	140,273	621,090	514,513
Excess (deficiency) before transfers	74,494	149,583	76,844	67,488	151,338	212,131
Transfers	421	4,940	(421)	(4,940)	-	-
Change in net position	74,915	149,583	76,423	62,548	151,338	212,131
Net position - beginning, as previously reported	2,399,806	2,250,223	968,712	906,164	3,368,518	3,156,387
Change within financial reporting entity	(3,801)	-	3,801	-	-	-
Net position - beginning, as restated	2,396,005	2,250,223	972,513	906,164	3,368,518	3,156,387
Net position - ending	\$ 2,470,920	\$2,399,806	\$ 1,048,936	\$ 968,712	\$ 3,519,856	\$3,368,518

Governmental Activities

Net position of governmental activities increased \$71.1 million.

Total revenues increased \$22.9 million, contributing to the net position increase for governmental activities. The highlights of which are:

Charges for services increased by \$5.7 million. Activities contributing to the change include:

- The collections for the Tourism Promotion Area increased \$3.0 million in 2024.
- Collections for Advanced Life Support (ALS) and Basic Life Support (BLS) programs increased \$3.0 million.

Operating grants and contributions increased \$9.9 million. Activities contributing to the change include:

- Contributions totaling \$6.8 million for A Regional Coalition for Housing (ARCH) in support of the Polaris Together Center redevelopment, an affordable housing and mixed-use building.
- The city is a recipient to multiple National Opioid Settlement Agreements, with distributions resulting in an increase of \$1.3 million in 2024.

Capital grants and contributions increased by \$6.2 million. Activities contributing to the change include:

- The city incurred expenses for the Subscription Based Information Technology Arrangement (SBITA) for licensing, training, and support for the Police body-worn camera program in the amount of \$4.1 million.
- The city received multiple large donations of land and land improvements for parks and other municipal uses totaling \$11.1 million.

General revenues increased by \$1.1 million. Activities contributing to the change include:

- The city increased collections of property tax by \$3.2 million, which includes increases in levy collections of \$2.3 million related to parks, fire, and transportation. Revenues decreased from lower collections of retail sales tax by \$3.7 million and business and occupation tax by \$3.7 million. The city experienced an increase of real estate excise tax (REET) of \$5.1 million.
- The unrestricted investment income increased \$4.5 million due to increased balances of cash and investments and stable interest rates during 2024.
- New lease and subscription investments led to an increase in other revenue of \$1.2 million.

Total expenses increased \$98.0 million. Activities contributing to this change include:

- The city completed a Classification and Compensation Study, which was implemented in June 2024. The full year impacts on salaries and wages was \$3.2 million. In addition, the city provides an annual cost of living adjustment to staff salaries. The increase in the CPI-U for the region resulted in a surge of personal and professional services, construction, and most other categories of expenses.
- Changes in pension activity for 2024 resulted in an increase of \$1.4 million to expenses for the city.
- The city recognized an increase in depreciation and amortization expense of \$4.9 million.
- Public safety expenses increased \$18.2 million due to salaries and benefits costs, pension expenses, and ALS and BLS program expenses.
- Transportation expenses increased \$4.2 million due to higher costs for maintenance and additions of sidewalks, signals, and street lighting. There was also an increase in spending for the overlay program.
- Economic environment expenses increased \$27.2 million. The city funded two large development projects through ARCH. This was the second year of the Tourism Promotion Area program and the first full year of operations.
- Culture and recreation expenses increased \$4.8 million due to increased costs of supplies used to maintain parks and increases in contracted services.

Business-Type Activities

Business-type activities' net position increased by \$80.2 million for utilities and marina activities in 2024.

The revenues for business-type activities increased \$17.9 million. The highlights of these activities are:

- Charges for services increased \$2.8 million due to utility rate increases. These increases were offset by reduced collections from developer activities.
- Operating grants and contributions increased \$8.4 million due to expansion and refurbishment of storm drainage on Factoria Boulevard.
- Capital grants and contributions increased \$2.8 million due to local contributions to improvements on sewer pump stations and flood control.

City of Bellevue, Washington

- The unrestricted investment income increased \$3.8 million due to increased balances of cash and investments along with stable interest rates throughout 2024.

Total expenses increased \$8.6 million. Activities contributing to this change include:

- The city completed a Classification and Compensation Study, which was implemented in June 2024. The full year impacts on salaries and wages was \$0.5 million. In addition, the city provides an annual cost of living adjustment to staff salaries. The increase in the CPI-U for the region resulted in a surge of personal and professional services, construction, and most other categories of expenses.
- Software and hardware costs increased \$1.6 million in 2024 due to the launch of a new utilities billing system.
- 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.
- The city recognized an increase in depreciation and amortization expense of \$0.8 million.

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 General Fund ending fund balance of \$136.6 million is a decrease of \$2.6 million from the fund balance of 2023. Revenues increased by \$5.9 million and expenditures increased by \$28.2 million. The main contributions to these changes were:

- The city experienced an increase in the ALS and BLS distribution from King County in addition to an increase in collections from traffic photo enforcement.
- The city began participation in the Energy Smart Eastside program, bringing in intergovernmental revenue of \$684 thousand. In addition to the revenue, the city had new related expenditures.
- Ground Emergency Medical Transportation revenue decreased almost \$1.0 million in 2024.
- Personnel costs and contracts for services increased due to the compensation study implementation.
- Public safety expenditure increased with the launch of a police body camera system and increased costs for South Correctional Entity (SCORE) jail services.

The General Capital Investment Program Fund has an ending fund balance of \$279.3 million, a \$24.4 million increase from 2023. Revenues increased \$2.0 million while expenditures increased \$13.0 million. The reasons for these changes in 2024 are:

- The fire, parks, and transportation levy collections increased \$2.0 million from the previous year. However, there was a decrease in REET of about \$5.1 million.
- Interest income increased due to the favorable interest rates.
- Transportation impact fees decreased due to less construction in eligible areas.
- Personnel costs and contracts for services increased due to the compensation study implementation.
- General government costs increased due to new projects, including the Bellevue Service Center electrical capacity project, fleet in-ground lift replacement, and uninterrupted power supply replacement at Bellevue City Hall.
- Public safety capital outlay increased during the year for the construction of Fire Station 10.
- Transportation costs increased due to the stabilization of the slope at 98th Avenue Southwest and Southwest 11th Street, and 124th Avenue Northeast between Northeast 12th and Northeast Spring Boulevard.
- Parks costs increased due to the purchases of three pieces of land on West Lake Sammamish, totaling \$10.1 million and the development of the South Bellevue Community Center Challenge Course.

Business-Type Funds

The Storm and Surface Water Utility Fund has an ending net position of \$295.0 million, a \$25.7 million increase from 2023. The reasons for these changes in 2024 are:

- Service fee revenue increased \$2.7 million due to a rate increase.
- Operating expenses increased \$4.4 million as a result of increases in personnel costs and depreciation expense.
- Interest income increased \$0.8 million due to increased cash and investment balances in the fund.

The Water Utility Fund has an ending net position of \$392.9 million, a \$22.3 million increase from 2023. The reasons for these changes in 2024 are:

- Service fee revenue increased \$3.1 million due to a rate increase and higher than anticipated water consumption in the commercial sector.
- Operating expenses increased \$5.5 million as a result of increases in personnel costs, depreciation expense, contracted professional services, and wholesale water purchases.
- Interest income increased \$1.1 million due to increased cash and investment balances in the fund.

The Sewer Utility Fund has an ending net position of \$346.5 million, a \$28.2 million increase from 2023. The reasons for these changes in 2024 are:

- Service fee revenue increased \$8.6 million due to a rate increase and higher than anticipated sewer flows in the commercial sector.
- Operating expenses decreased \$2.4 million as a result of lower sewer treatment costs.
- Interest income increased \$1.8 million due to increased cash and investment balances in the fund.

Capital Asset Activity

The City of Bellevue’s investment in capital assets for the end of 2024 was \$2.8 billion, net of depreciation, which was an increase of \$93.3 million from the previous year. The following table shows the balances by category for governmental activities, business activities, and the city as a whole.

	Governmental Activities		Business-Type Activities		Total	Total
	2024	2023	2024	2023	2024	2023
	(in thousands)					
Land	\$ 942,222	\$ 917,428	\$ 25,587	\$ 25,462	\$ 967,809	\$ 942,890
Buildings	111,184	112,577	2,952	4,461	114,136	117,038
Improvements other than buildings	109,220	79,367	-	-	109,220	79,367
Machinery & equipment	37,569	30,330	3,107	2,582	40,676	32,912
Leasehold improvements	718	413	-	-	718	413
Infrastructure	915,095	883,874	446,316	440,753	1,361,411	1,324,627
Intangible assets	854	918	-	35	854	953
Lease asset	10,743	11,257	-	-	10,743	11,257
Subscription asset	5,441	2,130	2,679	59	8,120	2,189
Construction in progress	82,235	113,670	67,581	42,526	149,816	156,196
Development in progress	55	1,208	-	1,183	55	2,391
Total	<u>\$ 2,215,336</u>	<u>\$ 2,153,172</u>	<u>\$ 548,222</u>	<u>\$ 517,061</u>	<u>\$ 2,763,558</u>	<u>\$ 2,670,233</u>

Capital assets from governmental activities increased \$62.2 million. Some of the projects for 2024 include:

- The 124th Avenue Northeast section of roadway between Northeast 12th Street and Northeast Spring Boulevard project was completed, constructing an arterial roadway, irrigation systems, sidewalks, structural walls, and traffic control systems, totaling \$16.2 million.
- The Northeast Spring Boulevard section of roadway between 130th Avenue Northeast and 124th Avenue Northeast was completed, constructing an arterial roadway, bike systems, structural walls, and traffic control systems, totaling \$9.8 million.
- The West Lake Sammamish Parkway Phase 2 was completed, constructing an arterial roadway, irrigation

City of Bellevue, Washington

systems, sidewalks, structural walls, and traffic control systems, totaling \$18.5 million.

- The Mountain to Sound Greenway Trail at Factoria Crossing was completed, constructing trailways, tunnels, bridges, retaining walls, and traffic control systems, totaling \$18.5 million.
- The Mountain to Sound Greenway Trail between 132nd Avenue Southeast and 142nd Place Southeast was completed, constructing trailways, structural walls, and traffic control systems, totaling \$9.2 million.
- The 98th Avenue Southeast and Southeast 11th Street Stabilization Project was completed, constructing structural walls and traffic control systems, totaling \$3.8 million.
- Mercer Slough Farm Stand Building and improvements were completed, totaling \$6.9 million.
- Bridle Trails Valley Creek Park was completed, including new play equipment, a parking lot, bathrooms, and a picnic shelter, totaling \$3.1 million.
- Three land parcels were purchased for future park development on West Lake Sammamish, totaling \$10.1 million.
- Play equipment was replaced around the city at various parks, totaling \$0.7 million.
- Leasehold improvements were completed for Mini City Hall, totaling \$0.8 million.

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:

	<u>Satisfactory</u>	<u>Unsatisfactory</u>
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 \$31.2 million in capital assets was related to completed infrastructure projects and construction projects currently underway. Highlights of some of the major changes are:

- Completion of the sewer pump station at Wilburton, totaling \$1.0 million.
- Restoration of Lakemont Culvert for \$9.6 million.
- Ongoing projects for utilities are capitalized based on phasing. These costs include:
 - Horizon View water pump station rehabilitation and replacement of \$3.4 million.
 - Replacement of Sunset Creek sewer pipe and Lakehurst drainage pipe of \$1.5 million.
 - Replacement of Cougar Mountain Pump Station, totaling \$3.4 million.
 - Additional storm pipe repair costs in the amount of \$4.5 million.
 - Additional sewer pipe repair costs in the amount of \$0.7 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 \$304.0 million in general obligation bonds outstanding.

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
	(in thousands)	
General obligation bonds	\$ 303,983	\$ 303,086

Governmental Activities

Over the past five years, the city issued general obligation debt of \$253.4 million, which included \$21.5 million on the TIFIA loan in 2024. Of the bonded debt outstanding as of December 31, 2024, \$21.1 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 2024 was \$92.7 billion and the total amount of additional debt the city may issue is \$6.7 billion. This debt capacity is categorized as follows, in millions:

General debt	\$ 2,021
Open space/Parks facilities	2,318
Utilities	2,318
Total	<u>\$ 6,657</u>

Bond Rating

The City of Bellevue has favorable bond ratings which will provide for lower borrowing costs in the future. The bond ratings for 2024 are:

<u>Bond Type:</u>	<u>S&P Global Ratings</u>	<u>Moody’s</u>
Unlimited Tax General Obligation	AAA	Aaa
Limited Tax General Obligation	AAA	Aa1
Revenue	N/A	Aa1

In 2024, S&P Global Ratings and Moody’s both affirmed the AAA/Aaa rating for the Unlimited Tax General Obligation. 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

In 2024, the city’s 2023-2024 adopted General Fund budget reflects revenues and expenditures of \$591.8 million. The most notable impact on the adopted budget is the high inflation rate. 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. The city continued to support struggling members of the Bellevue community through the dispersal of funding from the America Rescue Plan Act (ARPA) grant for the purpose of housing stability and rent assistance.

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.

Basic Financial Statements

Government-Wide Statement of Net Position
As of December 31, 2024
(in thousands)

Page 1 of 2

	<u>Primary Government</u>			Component Unit
	Governmental Activities	Business-type Activities	Total	Bellevue Convention Center Authority
Assets:				
Current assets:				
Cash & equity in pooled investments	\$ 246,766	\$ 468,498	\$ 715,264	\$ 13,459
Receivables (net of allowances):				
Taxes	52,407	-	52,407	-
Accounts	11,412	37,307	48,719	1,054
Due from other governments	11,762	-	11,762	-
Leases receivable	749	36	785	-
Other	3	-	3	1,282
Internal balances	21	(21)	-	-
Inventory	947	1,188	2,135	67
Prepays	2,106	73	2,179	484
Restricted cash & equity in pooled investments:				
For debt service	6,831	-	6,831	-
For customer deposits	373	133	506	-
For capital projects	279,314	116	279,430	354
Total current assets	612,691	507,330	1,120,021	16,700
Noncurrent assets:				
Net pension asset	62,646	3,825	66,471	-
Leases receivable	5,534	93	5,627	-
Noncurrent receivables	3,867	95	3,962	-
Capital assets:				
Land	942,222	25,587	967,809	-
Depreciable capital assets (net)	259,545	6,059	265,604	29,176
Depreciable infrastructure (net)	72,124	446,316	518,440	-
Nondepreciable infrastructure	842,971	-	842,971	-
Works of art	-	-	-	156
Lease assets (net)	10,743	-	10,743	-
Subscription assets (net)	5,441	2,679	8,120	-
Construction in progress	82,235	67,581	149,816	6,392
Development in progress	55	-	55	-
Total noncurrent assets	2,287,383	552,235	2,839,618	35,724
Total assets	2,900,074	1,059,565	3,959,639	52,424
Deferred outflows of resources:				
Loss on debt refunding	1,635	-	1,635	-
Pensions	66,313	5,013	71,326	-
Asset retirement obligation	494	-	494	-
Total deferred outflows	68,442	5,013	73,455	-
Total assets & deferred outflows	\$ 2,968,516	\$ 1,064,578	\$ 4,033,094	\$ 52,424

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

Government-Wide Statement of Net Position
As of December 31, 2024
(in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bellevue Convention Center Authority
Liabilities:				
Current liabilities:				
Accounts payable	\$ 25,439	\$ 7,941	\$ 33,380	\$ 1,225
Retainage payable	-	-	-	79
Accrued payroll	10,918	1,066	11,984	283
Other accrued liabilities	3,986	22	4,008	156
Deposits payable	6,166	-	6,166	-
Unearned revenue	8,116	-	8,116	-
Other current liabilities	2	-	2	-
Accrued bond interest payable	1,345	-	1,345	-
Liabilities payable from restricted assets:				
Customer deposits	373	133	506	-
Retainage payable	157	115	272	-
Total current liabilities	<u>56,502</u>	<u>9,277</u>	<u>65,779</u>	<u>1,743</u>
Noncurrent liabilities:				
Due within one year	49,093	2,959	52,052	1,040
Due in more than one year	<u>360,998</u>	<u>1,883</u>	<u>362,881</u>	<u>389</u>
Total noncurrent liabilities	<u>410,091</u>	<u>4,842</u>	<u>414,933</u>	<u>1,429</u>
Total liabilities	<u>466,593</u>	<u>14,119</u>	<u>480,712</u>	<u>3,172</u>
Deferred inflows of resources:				
Debt	4,368	-	4,368	-
Pensions	21,525	1,412	22,937	-
Leases	5,110	111	5,221	-
Total deferred inflows	<u>31,003</u>	<u>1,523</u>	<u>32,526</u>	<u>-</u>
Total liabilities & deferred inflows	<u>\$ 497,596</u>	<u>\$ 15,642</u>	<u>\$ 513,238</u>	<u>\$ 3,172</u>
Net position:				
Net investment in capital assets	\$ 1,930,876	\$ 540,422	\$ 2,471,298	\$ 34,992
Restricted for:				
Debt service	6,831	-	6,831	-
Capital projects	95,946	-	95,946	-
General government	27	-	27	-
Public safety	5,228	-	5,228	-
Physical environment	1,934	-	1,934	-
Economic environment	246	-	246	-
Health & human services	25,876	-	25,876	-
Culture & recreation	11,055	-	11,055	-
Net pension asset	62,646	3,825	66,471	-
Unrestricted	<u>330,255</u>	<u>504,689</u>	<u>834,944</u>	<u>14,260</u>
Total net position	<u>\$ 2,470,920</u>	<u>\$ 1,048,936</u>	<u>\$ 3,519,856</u>	<u>\$ 49,252</u>

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

Government-Wide Statement of Activities
For the Year Ended December 31, 2024
(in thousands)

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions
Primary government:				
Governmental activities:				
General government	\$ 99,417	\$ 24,764	\$ 7,804	\$ 12,391
Public safety	149,724	32,367	9,971	4,379
Physical environment	3,404	699	1,287	169
Transportation	60,751	13,317	4,614	6,174
Economic environment	83,969	26,844	13,055	734
Health & human services	9,343	76	7,272	34
Culture & recreation	57,049	13,420	438	2,515
Interest on long-term debt	8,596	-	-	-
Total governmental activities	472,253	111,487	44,441	26,396
Business-type activities:				
Water utility	62,968	76,738	286	3,047
Sewer utility	62,049	79,323	-	2,069
Storm & surface water utility	22,462	31,256	8,172	2,367
Solid waste utility	938	906	-	-
Marina	420	634	-	-
Total business-type activities	148,837	188,857	8,458	7,483
Total primary government	\$ 621,090	\$ 300,344	\$ 52,899	\$ 33,879
Component unit:				
Bellevue Convention Center Authority	\$ 18,931	\$ 22,311	\$ 3,310	\$ -
Total component unit	\$ 18,931	\$ 22,311	\$ 3,310	\$ -

Government-Wide Statement of Activities
For the Year Ended December 31, 2024
(in thousands)

Functions/Programs	Net Expense, Revenue & Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business- type Activities	Total	Bellevue Convention Center Authority
Primary government:				
Governmental activities:				
General government	\$ (54,458)	\$ -	\$ (54,458)	\$ -
Public safety	(103,007)	-	(103,007)	-
Physical environment	(1,249)	-	(1,249)	-
Transportation	(36,646)	-	(36,646)	-
Economic environment	(43,336)	-	(43,336)	-
Health & human services	(1,961)	-	(1,961)	-
Culture & recreation	(40,676)	-	(40,676)	-
Interest on long-term debt	(8,596)	-	(8,596)	-
Total governmental activities	<u>(289,929)</u>	<u>-</u>	<u>(289,929)</u>	<u>-</u>
Business-type activities:				
Water utility	-	17,103	17,103	-
Sewer utility	-	19,343	19,343	-
Storm & surface water utility	-	19,333	19,333	-
Solid waste utility	-	(32)	(32)	-
Marina	-	214	214	-
Total business-type activities	<u>-</u>	<u>55,961</u>	<u>55,961</u>	<u>-</u>
Total primary government	<u>(289,929)</u>	<u>55,961</u>	<u>(233,968)</u>	<u>-</u>
Component unit:				
Bellevue Convention Center Authority	-	-	-	6,690
Total component unit	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,690</u>
General revenues:				
Property tax	90,911	-	90,911	-
Retail sales & use tax	105,517	-	105,517	-
Utility tax	32,943	-	32,943	-
Business & occupation tax	72,489	-	72,489	-
Excise taxes	19,746	-	19,746	-
Hotel/Motel tax	13,411	-	13,411	-
Other taxes	587	-	587	-
Unrestricted grants & contributions	1,167	-	1,167	-
Unrestricted investment interest	24,283	19,619	43,902	493
Net increase (decrease) in fair value of investmen	(1)	-	(1)	-
Miscellaneous	2,824	1,264	4,088	-
Gain on sale of capital assets	546	-	546	-
Transfers	421	(421)	-	-
Total general revenues & transfers	<u>364,844</u>	<u>20,462</u>	<u>385,306</u>	<u>493</u>
Change in net position	74,915	76,423	151,338	7,183
Net position at beginning of year, as previously reported	2,399,806	968,712	3,368,518	42,069
Change within financial reporting entity	(3,801)	3,801	-	-
Net position at beginning of year, as restated	<u>2,396,005</u>	<u>972,513</u>	<u>3,368,518</u>	<u>42,069</u>
Net position at end of year	<u>\$ 2,470,920</u>	<u>\$ 1,048,936</u>	<u>\$ 3,519,856</u>	<u>\$ 49,252</u>

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

Balance Sheet
Governmental Funds
As of December 31, 2024
(in thousands)

	General Fund	General CIP	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Cash & equity in pooled investments	\$ 129,343	\$ 266,801	\$ 72,742	\$ 468,886
Receivables (net of allowances):				
Taxes	34,701	13,352	4,354	52,407
Accounts	8,428	382	2,060	10,870
Due from other governments	-	10,308	1,452	11,760
Prepays	1,424	478	-	1,902
Housing rehabilitation loans receivable	-	-	3,867	3,867
Lease receivables	907	-	-	907
Total assets	\$ 174,803	\$ 291,321	\$ 84,475	\$ 550,599
Liabilities:				
Accounts payable	\$ 11,866	\$ 7,480	\$ 3,034	\$ 22,380
Retainage payable	16	136	-	152
Due to other funds	88	-	-	88
Due to component unit	-	-	774	774
Due to other governments	5	-	2,755	2,760
Accrued payroll	9,940	4	107	10,051
Accrued taxes	440	4	-	444
Deposits payable	6,420	-	-	6,420
Other current liabilities	9	-	-	9
Unearned revenue	7,667	446	-	8,113
Total liabilities	36,451	8,070	6,670	51,191
Deferred inflows:				
For grants	-	3,207	181	3,388
For taxes	863	730	50	1,643
For leases	853	-	-	853
Total deferred inflows	1,716	3,937	231	5,884
Total liabilities & deferred inflows	38,167	12,007	6,901	57,075
Fund balance:				
Nonspendable	1,424	478	-	1,902
Restricted	2,500	95,946	48,697	147,143
Committed	71,310	168,065	20,927	260,302
Assigned	1,455	14,825	7,950	24,230
Unassigned	59,947	-	-	59,947
Total fund balance	136,636	279,314	77,574	493,524
Total liabilities, deferred inflows, & fund balance	\$ 174,803	\$ 291,321	\$ 84,475	\$ 550,599

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

**Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Statement of Net Position
As of December 31, 2024
(in thousands)**

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balances		\$ 493,524
Capital assets used in governmental activities are not financial resources and these assets consist of:		
Land	942,222	
Depreciable capital assets	453,963	
Depreciable infrastructure	271,568	
Construction in progress	82,235	
Non-depreciable infrastructure	842,971	
Lease asset	19,322	
SBITA asset	4,943	
Accumulated depreciation	(420,799)	
Accumulated amortization	<u>(9,813)</u>	
Total capital assets		2,186,612
Material inventory		292
Net pension assets are reported as an asset in the governmental activities and are not considered to represent a financial asset, therefore are not reported in the governmental fund balance sheet:		
		59,717
Deferred outflows of resources		
For debt	1,635	
For pensions	<u>60,759</u>	
Total deferred outflows of resources		62,394
Long-term liabilities, including bonds payable, are not due and payable in the current period & therefore are not reported in the funds. These long-term liabilities consist of:		
Bonds payable	(284,436)	
Accrued bond interest	(1,345)	
Unamortized bond premium	(19,547)	
Notes payable	(80)	
Compensated absences	(33,463)	
OPEB obligation payable	(21,545)	
Lease liability	(13,423)	
Subscription liability	<u>(3,675)</u>	
Total long-term liabilities		(377,514)
Deferred inflows of resources:		
For grants	3,388	
For taxes	1,643	
For debt	(4,368)	
For pensions	(19,583)	
For other	<u>(113)</u>	
Total deferred inflows of resources		(19,033)
Internal service funds are used by management to charge the costs of certain activities, such as equipment rental, self-insurance, information technology, and facility services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position:		
		<u>64,928</u>
Net position of governmental activities		<u><u>\$ 2,470,920</u></u>

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

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024
(in thousands)

	General Fund	(Formerly Major) Operating Grants & Donations	General CIP	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Taxes & special assessments	\$ 210,016	\$ -	\$ 97,862	\$ 28,015	\$ 335,893
Licenses & permits	17,679	-	-	-	17,679
Intergovernmental	34,811	-	8,937	12,875	56,623
Service charges & fees	41,341	-	1,448	4,366	47,155
Fines & forfeitures	1,781	-	-	-	1,781
Interest & penalties	5,893	-	11,931	3,789	21,613
Rent	10,221	-	-	-	10,221
Judgments & settlements	1,413	-	3	3	1,419
Premiums/contributions	37	-	576	9,258	9,871
Other	457	-	-	576	1,033
Total revenues	323,649	-	120,757	58,882	503,288
Expenditures:					
Current:					
General government	39,513	-	2,206	8,652	50,371
Public safety	143,777	-	1,169	2,559	147,505
Physical environment	905	-	1,059	1,484	3,448
Transportation	37,740	-	14,936	513	53,189
Economic environment	48,566	-	3,850	30,780	83,196
Health & human services	8,920	-	-	423	9,343
Culture & recreation	45,154	-	3,917	411	49,482
Debt service:					
Principal	1,638	-	195	19,040	20,873
Interest & fiscal charges	252	-	420	8,724	9,396
Capital outlay:					
General government	229	-	1,895	11	2,135
Public safety	4,836	-	11,391	297	16,524
Physical environment	-	-	581	-	581
Transportation	52	-	37,474	-	37,526
Economic environment	13	-	128	-	141
Culture & recreation	407	-	18,895	-	19,302
Total expenditures	332,002	-	98,116	72,894	503,012
Excess (deficiency) of revenues over (under) expenditures	(8,353)	-	22,641	(14,012)	276
Other financing sources (uses):					
Gain on disposal of capital assets	1	-	-	-	1
Transfers in	9,726	-	2,353	28,545	40,624
Transfers out	(8,541)	-	(22,066)	(14,717)	(45,324)
Issuance of long-term debt	4,607	-	21,494	-	26,101
Total other financing sources & uses	5,793	-	1,781	13,828	21,402
Net change in fund balance	(2,560)	-	24,422	(184)	21,678
Fund balance at beginning of year, as previously reported	139,196	21,971	254,892	59,543	475,602
Change within financial reporting entity	-	(21,971)	-	18,215	(3,756)
Fund balance at beginning of year, as restated	139,196	-	254,892	77,758	471,846
Fund balance at end of year	\$ 136,636	\$ -	\$ 279,314	\$ 77,574	\$ 493,524

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

**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, 2024**

(in thousands)

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	21,678
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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	\$ 81,483	
Depreciation & amortization	<u>(23,006)</u>	
Total capital outlay		58,477

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 & assessment revenue	(287)	
Grant revenues	<u>2,187</u>	
Total revenues		1,900

Issuing debt increases long-term liabilities in the statement of net position while repayment of long-term debt is an expenditure in the governmental funds. The repayment reduces long-term liabilities in the statement of net position:

New debt issued, TIFIA	(21,494)	
Long-term debt repayments	<u>19,079</u>	
Total debt proceeds & repayments		(2,415)

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 & losses on bond refunding	(405)	
Accrued interest expense	(611)	
Subscription liabilities	(198)	
Lease liabilities	(1,437)	
Change in net pension asset and liability	11,080	
Amortization of net OPEB obligation	1,126	
Compensated absences	(19,475)	
Inventory	<u>55</u>	
Total expenses		(8,308)

Internal service funds are used by management to charge the costs of certain activities, such as equipment rental, self-insurance, information technology, and facility services to individual funds. The net revenue (expense) of these internal service funds is reported with governmental activities:

		<u>3,583</u>
Change in net position of governmental activities	\$	<u><u>74,915</u></u>

Statement of Fund Net Position
Proprietary Funds
As of December 31, 2024
(in thousands)

Page 1 of 4

	<u>Storm & Surface Water Utility</u>	<u>Water Utility</u>	<u>Sewer Utility</u>
Assets:			
Current assets:			
Cash & equity in pooled investments	\$ 152,497	\$ 117,654	\$ 193,294
Receivables (net of allowances):			
Accounts	9,173	7,240	20,884
Lease receivables	-	36	-
Other	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
Inventory	204	851	133
Prepaid items	-	73	-
Restricted cash & equity in pooled investments:			
Capital projects	75	41	-
Customer deposits	1	57	27
Total current assets	<u>161,950</u>	<u>125,952</u>	<u>214,338</u>
Noncurrent assets:			
Notes/contracts receivable	-	47	48
Lease receivables	-	93	-
Net pension asset	1,134	1,523	1,138
Capital assets (net)	<u>135,711</u>	<u>270,564</u>	<u>132,360</u>
Total noncurrent assets	<u>136,845</u>	<u>272,227</u>	<u>133,546</u>
Total assets	<u>298,795</u>	<u>398,179</u>	<u>347,884</u>
Deferred outflow of resources:			
For pensions	1,490	1,989	1,495
For asset retirement obligation	-	-	-
Total deferred outflows	<u>1,490</u>	<u>1,989</u>	<u>1,495</u>
Total assets & deferred outflows	<u>\$ 300,285</u>	<u>\$ 400,168</u>	<u>\$ 349,379</u>

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

Statement of Fund Net Position
Proprietary Funds
As of December 31, 2024
(in thousands)

	Nonmajor Enterprise Funds			Governmental Activities - Internal Service Funds
	Marina	Solid Waste Utility	Total	
Assets:				
Current assets:				
Cash & equity in pooled investments	\$ 1,010	\$ 4,043	\$ 468,498	\$ 64,540
Receivables (net of allowances):				
Accounts	4	6	37,307	541
Leases receivable	-	-	36	708
Other	-	-	-	3
Due from other funds	-	-	-	109
Due from other governments	-	-	-	1
Inventory	-	-	1,188	655
Prepaid items	-	-	73	203
Restricted cash & equity in pooled investments:				
Capital projects	-	-	116	5
Customer deposits	48	-	133	-
Total current assets	<u>1,062</u>	<u>4,049</u>	<u>507,351</u>	<u>66,765</u>
Noncurrent assets:				
Notes/contracts receivable	-	-	95	-
Lease receivable	-	-	93	4,667
Net pension asset	-	30	3,825	2,929
Capital assets (net)	9,587	-	548,222	28,832
Total noncurrent assets	<u>9,587</u>	<u>30</u>	<u>552,235</u>	<u>36,428</u>
Total assets	<u>10,649</u>	<u>4,079</u>	<u>1,059,586</u>	<u>103,193</u>
Deferred outflow of resources:				
For pensions	-	39	5,013	5,554
For asset retirement obligation	-	-	-	494
Total deferred outflows	<u>-</u>	<u>39</u>	<u>5,013</u>	<u>6,048</u>
Total assets & deferred outflows	<u>\$ 10,649</u>	<u>\$ 4,118</u>	<u>\$ 1,064,599</u>	<u>\$ 109,241</u>

Statement of Fund Net Position
Proprietary Funds
As of December 31, 2024
(in thousands)

Page 3 of 4

	<u>Storm & Surface Water Utility</u>	<u>Water Utility</u>	<u>Sewer Utility</u>
Liabilities:			
Current liabilities:			
Accounts payable	\$ 2,990	\$ 4,114	\$ 798
Estimated claims	-	-	-
Due to other funds	7	8	6
Due to other governments	-	-	-
Accrued payroll	313	402	342
Accrued compensated absences	470	625	428
Subscription liability	463	503	470
Customer deposits	1	57	27
Retainage payable	75	41	-
Total current liabilities	<u>4,319</u>	<u>5,750</u>	<u>2,071</u>
Noncurrent liabilities:			
Accrued compensated absences	471	570	260
Estimated claims	-	-	-
Asset retirement obligation	-	-	-
Net pension liability	-	-	-
Subscription liability	169	242	170
Total noncurrent liabilities	<u>640</u>	<u>812</u>	<u>430</u>
Total liabilities	<u>4,959</u>	<u>6,562</u>	<u>2,501</u>
Deferred Inflows			
For pensions	351	579	412
For leases	-	111	-
Total deferred inflows	<u>351</u>	<u>690</u>	<u>412</u>
Total liabilities & deferred inflows	<u>\$ 5,310</u>	<u>\$ 7,252</u>	<u>\$ 2,913</u>
Net position:			
Net investment in capital assets	\$ 132,841	\$ 266,945	\$ 131,049
Restricted for:			
Net pension asset	1,134	1,523	1,138
Unrestricted	161,000	124,448	214,279
Total net position	<u>\$ 294,975</u>	<u>\$ 392,916</u>	<u>\$ 346,466</u>

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

**Statement of Fund Net Position
Proprietary Funds
As of December 31, 2024
(in thousands)**

	Nonmajor Enterprise Funds			Governmental
	Marina	Solid Waste Utility	Total	Activities - Internal Service Funds
Liabilities:				
Current liabilities:				
Accounts payable	\$ 21	\$ 18	\$ 7,941	\$ 3,315
Estimated claims	-	-	-	8,109
Due to other funds	-	-	21	-
Due to other governments	22	-	22	7
Accrued payroll	-	9	1,066	865
Accrued compensated absences	-	-	1,523	1,254
Subscription liability	-	-	1,436	565
Customer deposits	48	-	133	-
Retainage payable	-	-	116	5
Total current liabilities	91	27	12,258	14,120
Noncurrent liabilities:				
Accrued compensated absences	-	-	1,301	1,982
Estimated claims	-	-	-	6,190
Asset retirement obligation	-	-	-	3,852
Net pension liability	-	-	-	10,800
Subscription liability	-	-	581	1,170
Total noncurrent liabilities	-	-	1,882	23,994
Total liabilities	91	27	14,140	38,114
Deferred Inflows				
For pensions	59	11	1,412	1,942
For leases	-	-	111	4,257
Total deferred inflows	59	11	1,523	6,199
Total liabilities & deferred inflows	\$ 150	\$ 38	\$ 15,663	\$ 44,313
Net position:				
Net investment in capital assets	\$ 9,587	\$ -	\$ 540,422	\$ 25,683
Restricted for:				
Net pension asset	-	30	3,825	2,929
Unrestricted	912	4,050	504,689	36,316
Total net position	\$ 10,499	\$ 4,080	\$ 1,048,936	\$ 64,928

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024
(in thousands)

Page 1 of 2

	<u>Storm & Surface Water Utility</u>	<u>Water Utility</u>	<u>Sewer Utility</u>
Operating revenues:			
Intergovernmental	\$ 8,249	\$ -	\$ -
Service charges & fees	33,062	80,270	86,570
Interest & assessment interest/penalties	-	-	-
Rent	-	-	-
Insurance recovery	-	-	-
Premiums/contributions	-	-	-
Other	1	-	61
Total operating revenues	<u>41,312</u>	<u>80,270</u>	<u>86,631</u>
Operating expenses:			
Administrative & general	5,669	18,613	9,932
Maintenance & operations	13,453	36,935	47,571
Depreciation	3,333	7,413	4,545
Insurance costs	-	-	-
Benefits & claims payments	-	-	-
Total operating expenses	<u>22,455</u>	<u>62,961</u>	<u>62,048</u>
Operating income (loss)	18,857	17,309	24,583
Nonoperating revenues (expenses):			
Interest income	6,330	5,018	8,088
Rental income	18	158	521
Gain (loss) on disposal of capital assets	(1,806)	(3,524)	(7,245)
Other nonoperating revenues	56	220	19
Other nonoperating expenses	(6)	(7)	(6)
Total nonoperating revenue (expenses)	<u>4,592</u>	<u>1,865</u>	<u>1,377</u>
Income before contributions & transfers	23,449	19,174	25,960
Special items, contributions & transfers:			
Transfers in	5	21	67
Transfers out	(17)	(17)	(17)
Capital contributed from external sources	2,290	3,156	2,213
Total special items, contributions & transfers	<u>2,278</u>	<u>3,160</u>	<u>2,263</u>
Change in net position	25,727	22,334	28,223
Net position at beginning of year, as previously reported	269,248	370,582	318,243
Change within financial reporting entity	-	-	-
Net position at beginning of year, as restated	<u>269,248</u>	<u>370,582</u>	<u>318,243</u>
Net position end of year	<u>\$ 294,975</u>	<u>\$ 392,916</u>	<u>\$ 346,466</u>

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

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024
(in thousands)

	Nonmajor Enterprise Funds			Governmental
	Marina	Solid Waste Utility	Total	Activities - Internal Service Funds
Operating revenues:				
Intergovernmental	\$ -	\$ -	\$ 8,249	\$ 79
Service charges & fees	-	906	200,808	45,298
Interest & assessment interest/penalties	-	-	-	83
Rent	635	-	635	410
Insurance recovery	-	-	-	419
Premiums/contributions	-	-	-	40,705
Other	-	242	304	490
Total operating revenues	635	1,148	209,996	87,484
Operating expenses:				
Administrative & general	37	939	35,190	9,586
Maintenance & operations	350	-	98,309	25,499
Depreciation	13	-	15,304	8,858
Insurance costs	-	-	-	13,470
Benefits & claims payments	-	-	-	37,248
Total operating expenses	400	939	148,803	94,661
Operating income (loss)	235	209	61,193	(7,177)
Nonoperating revenues (expenses):				
Interest income	48	134	19,618	2,586
Rental income	-	-	697	-
Gain (loss) on disposal of capital assets	(19)	-	(12,594)	544
Other nonoperating revenues	-	-	295	2,491
Other nonoperating expenses	-	-	(19)	(24)
Total nonoperating revenue (expenses)	29	134	7,997	5,597
Income before contributions & transfers	264	343	69,190	(1,580)
Special items, contributions & transfers:				
Transfers in	-	3,408	3,501	6,912
Transfers out	(400)	(3,472)	(3,923)	(1,790)
Capital contributed from external sources	-	-	7,659	41
Total special items, contributions & transfers	(400)	(64)	7,237	5,163
Change in net position	(136)	279	76,427	3,583
Net position at beginning of year, as previously reported	10,635	-	968,708	61,345
Change within financial reporting entity	-	3,801	3,801	-
Net position at beginning of year, as restated	10,635	3,801	972,509	61,345
Net position end of year	\$ 10,499	\$ 4,080	\$ 1,048,936	\$ 64,928

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, 2024
(in thousands)

Page 1 of 4

	Business-Type Activities -		
	Enterprise Funds		
	Storm & Surface Water Utility	Water Utility	Sewer Utility
Cash flows from operating activities:			
Cash received from customers & users	\$ 37,793	\$ 78,476	\$ 80,025
Contributions received - employer/employees	-	-	-
Cash received from insurance proceeds	-	-	-
Cash payments to suppliers for goods & services	(10,998)	(44,063)	(52,132)
Cash payments to employees for services	(7,035)	(9,036)	(7,047)
Cash payments to claimants	-	-	-
Cash received from contracts/rent	-	-	-
Cash payments for insurance	-	-	-
Other receipts	74	379	539
Net cash provided by operating activities	<u>19,834</u>	<u>25,756</u>	<u>21,385</u>
Cash flows from noncapital financing activities:			
Transfers in	5	21	67
Transfers out	(17)	(17)	(17)
Cash received from non-operating revenues	-	-	-
Net cash provided (used) by noncapital financing activities	<u>(12)</u>	<u>4</u>	<u>50</u>
Cash flows from capital & related financing activities:			
Acquisition & construction of capital assets	(22,268)	(27,997)	(7,260)
Proceeds from sale of assets	-	-	-
Cash contributions in aid of construction	1,458	2,315	1,153
Contributed in aid of equity	-	-	23
Interest paid on subscription assets	(6)	(7)	(6)
Net cash used by capital financing activities	<u>(20,816)</u>	<u>(25,689)</u>	<u>(6,090)</u>
Cash flows from investing activities:			
Interest on investments	6,330	5,018	8,088
Net cash provided (used) by investing activities	<u>6,330</u>	<u>5,018</u>	<u>8,088</u>
Net increase (decrease) in cash balance	5,336	5,089	23,433
Cash & equity in pooled investments - beginning of year	147,237	112,663	169,888
Cash & equity in pooled investments - end of year	<u>\$ 152,573</u>	<u>\$ 117,752</u>	<u>\$ 193,321</u>
Cash & equity in pooled investments at end of year consist of:			
Unrestricted	\$ 152,497	\$ 117,654	\$ 193,294
Restricted	76	98	27
Total cash & equity in pooled investments	<u>\$ 152,573</u>	<u>\$ 117,752</u>	<u>\$ 193,321</u>

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, 2024
(in thousands)

	Business-Type Activities -			Governmental Activities - Internal Service Funds
	Enterprise Funds			
	Marina	Solid Waste	Total	
Cash flows from operating activities:				
Cash received from customers & users	\$ 639	\$ 1,190	\$198,123	\$ 46,780
Contributions received - employer/employee	-	-	-	40,672
Cash received from insurance proceeds	-	-	-	419
Cash payments to suppliers for goods & services	(345)	(765)	(108,303)	(21,306)
Cash payments to employees for services	(36)	(208)	(23,362)	(18,781)
Cash payments to claimants	-	-	-	(33,999)
Cash received from contracts/rent	-	-	-	440
Cash payments for insurance	-	-	-	(13,469)
Other receipts	-	-	992	481
Net cash provided by operating activities	<u>258</u>	<u>217</u>	<u>67,450</u>	<u>1,237</u>
Cash flows from noncapital financing activities:				
Transfers in	-	3,408	3,501	6,912
Transfers out	(400)	(3,472)	(3,923)	(1,790)
Cash received from non-operating revenues	-	-	-	2,491
Net cash provided (used) by noncapital financing activities	<u>(400)</u>	<u>(64)</u>	<u>(422)</u>	<u>7,613</u>
Cash flows from capital & related financing activities:				
Acquisition & construction of capital assets	-	-	(57,525)	(8,912)
Proceeds from sale of assets	-	-	-	544
Cash contributions in aid of construction	-	-	4,926	41
Contributed in aid of equity	-	-	23	-
Interest paid on subscription assets	-	-	(19)	(24)
Net cash used by capital financing activities	<u>-</u>	<u>-</u>	<u>(52,595)</u>	<u>(8,351)</u>
Cash flows from investing activities:				
Interest on investments	48	134	19,618	2,585
Net cash provided (used) by investing activities	<u>48</u>	<u>134</u>	<u>19,484</u>	<u>2,585</u>
Net increase (decrease) in cash balance	(94)	287	34,051	3,084
Cash & equity in pooled investments - beginning of year	1,152	3,756	434,696	61,452
Cash & equity in pooled investments - end of year	<u>\$ 1,058</u>	<u>\$ 4,043</u>	<u>\$ 468,747</u>	<u>\$ 64,545</u>
Cash & equity in pooled investments at end of year consist of:				
Unrestricted	\$ 1,010	\$ 4,043	\$468,498	\$ 64,540
Restricted	48	-	249	5
Total cash & equity in pooled investments	<u>\$ 1,058</u>	<u>\$ 4,043</u>	<u>\$ 468,747</u>	<u>\$ 64,545</u>

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, 2024
(in thousands)

Page 3 of 4

	Business-Type Activities -		
	Enterprise Funds		
	Storm & Surface Water Utility	Water Utility	Sewer Utility
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 18,857	\$ 17,309	\$ 24,583
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	3,333	7,413	4,545
Other receipts	74	378	539
Changes in assets & liabilities:			
(Increase) decrease in accounts receivable	(3,233)	(1,676)	(6,321)
(Increase) decrease in due from other funds	-	-	-
(Increase) decrease in other receivables	-	-	-
(Increase) decrease in leases receivable	-	33	-
(Increase) decrease in contracts receivable	-	-	(1)
(Increase) decrease in prepaid expenses	393	321	394
(Increase) decrease in inventory	(21)	(11)	23
(Increase) decrease in pension asset	289	387	289
(Increase) decrease in lease asset	-	-	-
(Increase) decrease in asset retirement obligation	-	-	-
(Increase) decrease in deferred outflow	(416)	(559)	(417)
Increase (decrease) in accounts payable	(251)	1,273	(2,951)
Increase (decrease) in retainage payable	(78)	40	(11)
Increase (decrease) in wages & benefits payable	20	22	14
Increase (decrease) in contract payable	-	(1)	-
Increase (decrease) in compensated absences	526	688	357
Increase (decrease) in due to other funds	-	(4)	2
Increase (decrease) in due to other governments	-	-	-
Increase (decrease) in customer deposits	-	(144)	7
Increase (decrease) in estimated claims payable	-	-	-
Increase (decrease) in deferred inflows	-	(33)	-
Increase (decrease) in pension inflow	(288)	(387)	(289)
Increase (decrease) in pension liability	-	-	-
Increase (decrease) in unearned revenue	-	-	-
Increase (decrease) in subscription asset	629	707	622
Total adjustments	<u>977</u>	<u>8,447</u>	<u>(3,198)</u>
Net cash provided by operating activities	<u>\$ 19,834</u>	<u>\$ 25,756</u>	<u>\$ 21,385</u>
Noncash investing, capital & financing activities:			
Contributions of capital assets	\$ 2,290	\$ 3,156	\$ 1,037
Loss on asset disposal	1,806	3,524	7,245

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, 2024
(in thousands)

Page 4 of 4

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Nonmajor			
	Marina	Solid Waste	Total	
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 235	\$ 209	\$ 61,193	\$ (7,177)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	13	-	15,304	8,858
Other receipts	-	-	991	-
Changes in assets & liabilities:				
(Increase) decrease in accounts receivable	-	50	(11,180)	(77)
(Increase) decrease in due from other funds	-	-	-	6
(Increase) decrease in other receivables	-	-	-	133
(Increase) decrease in leases receivable	-	7	40	1,144
(Increase) decrease in contracts receivable	-	-	(1)	-
(Increase) decrease in prepaid expenses	-	-	1,108	289
(Increase) decrease in inventory	-	-	(9)	(4)
(Increase) decrease in pension asset	-	-	965	133
(Increase) decrease in lease asset	-	-	-	(22)
(Increase) decrease in asset retirement obligation	-	-	-	(2,441)
(Increase) decrease in deferred outflow	-	(11)	(1,403)	(835)
Increase (decrease) in accounts payable	13	(28)	(1,944)	1,281
Increase (decrease) in retainage payable	-	-	(49)	-
Increase (decrease) in wages & benefits payable	-	2	58	141
Increase (decrease) in contract payable	-	-	(1)	-
Increase (decrease) in compensated absences	-	(1)	1,570	1,698
Increase (decrease) in due to other funds	-	-	(2)	1
Increase (decrease) in due to other governments	(8)	-	(8)	3
Increase (decrease) in customer deposits	5	(3)	(135)	(1)
Increase (decrease) in estimated claims payable	-	-	-	3,248
Increase (decrease) in deferred inflows	-	-	(33)	(1,461)
Increase (decrease) in pension inflow	-	-	(964)	-
Increase (decrease) in pension liability	-	(8)	(8)	(3,218)
Increase (decrease) in unearned revenue	-	-	-	(614)
Increase (decrease) in subscription asset	-	-	1,958	152
Total adjustments	<u>23</u>	<u>8</u>	<u>6,257</u>	<u>8,414</u>
Net cash provided by operating activities	<u>\$ 258</u>	<u>\$ 217</u>	<u>\$ 67,450</u>	<u>\$ 1,237</u>
Noncash investing, capital & financing activities:				
Contributions of capital assets	\$ -	\$ -	\$ 6,483	\$ 41
Loss on asset disposal	-	-	12,575	-

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

Statement of Fiduciary Net Position
Fiduciary Funds
As of December 31, 2024
(in thousands)

	<u>Pension (and Other Employee Benefit) Trust Funds</u>	<u>ARCH Housing Private-Purpose Trust Fund</u>	<u>Custodial Funds</u>
Assets:			
Cash & equity in pooled investments:			
Mutual funds	\$ 712,138	\$ -	\$ -
Common & preferred stocks	75,220	-	-
Collective trust fund	261,279	-	-
State investment pool	3,439	5,238	1,252
Interest-bearing bank deposits	3,516	466	111
Supranational	2,151	582	139
US government & agency obligations	382	5,356	1,278
Receivables (net of allowances):			
Accounts	-	-	747
Interest receivable	1,183	-	-
Notes receivable from participants	8,576	-	-
Due from other governments/employers	-	7	35
Capital assets (net)	-	-	84
Total assets	<u><u>\$ 1,067,884</u></u>	<u><u>\$ 11,649</u></u>	<u><u>\$ 3,646</u></u>
Liabilities:			
Accounts payable	\$ -	\$ 7	\$ 174
Due to other governments	407	-	-
Total liabilities	<u><u>407</u></u>	<u><u>7</u></u>	<u><u>174</u></u>
Net Position:			
Net position restricted for pensions	1,067,477	-	-
Net position restricted for affordable housing	-	11,642	-
Net position restricted for individuals, organizations, & other governments	-	-	3,472
Total net position	<u><u>\$ 1,067,477</u></u>	<u><u>\$ 11,642</u></u>	<u><u>\$ 3,472</u></u>

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, 2024
(in thousands)

	<u>Pension (and Other Employee Benefit) Trust Funds</u>	<u>ARCH Housing Private-Purpose Trust Fund</u>	<u>Custodial Funds</u>
Additions:			
Investment income:			
Interest	\$ 951	\$ 502	\$ 121
Net change in fair value of investments	62,711	-	-
Dividends	38,961	-	-
Other contributions:			
Contributions from employers & nonemployer premiums	28,967	-	-
Contributions from participants & members	32,484	4,171	5,767
Rollovers	1,146	-	-
Tax collections for other governments	-	-	1,664
Deposits payable	-	-	38
Other	-	223	-
Total additions	<u>165,220</u>	<u>4,896</u>	<u>7,590</u>
Deductions:			
Benefit payments	89,198	-	-
Insurance premiums	2,492	-	-
Administrative expenses	2,200	1,624	1,983
Distributions to developers	-	1,481	56
Distributions to human services agencies	-	-	3,718
Payments to other governments	-	-	1,490
Deposits released	-	-	37
Total deductions	<u>93,890</u>	<u>3,105</u>	<u>7,284</u>
Net increase (decrease) in net position	71,330	1,791	306
Net position at beginning of year, as previously reported	996,147	9,851	3,184
Error correction	-	-	(18)
Net position at beginning of year, as restated	<u>996,147</u>	<u>9,851</u>	<u>3,166</u>
Net position end of year	<u>\$ 1,067,477</u>	<u>\$ 11,642</u>	<u>\$ 3,472</u>

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

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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 Bellevue 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 presented in a separate column in 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 four legally adopted funds which do not meet the criteria for separate financial reporting and are reported in the General Fund. Those funds are as follows: Human Services Fund, Land Purchase Revolving Fund, Parks Enterprise Fund, and Development Services Fund.

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; general government facilities management; operations of information systems; self-insurance for workers' compensation; unemployment compensation; health benefits; and general property and casualty losses. City departments are charged service fees as internal customers for sales and services, rentals, vehicle replacement, and insurance related 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 benefit) 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). Additional information can be found in Note 6: Pension Plans.

Private-Purpose Trust Fund

A Regional Coalition for Housing (ARCH) Trust Fund accounts for contributions from members of an interlocal agreement to provide affordable housing for low- and moderate-income households on the Eastside.

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, and other custodial activities. These other custodial activities include taxes collected for other governments, deposits held as evidence in police investigations, and pooled funding for contracts with human services agencies.

New Accounting Standards

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

In June 2022, GASB issued statement No. 100 "Accounting Changes and Error Corrections." This statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The city implemented this pronouncement as of December 31, 2024.

In June 2022, GASB issued statement No. 101 "Compensated Absences." This statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The city implemented this pronouncement as of December 31, 2024.

Budget and Basis of Accounting

In accordance with RCW 35A.34, the city adopts budgets for all operating funds. These budgets are prepared in accordance with GAAP. 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; all special revenue funds, except the Housing Fund and the Operating Grants, Donations, and Special Reserves Fund; all internal service funds; and all utility operating funds.

The City Council adopts appropriation ordinances for all other funds, including the Housing Fund, and 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 on the basis of an average cash balance.

Since all of 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 reserved for capital construction, monies reserved for payment of debt, and deposits held for utility 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 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, 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 receivables 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 the 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 reported in the financial statements and are listed in detail in Note 11: Interfund Receivables, Payables, and Transfers. These represent outstanding billings to other funds for services provided in the current year. These amounts are typically paid within 30 days following year-end. 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.

Amounts due from other funds are not reported in the Government-Wide Statement of Net Position. However, any residual balances outstanding between governmental activities and business-type activities are reported in the Government-Wide Statement of Net Position as internal balances.

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.

Interfund loan activity is presented in Note 11: Interfund Receivables, Payables, and Transfers. 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

These 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 for 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 purchases 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 a lease asset 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 noncancellable 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 inflows of resources are 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 should be 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 of more than 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
<i>Bellevue Convention Center Authority</i>	
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, special assessments receivable, and pensions not available under the current financial resources 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 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 an 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 (comp) time that has been earned by employees but not yet taken. The liability should be 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 short-term liability is the amount likely to be used or paid within one year while the long-term portion 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 comp time is fully recognized in the liability because it is more than likely that employees will either use this leave or be paid out upon separation. However, sick leave has been adjusted based on historical trends of sick leave earned versus sick leave taken.

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 should be 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 and used 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 general 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 through the use of internal service funds for fleet maintenance, information technology, self-insurance, and facilities management. 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, 2024.

Total net position for the BCCA reflects an unrestricted net position balance of \$14.4 million and a total net position of \$49.3 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 2024, 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.

Major fund Budget and Actual schedules are provided as Required Supplementary Information.

Note 3: Supplemental Appropriations

Operating Budget Funds

During 2024, the City Council amended the 2024 appropriations by an additional \$27.4 million to reflect previously unanticipated needs of the 2023-24 biennial budget. Amendments included \$0.7 million in the General Fund, \$2.2 million in the General Self-Insurance Fund, \$4.5 million in the Hotel/Motel Tax Fund, \$17.2 million in the General CIP Fund, and \$2.8 million in the Operating Grants, Donations, and Special Reserve Fund. As explained in Note 1: Summary of Significant Accounting Policies, both original and supplemental appropriations are adopted by 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, 2024, are as follows, in thousands:

Cash on hand & in bank	\$ 10,193
Equity in pooled investments	<u>991,838</u>
Total	<u><u>\$1,002,031</u></u>

In addition, the city holds \$1.1 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, 2024, the city had a bank balance of \$1.4 million (carrying book balance amount of \$4.2 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 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 in consultation with the Investment Advisory Committee. 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 Section 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 measure 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.

City of Bellevue, Washington

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- 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 arising from 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 by maturity, in thousands:

Investment Type	Fair Value	Remaining Maturity					Credit Rating
		3 Months or Less	3 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	
US Agency Coupon Securities	\$ 310,540	\$ 10,000	\$ 15,537	\$ 37,977	\$ 44,729	\$202,297	AA+/Aaa
US Treasury Debt Obligations	172,700	9,950	74,129	26,487	20,090	42,044	N/A
Municipal Bonds	40,000	40,000	-	-	-	-	Unrated
LGIP	431,784	431,784	-	-	-	-	Unrated
Supranational	49,457	15,493	-	9,395	2,064	22,505	AAA/Aaa
Total	\$ 1,004,481	\$ 507,227	\$ 89,666	\$ 73,859	\$ 66,883	\$266,846	

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, 2024, 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
US Treasury	US Treasury Note	\$ 172,700
Federal Home Loan Bank	US Agency Securities	113,588

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, 2024, 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 supranationals 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.

City of Bellevue, Washington

The following table presents recurring fair value measurements as of December 31, 2024:

Investments by fair value level	Total	Fair Value Measurement Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Debt securities			
US Agency Coupon Securities	\$ 310,540	\$ -	\$ 310,540
US Treasury Debt Obligations	172,700	172,700	-
Supranational	49,457	-	49,457
Total debt securities	<u>532,697</u>	<u>172,700</u>	<u>359,997</u>
Investments measured at amortized cost			
LGIP	431,784		
Pacific Premier account	40,000		
Total investments measured at amortized cost	<u>471,784</u>		
Total investment measured at fair value	<u>\$ 1,004,481</u>		

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, 2024, are as follows, in thousands:

Cash on hand & in bank	\$ 3,846
Equity in pooled investments	<u>9,967</u>
Total	<u>\$ 13,813</u>

Note 5: Capital Assets

Capital asset activity for the primary government for the year ended December 31, 2024, was as follows, in thousands:

Governmental activities:	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 917,428	\$ 24,795	\$ -	\$ (1)	\$ 942,222
Construction in progress	113,670	56,371	(87,806)	-	82,235
Development in progress, subscription asset	1,208	55	(1,208)	-	55
Infrastructure	818,295	24,676	-	-	842,971
Total capital assets, not being depreciated	<u>1,850,601</u>	<u>105,897</u>	<u>(89,014)</u>	<u>(1)</u>	<u>1,867,483</u>
Capital assets, being depreciated:					
Buildings	260,228	5,029	-	(184)	265,073
Improvements other than buildings	109,492	36,670	-	(369)	145,793
Intangible assets	21,177	-	(146)	-	21,031
Machinery & equipment	90,697	11,728	(3,379)	9,114	108,160
Leasehold improvements	4,129	762	-	-	4,891
Infrastructure	269,014	19,179	-	(16,816)	271,377
Total capital assets, being depreciated	<u>754,737</u>	<u>73,368</u>	<u>(3,525)</u>	<u>(8,255)</u>	<u>816,325</u>
Less accumulated depreciation for:					
Buildings	(147,651)	(7,929)	-	1,691	(153,889)
Improvements other than buildings	(30,125)	(6,442)	-	(6)	(36,573)
Intangible assets	(20,259)	(64)	146	-	(20,177)
Machinery & equipment	(60,367)	(9,013)	3,109	(4,320)	(70,591)
Leasehold improvements	(3,716)	(489)	-	32	(4,173)
Infrastructure	(203,435)	(5,577)	-	9,759	(199,253)
Total accumulated depreciation	<u>(465,553)</u>	<u>(29,514)</u>	<u>3,255</u>	<u>7,156</u>	<u>(484,656)</u>
Total capital assets, being depreciated, net	<u>289,184</u>	<u>43,854</u>	<u>(270)</u>	<u>(1,099)</u>	<u>331,669</u>
Capital assets, being amortized					
Buildings leases	17,502	338	-	-	17,840
Machinery & equipment leases	1,364	118	-	-	1,482
Subscription assets	2,704	4,943	-	-	7,647
Total capital assets, being amortized	<u>21,570</u>	<u>5,399</u>	<u>-</u>	<u>-</u>	<u>26,969</u>
Less Accumulated amortization for:					
Buildings leases	(6,540)	(826)	-	-	(7,366)
Machinery & equipment leases	(1,069)	(144)	-	-	(1,213)
Subscription assets	(574)	(1,632)	-	-	(2,206)
Total accumulated amortization	<u>(8,183)</u>	<u>(2,602)</u>	<u>-</u>	<u>-</u>	<u>(10,785)</u>
Total capital assets, being amortized, net	<u>13,387</u>	<u>2,797</u>	<u>-</u>	<u>-</u>	<u>16,184</u>
Governmental activities capital assets, net	<u>\$ 2,153,172</u>	<u>\$ 152,548</u>	<u>\$ (89,284)</u>	<u>\$ (1,100)</u>	<u>\$ 2,215,336</u>

City of Bellevue, Washington

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

General government	\$	9,040
Public safety		540
Transportation		7,334
Economic environment		83
Culture & recreation		<u>7,617</u>
Total		24,614
Capital assets held by the government's internal service funds are		
charged to the various functions based on their usage of the assets		<u>7,502</u>
Total depreciation & amortization - governmental activities	\$	<u><u>32,116</u></u>

City of Bellevue, Washington

Capital asset activity for the city's proprietary funds for the year ended December 31, 2024 was as follows, in thousands:

Business-type activities:	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 25,462	\$ 125	\$ -	\$ -	\$ 25,587
Construction in progress	42,526	62,687	(37,632)	-	67,581
Development in progress, subscription asset	1,183	-	(1,183)	-	-
Total capital assets, not being depreciated	<u>69,171</u>	<u>62,812</u>	<u>(38,815)</u>	<u>-</u>	<u>93,168</u>
Capital assets, being depreciated:					
Buildings	38,847	-	-	(3,648)	35,199
Intangible assets	287	-	(20)	(267)	-
Machinery & equipment	16,043	1,270	(28)	(86)	17,199
Infrastructure	652,776	34,037	(4,206)	(23,102)	659,505
Total capital assets, being depreciated, net	<u>707,953</u>	<u>35,307</u>	<u>(4,254)</u>	<u>(27,103)</u>	<u>711,903</u>
Less accumulated depreciation for:					
Buildings	(34,386)	(1,226)	-	3,365	(32,247)
Intangible assets	(252)	-	6	246	-
Machinery & equipment	(13,461)	(1,386)	28	727	(14,092)
Infrastructure	(212,023)	(11,925)	-	10,759	(213,189)
Total accumulated depreciation	<u>(260,122)</u>	<u>(14,537)</u>	<u>34</u>	<u>15,097</u>	<u>(259,528)</u>
Total capital assets, being depreciated, net	<u>447,831</u>	<u>20,770</u>	<u>(4,220)</u>	<u>(12,006)</u>	<u>452,375</u>
Capital assets, being amortized:					
Subscription assets	82	3,169	-	-	3,251
Total capital assets, being amortized	<u>82</u>	<u>3,169</u>	<u>-</u>	<u>-</u>	<u>3,251</u>
Less Accumulated amortization for:					
Subscription assets	(23)	(549)	-	-	(572)
Total accumulated amortization	<u>(23)</u>	<u>(549)</u>	<u>-</u>	<u>-</u>	<u>(572)</u>
Total capital assets, being amortized, net	<u>59</u>	<u>2,620</u>	<u>-</u>	<u>-</u>	<u>2,679</u>
Business activities capital assets, net	<u>\$ 517,061</u>	<u>\$ 86,202</u>	<u>\$ (43,035)</u>	<u>\$ (12,006)</u>	<u>\$ 548,222</u>

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

Water utility	\$ 7,093
Storm & surface water utility	4,608
Sewer utility	3,372
Marina	13
Total depreciation & amortization - business-type activities	<u>\$ 15,086</u>

As of January 1, 2024, the city issues a new capital asset policy. In conjunction with the policy, a detailed review of capital assets was completed and adjustments were made to align better with GASB Statement No. 34, "Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments." These are accounted for in a separate column as these are not new investments in capital assets.

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Capital asset activity for the city’s discretely presented component unit, BCCA, for the year ended December 31, 2024, were as follows, in thousands:

**DISCRETELY PRESENTED COMPONENT UNIT
BELLEVUE CONVENTION CENTER AUTHORITY**
(in thousands)

Bellevue Convention Center Authority:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Works of art	\$ 156	\$ -	\$ -	\$ 156
Construction in Progress	667	7,285	(1,560)	6,392
Total capital assets, not being depreciated	<u>823</u>	<u>7,285</u>	<u>(1,560)</u>	<u>6,548</u>
Capital assets, being depreciated:				
Building	64,310	468	(69)	64,709
Machinery & equipment	7,825	774	(77)	8,522
Total capital assets, being depreciated	<u>72,135</u>	<u>1,242</u>	<u>(146)</u>	<u>73,231</u>
Less accumulated depreciation for:				
Building	(36,928)	(1,634)	118	(38,444)
Machinery & equipment	(5,158)	(529)	76	(5,611)
Total accumulated depreciation	<u>(42,086)</u>	<u>(2,163)</u>	<u>194</u>	<u>(44,055)</u>
Total capital assets, being depreciated, net	<u>30,049</u>	<u>(921)</u>	<u>48</u>	<u>29,176</u>
Component unit activities capital assets, net	<u>\$ 30,872</u>	<u>\$ 6,364</u>	<u>\$ (1,512)</u>	<u>\$ 35,724</u>

Note 6: Pension Plans

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

	PERS 1	PERS 2/3	PSERS 2	LEOFF 1	LEOFF 2	Firefighters' Pension	Total
Pension liabilities	\$ (10,800)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (10,800)
Pension assets	-	25,567	54	9,308	27,505	4,037	66,471
Deferred outflows of resources	1,724	33,509	260	-	35,833	-	71,326
Deferred inflows of resources	(864)	(9,197)	(86)	(352)	(12,438)	-	(22,937)
Pension expense	(314)	(1,141)	51	(77)	1,620	(233)	(94)

Public Employees’ Retirement System (PERS)

General Information about 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 government.

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

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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:

	PERS 1	PERS 2	PERS 3
Participants	1	965	242

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, 2024 were as follows, with contributions in thousands:

	Employer			Employee
	1/1-6/30	7/1-8/31	9/1-12/31	1/1-12/31
PERS Plan 1	6.36%	6.36%	6.36%	6.00%
PERS Plan 1 UAAL	2.97%	2.47%	2.55%	
Administration Fee	0.20%	0.20%	0.20%	
Total	9.53%	9.03%	9.11%	6.00%

	Employer			Employee
	1/1-6/30	7/1-8/31	9/1-12/31	1/1-12/31
PERS Plan 2	6.36%	6.36%	6.36%	6.36%
PERS Plan 1 UAAL	2.97%	2.47%	2.55%	
Administration Fee	0.20%	0.20%	0.20%	
Total	9.53%	9.03%	9.11%	6.36%

	Employer			Employee
	1/1-6/30	7/1-8/31	9/1-12/31	1/1-12/31
PERS Plan 3	6.36%	6.36%	6.36%	5-15%
PERS Plan 1 UAAL	2.97%	2.47%	2.55%	
Administration Fee	0.20%	0.20%	0.20%	
Total	9.53%	9.03%	9.11%	5-15%

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2024 Employer contributions		
PERS 1	\$	12,052
PERS 2		9,674
PERS 3		2,365

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

At December 31, 2024, the city reported a liability of \$10.8 million for its proportionate share of the net pension liability for PERS 1 and an asset of \$25.6 million for its proportionate share of the net pension asset for PERS 2/3. The net pension liability was measured as of June 30, 2024 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, 2024, the city's proportion for PERS 1 was 0.61 percent, which was a decrease of 0.01 percent from its proportionate share measured as of June 30, 2023. The city's proportion for PERS 2/3 was 0.78 percent, which was a decrease of 0.01 percent from its proportionate share measured as of June 30, 2023.

For the year ended December 31, 2024, the city recorded an adjustment to total pension expense of \$1.5 million for the PERS pension plans (PERS 1 decreased by \$0.3 million and PERS 2/3 decreased by \$1.1 million). As of December 31, 2024, 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	-	(864)
Changes in assumptions	-	-
Change in proportion & differences between city contributions & proportionate share contributions	-	-
City contributions subsequent to the measurement date	1,724	-
Total	\$ 1,724	\$ (864)

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PERS 2/3

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 14,528	\$ (59)
Net difference between projected & actual earnings on pension plan investments	-	(7,327)
Changes in assumptions	14,119	(1,620)
Change in proportion & differences between city contributions & proportionate share contributions	596	(191)
City contributions subsequent to the measurement date	4,266	-
Total	\$ 33,509	\$ (9,197)

The city reported \$6.0 million (PERS 1 was \$1.7 million, and PERS 2/3 was \$4.3 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, 2025. 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
2025	\$ (1,430)	\$ (5,568)
2026	735	11,266
2027	(78)	4,936
2028	(91)	4,921
2029	-	2,453
Thereafter	-	2,038
Total	\$ (864)	\$ 20,046

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 (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
PERS 1	\$ 15,887	\$ 10,800	\$ 6,339
PERS 2/3	46,091	(25,567)	(84,419)

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.

Public Safety Employees’ Retirement System (PSERS)

General Information about 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:

	PSERS
Participants	15

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, 2024 were as follows, with contributions in thousands:

	Employer			Employee	
	1/1-6/30	7/1-8/31	9/1-12/31	1/1-8/31	9/1-12/31
PSERS Plan 2	6.73%	6.73%	6.76%	6.73%	6.76%
PERS Plan 1 UAAL	2.97%	2.47%	2.55%		
Administration Fee	0.20%	0.20%	0.20%		
Total	9.90%	9.40%	9.51%	6.73%	6.76%
	2024 Employer contributions				
	PSERS	\$	132		

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

At December 31, 2024, the city reported an asset of \$54 thousand for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024 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

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projected contributions of all participating local governments, actuarially determined. At June 30, 2024, the city's proportion was 0.13 percent, which did not change from its proportionate share measured as of June 30, 2023.

For the year ended December 31, 2024, the city recorded an adjustment increasing total pension expense by \$51 thousand for the PSERS pension plans. As of December 31, 2024, the city reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources, in thousands:

	PSERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 139	\$ (31)
Net difference between projected & actual earnings on pension plan investments	-	(26)
Changes in assumptions	54	(20)
Change in proportion & differences between city contributions & proportionate share contributions	18	(9)
City contributions subsequent to the measurement date	49	-
Total	\$ 260	\$ (86)

The city reported \$49 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, 2025. 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
2025	\$ (20)
2026	34
2027	12
2028	12
2029	16
Thereafter	71
Total	\$ 125

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 (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
PSERS	\$ 348	\$ (54)	\$ (372)

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

General Information about LEOFF

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:

	<u>LEOFF 2</u>
Participants	416

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.

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The contribution rates and actual contributions to LEOFF for the year ending December 31, 2024 were as follows, with contributions in thousands:

	<u>Employer Employee</u>	
	<u>1/1-12/31</u>	<u>1/1-12/31</u>
LEOFF 2 Plan	5.12%	8.53%
Administration Fee	<u>0.20%</u>	
Total	5.32%	8.53%

<u>2024 Employer contributions</u>	
LEOFF 2	\$ 3,726

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, 2024, the state contributed \$17.8 million to LEOFF 2.

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

On December 31, 2024, the city reported a total pension asset of \$36.8 million for its proportionate share of the net pension asset (LEOFF 1 was \$9.3 million and LEOFF 2 was \$27.5 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:

	<u>LEOFF 1</u>	<u>LEOFF 2</u>
City's proportionate share	\$ (9,308)	\$ (27,505)
State's proportionate share of the net pension asset associated with the employer	<u>(62,959) (17,850)</u>	
Total	<u>\$ (72,267)</u>	<u>\$ (45,355)</u>

At June 30, 2024, the city's proportion for LEOFF 1 was 0.33 percent, which was an increase of 0.01 percent from its proportionate share measured as of June 30, 2023. The city's proportion for LEOFF 2 was 1.47 percent, which was an increase of 0.17 percent from its proportionate share measured as of June 30, 2023.

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For the year ended December 31, 2024, the city recorded an adjustment to total pension expense of \$1.5 million thousand for the LEOFF pension plans (LEOFF 1 decreased by \$0.1 million and LEOFF 2 increased by \$1.6 million). As December 31, 2024, 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	-	(352)
Changes in assumptions	-	-
Change in proportion & differences between city contributions & proportionate share contributions	-	-
City contributions subsequent to the measurement date	-	-
Total	\$ -	\$ (352)

	LEOFF 2	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 20,243	\$ (209)
Net difference between projected & actual earnings on pension plan investments	-	(4,526)
Changes in assumptions	11,323	(2,312)
Change in proportion & differences between city contributions & proportionate share contributions	2,451	(5,391)
City contributions subsequent to the measurement date	1,816	-
Total	\$ 35,833	\$ (12,438)

The city reported \$1.8 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

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asset in the year ended December 31, 2025. 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
2025	\$ (592)	\$ (3,757)
2026	306	6,850
2027	(29)	2,733
2028	(37)	2,963
2029	-	3,636
Thereafter	-	9,154
Total	\$ (352)	\$ 21,580

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 (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
LEOFF 1	\$ (8,192)	\$ (9,308)	\$ (10,281)
LEOFF 2	18,223	(27,505)	(64,910)

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, 2023. The actuarial assumptions used in the valuation are summarized in the Actuarial Section of DRS' 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:

Inflation	2.75%
Salary Increases (including inflation)	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' 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, 2023 to June 30, 2024, 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, 2024, 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%
	<u>100%</u>	

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 for calculating UAAL contribution rates in PERS 1 to reflect the delay between the measurement date of calculated Plan 1 rates and when the rates are collected. OSA made an adjustment to the model to reflect past inflation experience when modeling future COLAs for current annuitants in all plans except PERS 1 and TRS 1.

Firefighters’ Pension Plan

Plan Description

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. RCW 41.16.080 through 41.16.180 established the benefits of the plan. 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.

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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, 2024, 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	20
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	6
Active plan members	-
Total	<u><u>26</u></u>

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, 2024, the state contributed \$332 thousand and neither member nor employer made contributions to the Plan. As of the last actuarial study dated January 1, 2024, 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.

Investments

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, 2024:

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

City of Bellevue, Washington

Concentrations. 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, 2024:

<u>Investment Type</u>	<u>% of Net Position</u>
LGIP	45%
US Agency Securities	28%
US Treasury Debt	18%

Rate of return. For the year ended December 31, 2024, the annual money-weighted rate of return on pension plan investments was 4.6 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, 2025 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, 2025, using the following actuarial assumptions, applied to all periods included in the measurement:

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, 2025 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. This is the industry standard table with current rates.

Changes in the Net Pension Asset

The change in the net pension asset as of December 31, 2024, in thousands, is:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balance at December 31, 2023	\$ 3,045	\$ 7,315	\$ (4,270)
Changes for the year:			
Service cost	-	-	-
Interest	101	-	101
Change in benefit terms	-	-	-
Differences between expected & actual experience	464	-	464
Change of assumptions	315	-	315
Contribution - employer	-	-	-
Contributions - employee	-	-	-
Contributions - State of Washington	-	333	(333)
Net investment income	-	334	(334)
Benefit payments, including refunds of employee contributions	(320)	(320)	-
Administrative expenses	-	(20)	20
Other charges	-	-	-
Net changes	<u>560</u>	<u>327</u>	<u>233</u>
Balance at December 31, 2024	<u>\$ 3,605</u>	<u>\$ 7,642</u>	<u>\$ (4,037)</u>

The plan fiduciary net position as a percentage of the total pension liability for 2024 is 212.0 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, in thousands:

	1% Decrease (2.5%)	Current Discount Rate (3.5%)	1% Increase (4.5%)
City's net pension asset	\$ (3,738)	\$ (4,037)	\$ (4,299)

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, 2024, the city recognized a pension expense of \$0.2 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 be 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 1,908 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 \$11.5 million for MEBT for the year ending December 31, 2024. 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 2024 were as follows, in thousands:

	MEBT 1	MEBT 2
Participants	\$ 6,349	\$ 125

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 (Plan) is a defined contribution plan qualified for public employers under IRS Section 401(a). The Plan, approved by resolution of the BCCA Board of Directors, became effective July 1, 1995. Wells Fargo Bank serves as the Plan Administrator, Plan Trustee, and Investment Manager. The Plan is 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, 2024, there were 70 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 2024 were as follows, in thousands:

Participants	\$	255
BCCA	\$	230

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, 2024, the following employees were covered by the benefits terms:

Inactive employees currently receiving benefit payments	100
Inactive employees entitled but not yet receiving benefit payments	-
Active employees	-
Total	<u>100</u>

This plan is closed to new entrants.

Total OPEB liability

The city’s total OPEB liability of \$21.5 million was measured as of December 31, 2024 and was determined by an actuarial valuation date of December 31, 2024.

	Total OPEB Liability (In thousands)
Balance at January 1, 2024	\$ 22,671
Changes for the year:	
Service costs	-
Interest costs	822
Changes of benefit terms	-
Differences between expected & actual experience	(445)
Change in assumption or other inputs	215
Contributions from employer	-
Net investment income	-
Benefit payments	(1,718)
Administration expenses	-
Net change in total OPEB liability	<u>(1,126)</u>
Total OPEB liability at December 31, 2024	<u>\$ 21,545</u>

Actuarial assumptions and other inputs

The total OPEB liability in the December 31, 2024 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	4.1%
Healthcare cost trend rate	4.3%

The discount rate was based on the Bond Buyer’s “20 Year GO index” as of December 31, 2024.

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 3.8% as of December 31, 2023 to 4.1% as of December 31, 2024. Additionally, the health care trend assumption updated to reflect the plan’s anticipated experience.

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 (3.1 percent) or 1 percentage point higher (5.1 percent) than the current discount rate, in thousands:

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1% Decrease (3.1%)	Discount Rate (4.1%)	1% Increase (5.1%)
\$ 23,385	\$ 21,545	\$ 19,939

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:

Healthcare Cost		
1% Decrease (3.3%)	Trend Rates (4.3%)	1% Increase (5.3%)
\$ 19,994	\$ 21,545	\$ 23,285

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 Inflow of Resources Related to OPEB

For the year ended December 31, 2024, the city recognized an OPEB expense of \$0.6 million.

At December 31, 2024, 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, 2024, was as follows, in thousands:

Governmental activities:	
General fund	\$ 33,128
General CIP	102
Nonmajor governmental funds	231
Internal service activities	3,236
Total governmental activities	<u>36,697</u>
Business-type activities:	
Storm & surface water utility	941
Water utility	1,195
Sewer utility	688
Total business-type activities	<u>2,824</u>
Total compensated absences	<u><u>\$ 39,521</u></u>

Note 9 Risk Management

The City of Bellevue is exposed to financial loss resulting from city-caused damage to property or persons, bodily injuries or illness of employees, unemployment compensation benefits paid to former employees, and employee health care benefits. Except as described below, the city is self-insured for these loss exposures. Individual internal service funds are used to account for self-insurance activities. These include workers' compensation, unemployment compensation, general liability, and employee health care benefits. Premiums paid to these funds by other governmental funds are used to pay for administrative costs, claims, risk transfer and insurance, and risk margin factors to cover future unknown loss contingencies.

In accordance with GASB Statement No. 10 "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", estimated liabilities are accrued in all self-insurance funds for the value of current outstanding claims and claims incurred but not reported (IBNR). Annual actuarial studies are performed for the Workers' Compensation Fund, General Self-Insurance Fund, and Health Benefits Fund to determine recommended funding levels for related risk areas. The city has not purchased annuity contracts for any of its outstanding claims.

At December 31, 2024, the city had available cash and equity in pooled investments in the self-insurance funds of \$24.2 million to provide against risk of catastrophic losses. Prior to the issuance of the financial statements, the standard requires that a liability for claim 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.

Changes in the Internal Service Funds' claims liability amount from fiscal year ended December 31, 2023 to December 31, 2024, in thousands:

	<u>Workers'</u> <u>Compensation</u>	<u>Unemployment</u> <u>Compensation</u>	<u>General</u> <u>Self-Insurance</u>	<u>Health</u> <u>Benefits</u>
December 31, 2023:				
Unpaid claims, beginning of fiscal year	\$ 4,193	\$ 31	\$ 2,902	\$ 1,768
Incurred claims (including IBNR)	1,995	184	7,915	20,512
Claim payments	(1,885)	(180)	(5,910)	(20,474)
Unpaid claims, December 31, 2023	<u>\$ 4,303</u>	<u>\$ 35</u>	<u>\$ 4,907</u>	<u>\$ 1,806</u>
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	<u>\$ 5,493</u>	<u>\$ 68</u>	<u>\$ 6,826</u>	<u>\$ 1,912</u>
Due within one year	\$ 2,858	\$ 68	\$ 3,271	\$ 1,912
Due in more than one year	\$ 2,635	\$ -	\$ 3,555	\$ -

Under the city's self-insurance program, the following commercial insurance policies are purchased to protect the city from claims which exceed anticipated funding levels. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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

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 printing and imaging equipment. The total of the city’s lease assets is recorded at a cost of \$19.3 million, less accumulated amortization of \$8.6 million.

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

	Principal	Interest	Total
2025	\$ 832	\$ 188	\$ 1,020
2026	728	177	905
2027	739	166	905
2028	750	155	905
2029	741	145	886
2030-2034	4,186	551	4,737
2035-2039	4,913	225	5,138
2040	543	2	545
Total	\$ 13,432	\$ 1,609	\$ 15,041

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 \$6.7 million, which includes lease revenue, interest revenue, and other lease-related inflows.

Subscription Based Information Technology Arrangements

The city has entered into subscription-based information technology arrangements (SBITA) involving:

- Parks registration system
- Risk management information system database
- Financial reporting software
- Learning, performance, and succession planning software
- Geospatial innovations
- Financial integration software
- Budget software
- Digital forensic software
- Utilities billing software

The total of the city’s SBITA assets are recorded at a cost of \$10.9 million, less accumulated amortization of \$2.8 million.

City of Bellevue, Washington

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

	Principal	Interest	Total
2025	\$ 3,040	\$ 83	\$ 3,123
2026	1,820	51	1,871
2027	1,503	26	1,529
2028	1,017	8	1,025
2029	47	-	47
Total	<u>\$ 7,427</u>	<u>\$ 168</u>	<u>\$ 7,595</u>

The city has committed to SBITA for smart building monitoring software. This SBITA is currently being implemented and the city has paid a total of \$55 thousand related to these agreements. The outflows were recorded as development in progress as of December 31, 2024.

Construction/Other Contractual Commitments

The city's outstanding contractual commitments by fund type as of December 31, 2024 are summarized below, in thousands:

Governmental activities:	
General Fund	\$ 627,634
General CIP	111,458
Nonmajor governmental funds	17,463
Internal service activities	<u>23,196</u>
Total governmental activities	<u>779,751</u>
Business-type activities:	
Storm & surface water utility	71,012
Water utility	65,662
Sewer utility	9,531
Nonmajor business-type funds	<u>371</u>
Total business-type activities	<u>146,576</u>
Total outstanding contractual commitments	<u>\$ 926,327</u>

Note 11: Interfund Receivables, Payables, and Transfers

Interfund balances as of December 31, 2024 were as follows, in thousands:

Due To/From Other Funds	Receivable	Payable
Governmental funds:		
General fund	\$ -	\$ 88
Proprietary funds:		
Storm drainage utility	-	7
Water utility	-	8
Sewer utility	-	6
Internal service funds	109	-
Total due other funds	\$ 109	\$ 109

The receivable and payable balances between city funds consist of fuel services provided by internal service funds.

Interfund transfers as of December 31, 2024 were as follows, in thousands:

Interfund Transfers	In	Out
Governmental funds:		
General fund	\$ 9,726	\$ 8,541
General CIP	2,353	22,066
Nonmajor governmental funds	28,545	14,717
Proprietary funds:		
Storm drainage utility	5	17
Water utility	21	17
Sewer utility	67	17
Internal service funds	6,912	1,790
Nonmajor proprietary funds	3,408	3,872
Total transfers	\$ 51,037	\$ 51,037

The city incurs transfers for subsidies, indirect overhead, capital improvements, capital purchases, and debt service.

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 will aid the construction of additional mobility projects to support projected 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

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. The refunded portion 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.

The city advance refunded a portion of the 2006 and 2008 LTGO bonds to reduce its total combined debt service payments over the next 10 years by \$0.9 million and to obtain an economic gain of \$0.8 million. The advance refunding resulted in a difference between the net reacquisition price and the net carrying amount of the old debt of \$1.1 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 2027 using the effective interest method.

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.

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.

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.

City of Bellevue, Washington

LONG- TERM DEBT GOVERNMENTAL ACTIVITIES

For the Year Ended December 31, 2024
(in thousands)

Description	Interest Rate	Maturity Date	Original Debt Issued	Debt Outstanding 1/1/24	Debt Issued	Debt Redeemed	Debt Outstanding 12/31/24
General Obligation Bonds-Councilmanic:							
1995 Limited G.O.	5.15-5.80%	2025	\$ 5,139	\$ 282	\$ -	\$ 145	\$ 137
2015 Limited G.O. Refunding Series 2006	3.00-5.00%	2026	3,295	1,165	-	370	795
2015 Limited G.O. Refunding Series 2008	3.00-5.00%	2027	7,855	3,590	-	835	2,755
2015 Limited G.O. Metro & CIP	3.00-5.00%	2034	79,140	54,730	-	4,070	50,660
2015 Limited G.O. BCCA	3.00-5.00%	2034	7,645	5,280	-	395	4,885
2020 A Limited Tax G.O. Refunding Series 2010	4.00%	2032	10,915	9,245	-	1,005	8,240
2020 B Limited Tax G.O. Taxable BCCA Refunding	0.3-1.7%	2032	42,730	38,325	-	3,525	34,800
2021 Limited Tax G.O. Taxable Refunding Series 2013	0.4-2.76%	2037	47,315	42,355	-	4,210	38,145
2022 Limited Tax G.O. Refunding Series 2012	4.00-5.00%	2037	72,675	68,710	-	2,090	66,620
Transportation Infrastructure Finance & Innovation Act	2.86%	2056	99,600	58,300	21,494	2,395	77,399
Other Long-Term Debt:							
Public Works Trust Fund Loan #06-962	0.50%	2028	750	119	-	39	80
Total			\$ 377,059	\$ 282,101	\$ 21,494	\$ 19,079	\$ 284,516

At December 31, 2024, the city's annual debt service requirements for general obligation and other debt were:

ANNUAL DEBT SERVICE REQUIREMENT TO MATURITY
(in thousands)

Year	General Obligation Bonds		Governmental Activities Other Debt		Total Annual Requirements
	Principal	Interest	Principal	Interest	
2025	\$ 21,095	\$ 8,816	\$ 40	\$ -	\$ 29,951
2026	21,604	7,840	40	-	29,484
2027	21,720	7,297	-	-	29,017
2028	21,262	6,768	-	-	28,030
2029	21,796	6,224	-	-	28,020
2030 -2034	79,674	22,184	-	-	101,858
2035 -2039	31,809	12,603	-	-	44,412
2040 -2044	31,548	6,869	-	-	38,417
2045 -2049	13,267	3,376	-	-	16,643
2050 -2054	14,494	1,717	-	-	16,211
2055 -2056	6,167	187	-	-	6,354
Total	\$ 284,436	\$ 83,881	\$ 80	\$ -	\$ 368,397

CHANGES IN LONG-TERM LIABILITIES
(in thousands)

	Beginning		Ending		Due Within
	Balance	Additions	Reductions	Balance	One Year
Governmental Activities:					
General obligation bonds	\$ 281,982	\$ 21,494	\$ (19,040)	\$ 284,436	\$ 21,095
Add: for issuance premium	21,104	-	(1,557)	19,547	-
Compensated absences	17,016	19,681	-	36,697	17,255
Estimated claims payable	11,051	32,253	(29,005)	14,299	8,109
Net pension liability	14,018	-	(3,218)	10,800	-
Total OPEB liability	22,671	-	(1,126)	21,545	158
Asset retirement obligation	6,294	14	(2,456)	3,852	-
Lease liability	11,530	1,894	-	13,424	832
Subscription liability	2,040	3,370	-	5,410	1,604
Other long-term debt	119	-	(39)	80	40
Total	\$ 386,338	\$ 78,706	\$ (56,441)	\$ 410,091	\$ 49,093
Business-type Activities:					
Compensated absences	\$ 1,257	\$ 1,567	\$ -	\$ 2,824	\$ 1,523
Subscription liability	60	1,958	-	2,018	1,436
Total	\$ 1,312	\$ 3,525	\$ -	\$ 4,842	\$ 2,959
Bellevue Convention Center Authority:					
Compensated absences	\$ 236	\$ 955	\$ (819)	\$ 372	\$ 37
Deposits payable	953	4,544	(4,440)	1,057	1,003
Total	\$ 1,189	\$ 5,499	\$ (5,259)	\$ 1,429	\$ 1,040

Estimated claims expenses are liquidated in internal service funds. Other post-employment benefits are liquidated in the LEOFF I Medical Reserve Fund. The pension liabilities for PERS 1 and PERS 2/3 are liquidated by the general government, internal service, and business type funds, based on the contribution allocation.

Beginning balances for the compensated absences have been adjusted to record the Solid Waste Fund under the Business Type activity. For more information, refer to 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 \$8.5 million was remitted for the year ended December 31, 2024.

Note 14: Contingencies and Litigation

As of December 31, 2024, 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 review and approval 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 private purpose trust. The ARCH Housing Private-Purpose Trust Fund net position for 2024 is \$11.6 million, a decrease of \$1.8 million from 2023. In 2024, the city contributed \$0.5 million for ARCH operations, and \$1.3 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. It remains a custodial fund of the city. 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. 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 asset(s); (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 2024 is \$1.3 million, no change from 2023. In 2024, the city paid \$0.5 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, a public corporation, 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. The distribution of the Consortium will be based on the following: (1) non-cash assets contributed without charge by a Consortium member shall revert to the contributor. If the contributor is no longer a member, the asset shall be treated as if it were acquired with Consortium funds. (2) The Consortium Board shall conduct a valuation of all remaining assets. 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 2024 is \$363 thousand, a decrease of \$100 thousand from 2023. In 2024, 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.

The Lead Agency or 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 and paid by the Member or Lead Agency during the period of the agreement.

The city reports the Hazardous Materials Response Unit and Team activity as custodial activity. The net position for 2024 is \$814 thousand, an increase of \$120 thousand from 2023. In 2024, the city paid \$49 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 costs 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 defray part of the Alliance's administrative costs. In addition, to allocate growth costs to those Members that require capacity increases, each Member shall pay 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 to, 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 2024, the city paid \$1.5 million in annual dues and \$1.5 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 each obligated by interlocal agreement to remit costs 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 providing 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 2024, the city paid \$5.6 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. The city has a nonspendable fund balance for prepayment.

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 inter-local 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

City of Bellevue, Washington

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, 2024, in thousands:

	General Fund	General CIP	Other Governmental Funds	Total Governmental Funds
Fund balance				
Nonspendable for:				
Prepays	\$ 1,424	\$ 478	\$ -	\$ 1,902
Total Nonspendable fund balance	<u>1,424</u>	<u>478</u>	<u>-</u>	<u>1,902</u>
Restricted for:				
General government	7	55	20	82
Public safety	2,493	28,628	2,735	33,856
Physical environment	-	-	1,934	1,934
Transportation	-	24,301	-	24,301
Economic environment	-	1	246	247
Health & human services	-	-	25,876	25,876
Culture & recreation	-	42,961	11,055	54,016
Debt service	-	-	6,831	6,831
Total restricted fund balance	<u>2,500</u>	<u>95,946</u>	<u>48,697</u>	<u>147,143</u>
Committed for:				
General government	4,275	124,439	11,122	139,836
Public safety	7	-	97	104
Transportation	2,508	326	-	2,834
Economic environment	60,712	-	1,485	62,197
Health & human services	-	-	7,785	7,785
Culture & recreation	3,808	43,300	438	47,546
Total committed fund balance	<u>71,310</u>	<u>168,065</u>	<u>20,927</u>	<u>260,302</u>
Assigned for:				
General government	1,455	14,825	2,483	18,763
Public safety	-	-	71	71
Physical environment	-	-	51	51
Economic environment	-	-	310	310
Health & human services	-	-	4,988	4,988
Culture & recreation	-	-	47	47
Total assigned fund balance	<u>1,455</u>	<u>14,825</u>	<u>7,950</u>	<u>24,230</u>
Unassigned	<u>59,947</u>	<u>-</u>	<u>-</u>	<u>59,947</u>
Total unassigned fund balance	<u>59,947</u>	<u>-</u>	<u>-</u>	<u>59,947</u>
Fund Balance	<u>\$ 136,636</u>	<u>\$ 279,314</u>	<u>\$ 77,574</u>	<u>\$ 493,524</u>

Note 17: Tax Abatement

The following table summarizes the estimated total revenue reduced by tax relief programs for the year ended December 31, 2024, in thousands:

	City of Bellevue		Other Governments			Total Revenue Reduction
	Multifamily Tax Exemption	King County Current Use	King County Single-family Dwelling Improvement	State of Washington High-Technology Sales & Use Tax Deferral		
Property Tax	\$ 125	\$ 34	\$ 2	\$ -	\$	161

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 cancellation, 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 2024 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. An underground storage tanks system is 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.

City of Bellevue, Washington

The city utilizes the straight-line depreciation method over a 30-year life. Annually, the city reassesses the liability in response to inflation, using CPI-U. In 2024, inflation rose, increasing the liability. The city utilized the State of Washington State Department of Ecology Tanks database system for the service date. The following table summarizes the impact of the asset retirement obligation for the year ended December 31, 2024, with dollars in thousands:

Underground Storage Site	Remaining Useful Life in Months	Liability	Current Year Expense
Fire Station 3	19	\$ 637	\$ 19
Fire Station 4	48	649	20
Fire Station 7	-	580	18
Fire Station 8	-	578	18
Fire Station 9	17	605	19
City Hall	12	804	25
Total		\$ 3,853	\$ 119

Note 19: Accounting Changes

Reporting Units Affected by Adjustments to and Restatements of Beginning Balances

	Government-wide		Governmental Funds		Proprietary Funds	Fiduciary Funds
	Governmental Activities	Business-Type Activities	Operating Grants & Donations	Nonmajor Governmental	Nonmajor Proprietary	Custodial Funds
December 31, 2023 balance, as previously reported	\$ 2,399,806	\$ 968,712	\$ 21,971	\$ 59,543	\$ 10,635	\$ 3,184
Change within financial reporting entity, major to nonmajor change	-	-	(21,971)	21,971	-	-
Change within financial reporting entity, governmental to business-type activity	(3,801)	3,801	-	(3,756)	3,801	-
Error correction	-	-	-	-	-	(18)
December 31, 2023 balance, as restated	<u>\$ 2,396,005</u>	<u>\$ 972,513</u>	<u>\$ -</u>	<u>\$ 77,758</u>	<u>\$ 14,436</u>	<u>\$ 3,166</u>

Changes within financial reporting entity

In 2024, the Operating Grants, Donations, and Special Revenue fund did not meet the criteria to be reported as a major fund and has been reported as a nonmajor governmental fund.

In addition, the city reclassified the Solid Waste Fund to be business-type activity and a proprietary fund to better align with the definitions of those fund types. This changed the basis of accounting for this fund from modified to full accrual.

Error Correction

The issuance of GASB Statement No. 84 “Fiduciary Funds” clarified the recognition of fiduciary activities. An adjustment was recorded in the current fiscal year to remove residual balances that are no longer applicable to the fiduciary funds.

Changes in accounting principle

GASB Statement No. 101 “Compensated Absences” was implemented as of December 31, 2024. This statement changed the process for estimating the compensated absences liability.

Required Supplementary Information

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND
Last Ten Fiscal Years
(Dollar amounts in thousands)

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	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total pension liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	141	137	145	143	156
Changes of benefit terms	-	-	-	-	-
Differences between expected & actual experience	(39)	290	90	539	(616)
Changes of assumptions	-	-	-	-	-
Benefit payments, including refunds of member contributions	(228)	(219)	(198)	(356)	(256)
Net change in total pension liability	<u>(125)</u>	<u>208</u>	<u>37</u>	<u>327</u>	<u>(716)</u>
Total pension liability--beginning	<u>4,150</u>	<u>4,025</u>	<u>4,233</u>	<u>4,271</u>	<u>4,598</u>
Total pension liability--ending	<u>\$ 4,025</u>	<u>\$ 4,233</u>	<u>\$ 4,271</u>	<u>\$ 4,598</u>	<u>\$ 3,882</u>
Plan fiduciary net position					
Contributions - State of Washington	\$ 207	\$ 214	\$ 216	\$ 217	\$ 227
Contributions - employer and member	-	-	-	-	-
Net investment income	55	69	67	132	199
Benefit payments	(228)	(219)	(198)	(356)	(256)
Administrative expense	(12)	(3)	(14)	(15)	(22)
Other	-	(13)	-	-	-
Net change in plan fiduciary net position	<u>22</u>	<u>48</u>	<u>71</u>	<u>(21)</u>	<u>148</u>
Plan fiduciary net position--beginning	<u>6,745</u>	<u>6,767</u>	<u>6,815</u>	<u>6,886</u>	<u>6,865</u>
Plan fiduciary net position--ending	<u>\$ 6,767</u>	<u>\$ 6,815</u>	<u>\$ 6,886</u>	<u>\$ 6,865</u>	<u>\$ 7,013</u>
City's net pension liability (asset)-ending	<u>\$ (2,742)</u>	<u>\$ (2,581)</u>	<u>\$ (2,615)</u>	<u>\$ (2,267)</u>	<u>\$ (3,131)</u>
Plan fiduciary net position as a percentage of the total pension liability	168.11%	160.98%	161.23%	149.30%	180.62%
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.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND
 Last Ten Fiscal Years
 (Dollar amounts in thousands)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total pension liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	130	130	160	124	101
Changes of benefit terms	-	-	-	-	-
Differences between expected & actual experience	168	680	(875)	(468)	464
Changes of assumptions	-	346.00	-	-	315
Benefit payments, including refunds of member contributions	(312)	(301)	(312)	(307)	(320)
Net change in total pension liability	(14)	855	(1,027)	(651)	560
Total pension liability--beginning	<u>3,882</u>	<u>3,868</u>	<u>4,723</u>	<u>3,696</u>	<u>3,045</u>
Total pension liability--ending	<u>\$ 3,868</u>	<u>\$ 4,723</u>	<u>\$ 3,696</u>	<u>\$ 3,045</u>	<u>\$ 3,605</u>
Plan fiduciary net position					
Contributions - State of Washington	\$ 277	\$ 260	\$ 276	\$ 310	\$ 333
Contributions - employer and member	-	-	-	-	-
Net investment income	42	15	40	282	334
Benefit payments	(313)	(302)	(312)	(307)	(320)
Administrative expense	(7)	(13)	-	-	(20)
Other	-	-	-	54	-
Net change in plan fiduciary net position	(1)	(40)	4	339	327
Plan fiduciary net position--beginning	<u>7,013</u>	<u>7,012</u>	<u>6,972</u>	<u>6,976</u>	<u>7,315</u>
Plan fiduciary net position--ending	<u>\$ 7,012</u>	<u>\$ 6,972</u>	<u>\$ 6,976</u>	<u>\$ 7,315</u>	<u>\$ 7,642</u>
City's net pension liability (asset)-ending	<u>\$ (3,144)</u>	<u>\$ (2,249)</u>	<u>\$ (3,280)</u>	<u>\$ (4,270)</u>	<u>\$ (4,037)</u>
Plan fiduciary net position as a percentage of the total pension liability	181.30%	147.61%	188.76%	240.21%	211.95%
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.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS AND SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND
 Last Ten Fiscal Years
 (Dollar amounts in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	<u>180</u>	<u>214</u>	<u>215</u>	<u>217</u>	<u>227</u>
Contribution deficiency (excess)	<u>\$ 180</u>	<u>\$ 214</u>	<u>\$ 215</u>	<u>\$ 217</u>	<u>\$ 227</u>
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%	0.82%	0.98%	1.94%	2.91%

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS AND SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND
 Last Ten Fiscal Years
 (Dollar amounts in thousands)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	<u>277</u>	<u>260</u>	<u>276</u>	<u>310</u>	<u>333</u>
Contribution deficiency (excess)	<u>\$ 277</u>	<u>\$ 260</u>	<u>\$ 276</u>	<u>\$ 310</u>	<u>\$ 333</u>
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	0.61%	0.21%	0.58%	4.82%	4.57%

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PERS**

As of June 30, 2024

Last Ten Fiscal Years¹

(Dollar amounts in thousands)

	PERS 1				
	2015	2016	2017	2018	2019
City's proportion of the net pension liability (asset)	0.69%	0.68%	0.64%	0.65%	0.64%
City's proportionate share of the net pension liability (asset)	\$ 36,327	\$ 36,620	\$ 30,206	\$ 29,195	\$ 24,714
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	\$ 36,327	\$ 36,620	\$ 30,206	\$ 29,195	\$ 24,714
City's covered payroll	\$ 77,199	\$ 79,404	\$ 80,430	\$ 85,306	\$ 88,956
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	47.1%	46.1%	37.6%	34.2%	27.8%
Plan fiduciary net position as a percentage of the total pension liability (asset)	59.0%	57.0%	61.2%	63.2%	67.1%
	PERS 2/3				
	2015	2016	2017	2018	2019
City's proportion of the net pension liability (asset)	0.85%	0.84%	0.81%	0.81%	0.81%
City's proportionate share of the net pension liability (asset)	\$ 30,425	\$ 42,134	\$ 28,183	\$ 13,880	\$ 7,877
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	\$ 30,425	\$ 42,134	\$ 28,183	\$ 13,880	\$ 7,877
City's covered payroll	\$ 75,724	\$ 78,251	\$ 79,679	\$ 84,506	\$ 88,407
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	40.2%	53.8%	35.4%	16.4%	8.9%
Plan fiduciary net position as a percentage of the total pension liability (asset)	89.0%	86.0%	91.0%	96.0%	98.0%

¹The amounts presented for each fiscal year were presented as of June 30.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PERS**

As of June 30, 2024

Last Ten Fiscal Years¹

(Dollar amounts in thousands)

	PERS 1				
	2020	2021	2022	2023	2024
City's proportion of the net pension liability (asset)	0.64%	0.63%	0.62%	0.61%	0.61%
City's proportionate share of the net pension liability (asset)	\$ 22,710	\$ 7,680	\$ 17,136	\$ 14,018	\$ 10,800
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	\$ 22,710	\$ 7,680	\$ 17,136	\$ 14,018	\$ 10,800
City's covered payroll	\$ 96,434	\$ 95,493	\$ 100,225	\$ 109,029	\$ 120,936
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	23.5%	8.0%	17.1%	12.9%	8.9%
Plan fiduciary net position as a percentage of the total pension liability (asset)	68.6%	88.7%	76.6%	80.2%	84.1%
	PERS 2/3				
	2020	2021	2022	2023	2024
City's proportion of the net pension liability (asset)	0.82%	0.79%	0.79%	0.78%	0.78%
City's proportionate share of the net pension liability (asset)	\$ 10,459	\$ (79,164)	\$ (29,410)	\$ (32,074)	\$ (25,567)
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	\$ 10,459	\$ (79,164)	\$ (29,410)	\$ (32,073)	\$ (25,567)
City's covered payroll	\$ 95,958	\$ 95,308	\$ 100,114	\$ 108,908	\$ 120,813
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	10.9%	(83.1%)	(29.4%)	(29.4%)	(21.2%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.2%	120.3%	106.7%	107.0%	105.2%

¹The amounts presented for each fiscal year were presented as of June 30.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PSERS**

As of June 30, 2024

Last Ten Fiscal Years¹

(Dollar amounts in thousands)

Page 1 of 2

	PSERS 2				
	2015	2016	2017	2018	2019
City's proportion of the net pension liability (asset)	0.25%	0.23%	0.21%	0.18%	0.15%
City's proportionate share of the net pension liability (asset)	\$ 45	\$ 99	\$ 42	\$ 2	\$ (19)
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	\$ 45	\$ 99	\$ 42	\$ 2	\$ (19)
City's covered payroll	\$ 724	\$ 762	\$ 750	\$ 717	\$ 661
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	6.2%	13.0%	5.6%	0.3%	(2.9%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	95.1%	95.1%	96.3%	96.3%	101.9%

¹The amounts presented for each fiscal year were presented as of June 30.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PSERS**

As of June 30, 2024

Last Ten Fiscal Years¹

(Dollar amounts in thousands)

Page 2 of 2

	PSERS 2				
	2020	2021	2022	2023	2024
City's proportion of the net pension liability (asset)	0.13%	0.15%	0.15%	0.13%	0.13%
City's proportionate share of the net pension liability (asset)	\$ (18)	\$ (347)	\$ (104)	\$ (137)	\$ (54)
State proportionate share of the net pension liability (asset) associated with the city	-	-	-	-	-
Total	\$ (18)	\$ (347)	\$ (104)	\$ (137)	\$ (54)
City's covered payroll	\$ 825	\$ 1,022	\$ 991	\$ 987	\$ 1,179
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	(2.2%)	(34.0%)	(10.5%)	(13.9%)	(4.6%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	101.7%	123.7%	106.0%	107.9%	102.6%

¹The amounts presented for each fiscal year were presented as of June 30.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - LEOFF**

As of June 30, 2024

Last Ten Fiscal Years¹

(Dollar amounts in thousands)

Page 1 of 2

	LEOFF 1				
	2015	2016	2017	2018	2019
City's proportion of the net pension liability (asset)	0.29%	0.30%	0.31%	0.31%	0.31%
City's proportionate share of the net pension liability (asset)	\$ (3,472)	\$ (3,051)	\$ (4,639)	\$ (5,643)	\$ (6,215)
State proportionate share of the net pension liability (asset) associated with the city	<u>(23,483)</u>	<u>(20,638)</u>	<u>(31,381)</u>	<u>(38,171)</u>	<u>(42,034)</u>
Total	<u>\$ (26,955)</u>	<u>\$ (23,689)</u>	<u>\$ (36,020)</u>	<u>\$ (43,814)</u>	<u>\$ (48,429)</u>
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)	127.4%	123.7%	135.9%	144.4%	148.8%
	LEOFF 2				
	2015	2016	2017	2018	2019
City's proportion of the net pension liability (asset)	1.39%	1.37%	1.38%	1.44%	1.41%
City's proportionate share of the net pension liability (asset)	\$ (14,240)	\$ (7,987)	\$ (19,186)	\$ (29,159)	\$ (32,676)
State proportionate share of the net pension liability (asset) associated with the city	<u>(8,191)</u>	<u>(5,207)</u>	<u>(12,445)</u>	<u>(18,880)</u>	<u>(21,399)</u>
Total	<u>\$ (22,431)</u>	<u>\$ (13,194)</u>	<u>\$ (31,631)</u>	<u>\$ (48,038)</u>	<u>\$ (54,075)</u>
City's covered payroll	\$ 40,277	\$ 41,682	\$ 43,213	\$ 47,425	\$ 49,311
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	(35.4%)	(19.2%)	(44.4%)	(61.5%)	(66.3%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	111.7%	106.0%	113.4%	118.5%	119.4%

¹The amounts presented for each fiscal year were presented as of June 30.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - LEOFF**

As of June 30, 2024

Last Ten Fiscal Years¹

(Dollar amounts in thousands)

	LEOFF 1				
	2020	2021	2022	2023	2024
City's proportion of the net pension liability (asset)	0.32%	0.32%	0.33%	0.32%	0.33%
City's proportionate share of the net pension liability (asset)	\$ (6,012)	\$ (10,911)	\$ (9,361)	\$ (9,510)	\$ (9,308)
State proportionate share of the net pension liability (asset) associated with the city	(40,671)	(73,803)	(63,320)	(64,326)	(62,959)
Total	\$ (46,683)	\$ (84,714)	\$ (72,681)	\$ (73,836)	\$ (72,267)
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)	146.9%	187.5%	169.6%	176.0%	168.5%
	LEOFF 2				
	2020	2021	2022	2023	2024
City's proportion of the net pension liability (asset)	1.37%	1.38%	1.36%	1.30%	1.47%
City's proportionate share of the net pension liability (asset)	\$ (27,968)	\$ (80,400)	\$ (37,038)	\$ (31,133)	\$ (27,505)
State proportionate share of the net pension liability (asset) associated with the city	(17,883)	(51,867)	(23,992)	(19,881)	(17,850)
Total	\$ (45,851)	\$ (132,267)	\$ (61,030)	\$ (51,014)	\$ (45,355)
City's covered payroll	\$ 51,907	\$ 53,555	\$ 55,054	\$ 57,406	\$ 70,618
City's proportionate share of the net pension liability (asset) as percentage of its covered payroll	(53.9%)	(150.1%)	(67.3%)	(54.2%)	(38.9%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	115.8%	142.0%	116.1%	113.2%	109.3%

¹The amounts presented for each fiscal year were presented as of June 30.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S CONTRIBUTIONS – PERS, PSERS, and LEOFF**

As of December 31, 2024

Last Ten Fiscal Years

(Dollar amounts in thousands)

	PERS 1				
	2015	2016	2017	2018	2019
Contractually required contributions	\$ 8,031	\$ 8,867	\$ 9,965	\$ 11,089	\$ 11,800
Contributions in relation to the contractually required contribution	(8,025)	(8,867)	(9,930)	(11,035)	(11,799)
Contribution deficiency (excess)	\$ 6	\$ -	\$ (35)	\$ 54	\$ 1
City's covered payroll	\$ 78,685	\$ 79,314	\$ 83,075	\$ 86,598	\$ 91,864
Contributions as a percentage of covered payroll	10.2%	11.2%	12.0%	12.7%	12.8%
	PERS 2/3				
	2015	2016	2017	2018	2019
Contractually required contributions	\$ 7,889	\$ 8,749	\$ 9,835	\$ 10,970	\$ 11,733
Contributions in relation to the contractually required contribution	(7,884)	(8,770)	(9,834)	(10,951)	(11,732)
Contribution deficiency (excess)	\$ 5	\$ (21)	\$ 1	\$ 19	\$ 1
City's covered payroll	\$ 77,293	\$ 78,251	\$ 82,274	\$ 85,937	\$ 91,338
Contributions as a percentage of covered payroll	10.2%	11.2%	12.0%	12.7%	12.8%
	PSERS 2				
	2015	2016	2017	2018	2019
Contractually required contributions	\$ 83	\$ 89	\$ 84	\$ 85	\$ 84
Contributions in relation to the contractually required contribution	(83)	(89)	(84)	(84)	(84)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ 1	\$ -
City's covered payroll	\$ 753	\$ 774	\$ 715	\$ 697	\$ 690
Contributions as a percentage of covered payroll	11.0%	11.5%	11.7%	12.1%	12.3%
	LEOFF 2				
	2015	2016	2017	2018	2019
Contractually required contributions	\$ 2,182	\$ 2,204	\$ 2,332	\$ 2,646	\$ 2,753
Contributions in relation to the contractually required contribution	(2,182)	(2,204)	(2,332)	(2,658)	(2,786)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (12)	\$ (33)
City's covered payroll	\$ 41,721	\$ 42,143	\$ 43,741	\$ 48,728	\$ 51,159
Contributions as a percentage of covered payroll	5.2%	5.2%	5.3%	5.5%	5.4%

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S CONTRIBUTIONS – PERS, PSERS, and LEOFF**

As of December 31, 2024

Last Ten Fiscal Years

(Dollar amounts in thousands)

	PERS 1				
	2020	2021	2022	2023	2024
Contractually required contributions	\$ 12,509	\$ 11,167	\$ 10,709	\$ 11,531	\$ 12,042
Contributions in relation to the contractually required contribution	(12,445)	(11,138)	(10,656)	(11,496)	(12,052)
Contribution deficiency (excess)	\$ 64	\$ 29	\$ 53	\$ 35	\$ (10)
City's covered payroll	\$ 97,000	\$ 96,107	\$ 104,007	\$ 116,083	\$ 129,515
Contributions as a percentage of covered payroll	12.8%	11.6%	10.2%	9.9%	9.9%
	PERS 2/3				
	2020	2021	2022	2023	2024
Contractually required contributions	\$ 12,466	\$ 11,155	\$ 10,698	\$ 11,519	\$ 12,030
Contributions in relation to the contractually required contribution	(12,402)	(11,126)	(10,644)	(11,483)	(12,040)
Contribution deficiency (excess)	\$ 64	\$ 29	\$ 54	\$ 36	\$ (10)
City's covered payroll	\$ 96,666	\$ 95,999	\$ 103,903	\$ 115,959	\$ 129,385
Contributions as a percentage of covered payroll	12.8%	11.6%	10.2%	9.9%	10.2%
	PSERS 2				
	2020	2021	2022	2023	2024
Contractually required contributions	\$ 117	\$ 108	\$ 105	\$ 105	\$ 141
Contributions in relation to the contractually required contribution	(117)	(115)	(105)	(105)	(132)
Contribution deficiency (excess)	\$ -	\$ (7)	\$ -	\$ -	\$ 9
City's covered payroll	\$ 959	\$ 959	\$ 1,004	\$ 1,024	\$ 1,366
Contributions as a percentage of covered payroll	12.2%	12.0%	10.5%	10.2%	9.7%
	LEOFF 2				
	2020	2021	2022	2023	2024
Contractually required contributions	\$ 2,840	\$ 2,832	\$ 2,948	\$ 3,489	\$ 3,719
Contributions in relation to the contractually required contribution	(2,840)	(2,888)	(2,947)	(3,489)	(3,726)
Contribution deficiency (excess)	\$ -	\$ (56)	\$ 1	\$ -	\$ (7)
City's covered payroll	\$ 53,287	\$ 53,287	\$ 55,614	\$ 65,735	\$ 69,915
Contributions as a percentage of covered payroll	5.3%	5.4%	5.3%	5.3%	5.3%

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

As of December 31, 2024

Last Ten Fiscal Years¹

(Dollar amounts in thousands)

Page 1 of 2

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB liability:				
Service Cost	\$ 4	\$ 4	\$ 3	\$ 3
Interest	1,045	1,134	851	576
Changes of benefit terms	-	-	-	-
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	<u>31,260</u>	<u>28,547</u>	<u>31,970</u>	<u>29,726</u>
Total OPEB liability- ending	<u>\$ 28,547</u>	<u>\$ 31,970</u>	<u>\$ 29,726</u>	<u>\$ 28,899</u>
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.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

As of December 31, 2024

Last Ten Fiscal Years¹

(Dollar amounts in thousands)

Page 2 of 2

	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total OPEB liability:			
Service Cost	\$ -	\$ -	\$ -
Interest	515	895	822
Changes of benefit terms	-	-	-
Difference between expected & actual experience	(1,865)	-	(445)
Changes of assumption or other inputs	(2,755)	519	215
Benefit Payments	<u>(1,862)</u>	<u>(1,675)</u>	<u>(1,718)</u>
Net change in total OPEB liability	(5,967)	(261)	(1,126)
Total OPEB liability- beginning	<u>28,899</u>	<u>22,932</u>	<u>22,671</u>
Total OPEB liability- ending	<u>\$ 22,932</u>	<u>\$ 22,671</u>	<u>\$ 21,545</u>
 Covered employee payroll	 N/A	 N/A	 N/A
 Total OPEB liability as a percentage of covered employee payroll	 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 MODIFIED APPROACH FOR REPORTING INFRASTRUCTURE ASSETS

For the Fiscal Year Ended December 31, 2024

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

	<u>2022</u>	<u>2023</u>	<u>2024</u>
Arterial:			
Percent above satisfactory	89%	88%	89%
Overall performance rating:	77	75	75
Residential:			
Percent above satisfactory	98%	89%	96%
Overall performance rating:	82	75	74

COMPARISON OF NEEDED-TO-ACTUAL EXPENDITURES

(in thousands)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Arterial:					
Needed:	\$4,150	\$5,884	\$5,290	\$6,303	\$4,933
Actual:	4,300	7,370	-	5,283	6,056
Residential:					
Needed:	\$2,675	\$147	\$2,267	\$1,566	\$4,319
Actual:	875	137	2,405	637	5,296

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 Balances - Budget and Actual
General Fund**

For the Fiscal Year Ended December 31, 2024
(in thousands)

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues/operating revenues:				
Taxes & special assessments	\$ 211,019	\$ 211,019	\$ 205,261	\$ 5,758
Licenses & permits	409	409	429	(20)
Intergovernmental	31,104	31,860	34,783	(2,923)
Service charges & fees	22,896	22,896	21,220	1,676
Fines & forfeitures	1,321	1,321	1,780	(459)
Interest & assessment interest	2,035	2,035	1,962	73
Net change in fair value of investments	40	40	-	40
Rent	4,322	4,322	5,583	(1,261)
Judgements & settlements	20	20	1,413	(1,393)
Premiums/contributions	4	4	3	1
Other	1,868	1,868	450	1,418
Total revenues	<u>275,038</u>	<u>275,794</u>	<u>272,884</u>	<u>2,910</u>
Expenditures				
Current:				
General government	41,950	41,394	39,316	2,078
Public safety	140,812	141,106	143,776	(2,670)
Physical environment	-	756	905	(149)
Transportation	36,799	37,475	37,723	(248)
Economic environment	14,651	15,174	14,204	970
Health & human services	1,643	1,643	1,547	96
Culture & recreation	35,564	35,882	35,511	371
Principal	-	-	1,638	(1,638)
Interest & fiscal charges	-	-	252	(252)
General government	-	-	229	(229)
Public safety	-	-	4,836	(4,836)
Transportation	-	-	52	(52)
Economic environment	-	-	13	(13)
Culture & recreation	-	-	125	(125)
Total expenditures	<u>271,419</u>	<u>273,430</u>	<u>280,127</u>	<u>(6,697)</u>
Excess (deficiency) of revenues over (under) expenditures	3,619	2,364	(7,243)	9,607
Other financing sources(uses)				
Transfers in	669	669	2,613	(1,944)
Transfers out	(6,685)	(6,685)	(6,227)	(458)
Long-term debt issued	-	-	4,607	(4,607)
Total other financing sources(uses)	<u>(6,016)</u>	<u>(6,016)</u>	<u>993</u>	<u>(7,009)</u>
Net change in fund balance	(2,397)	(3,652)	(6,250)	2,598
Fund balance beginning of year	59,173	55,228	71,450	(16,222)
Fund balance end of year	<u>\$ 56,776</u>	<u>\$ 51,576</u>	<u>\$ 65,200</u>	<u>\$ (13,624)</u>

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

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund**

For the Fiscal Year Ended December 31, 2024
(in thousands)

Perspective Difference Reconciliation:

Actual fund balance - General Fund Statement of Revenues, Expenditures, & Changes in Fund Balances	\$ 65,200
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The following funds were budgeted as special revenue revenue funds
but do not meet the definition under GASB Statement 54 and are
accounted for within the General Fund:

Human Service Fund	(303)
Land Purchase Revolving Fund	8,699
Development Services Fund	60,711
Parks Enterprise Fund	<u>2,329</u>

Total Fund Balance - General Fund Balance for Governmental Funds	<u><u>\$ 136,636</u></u>
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Notes to the Required Supplementary Information

Firefighter Pension Plan

Valuation date: Actuarially determined contribution rates are calculated as of January 1.

Methods and assumptions used to determine contribution rates:

- 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%, including inflation
- Investment rate of return 3.5%
- 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.

Changes of benefit terms and assumptions. The mortality assumption was updated to the 2024 IRS Generational Mortality Table, projected with the 2024 Adjusted MP-2021 Projection Scale. This is the industry standard table with most current rates.

Department of Retirement System Pension Programs

Changes in methods. OSA adjusted their methods for calculating UAAL contribution rates in PERS 1 to reflect the delay between the measurement date of calculated Plan 1 rates and when the rates are collected. OSA made an adjustment to the model to reflect past inflation experience when modeling future COLAs for current annuitants in all plans except PERS 1 and TRS 1.

OPEB

Changes in assumptions. 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%

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.

STANDARD PERFORMANCE RATING LEVELS

	<u>Satisfactory</u>	<u>Unsatisfactory</u>
Arterial:	50 - 100	0 - 49
Residential:	30 - 100	0 - 29

Budget and Actual Schedules

The City's budget is adopted on a GAAP 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, Development Services Fund, and Parks Enterprise Fund. Budgets 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

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Descriptions of the nonmajor Special Revenue funds included in the city's Annual Comprehensive Financial Report are provided below:

The **LEOFF I Medical Reserve Fund** accounts for the accumulation of assets necessary to fund the city's liability for lifetime medical benefits for all retired LEOFF I members.

The **Park Maintenance and Operations (M&O) Reserve Fund** accounts for proceeds of a property tax lid lift approved by the voters in 1988 and 2008 to support park maintenance and operation expenditures. Tax monies received from the lid lift are initially receipted to the General Fund. Any proceeds in excess of current maintenance and operation needs are subsequently transferred to this special revenue fund to be held for future authorization.

The **Hotel/Motel Tax Fund** operates as a conduit for the collection of hotel/motel tax used for debt service payments on general obligation bonds of the Bellevue Convention Center Authority.

The **Housing Fund** accounts for general revenues from a variety of sources. The expenditures include those necessary for the creation and preservation of affordable housing for low- and moderate-income households.

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

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, 2024
(in thousands)

	Special Revenue		
	LEOFF I Medical Reserve	Park M & O Reserve	Hotel/ Motel Tax
Assets:			
Cash & equity in pooled investments	\$ 550	\$ 8,978	\$ 723
Receivables (net of allowances):			
Taxes	-	99	2,018
Accounts	43	-	589
Due from other governments	-	-	-
Housing rehabilitation loans receivable	-	-	-
Total assets	\$ 593	\$ 9,077	\$ 3,330
Liabilities:			
Accounts payable	\$ 6	\$ -	\$ 515
Due to component unit	-	-	774
Due to other governments	-	-	-
Accrued payroll	-	-	-
Total liabilities	6	-	1,289
Deferred Inflows:			
For grants	-	-	-
For taxes	-	50	-
Total deferred inflows	-	50	-
Total liabilities & deferred inflows	6	50	1,289
Fund balance:			
Restricted	587	9,027	246
Committed	-	-	1,485
Assigned	-	-	310
Total fund balance	587	9,027	2,041
Total liabilities, deferred inflows, & fund balance	\$ 593	\$ 9,077	\$ 3,330

**Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2024
(in thousands)**

	Special Revenue		Debt Service	Total Nonmajor Governmental Funds
	Operating Grants & Donations	Housing Fund	I&D Redemption Regular Levy	
Assets:				
Cash & equity in pooled investments	\$ 18,987	\$ 36,673	\$ 6,831	\$ 72,742
Receivables (net of allowances):				
Taxes	3	2,234	-	4,354
Accounts	1,428	-	-	2,060
Due from other governments	1,452	-	-	1,452
Housing rehabilitation loans receivable	3,867	-	-	3,867
Total assets	\$ 25,737	\$ 38,907	\$ 6,831	\$ 84,475
Liabilities:				
Accounts payable	\$ 2,181	\$ 332	\$ -	\$ 3,034
Due to component unit	-	-	-	774
Due to other governments	2,755	-	-	2,755
Accrued payroll	27	80	-	107
Total liabilities	4,963	412	-	6,670
Deferred Inflows:				
For grants	181	-	-	181
For taxes	-	-	-	50
Total deferred inflows	181	-	-	231
Total liabilities & deferred inflows	5,144	412	-	6,901
Fund balance:				
Restricted	6,284	25,722	6,831	48,697
Committed	11,657	7,785	-	20,927
Assigned	2,652	4,988	-	7,950
Total fund balance	20,593	38,495	6,831	77,574
Total liabilities, deferred inflows, & fund balance	\$ 25,737	\$ 38,907	\$ 6,831	\$ 84,475

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024
(in thousands)**

	Special Revenue			
	LEOFF I Medical Reserve	Park M & O Reserve	(Formerly Governmental) Solid Waste Utility	Hotel/ Motel Tax
Revenues:				
Taxes & special assessments	\$ -	\$ 2,741	\$ -	\$ 13,411
Intergovernmental	43	-	-	-
Service charges & fees	-	-	-	4,259
Interest & penalties	25	349	-	169
Judgments & settlements	-	-	-	-
Premiums/contributions	-	-	-	-
Other	-	-	-	-
Total revenues	68	3,090	-	17,839
Expenditures:				
Current:				
General government	-	-	-	8,517
Public safety	48	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	3,207
Health & human services	-	-	-	-
Culture & recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest & fiscal charges	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Total expenditures	48	-	-	11,724
Excess (deficiency) of revenues over (under) expenditures	20	3,090	-	6,115
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	(806)	-	(5,999)
Total other financing sources (uses)	-	(806)	-	(5,999)
Net change in fund balance	20	2,284	-	116
Fund balance at beginning of year, as previously reported	567	6,743	3,756	1,925
Change within financial reporting entity	-	-	(3,756)	-
Fund balance at beginning of year, as restated	567	6,743	-	1,925
Fund balance at end of year	\$ 587	\$ 9,027	\$ -	\$ 2,041

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024
(in thousands)**

	<u>Special Revenue</u>		<u>Debt Service</u>	
	<u>Operating Grants & Donations</u>	<u>Housing Fund</u>	<u>I&D Redemption Regular Levy</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:				
Taxes & special assessments	\$ -	\$ 11,363	\$ 500	\$ 28,015
Intergovernmental	11,423	1,409	-	12,875
Service charges & fees	107	-	-	4,366
Interest & penalties	961	2,011	274	3,789
Judgments & settlements	3	-	-	3
Premiums/contributions	2,404	6,854	-	9,258
Other	576	-	-	576
Total revenues	<u>15,474</u>	<u>21,637</u>	<u>774</u>	<u>58,882</u>
Expenditures:				
Current:				
General government	135	-	-	8,652
Public safety	2,511	-	-	2,559
Physical environment	1,484	-	-	1,484
Transportation	513	-	-	513
Economic environment	5,681	21,892	-	30,780
Health & human services	423	-	-	423
Culture & recreation	411	-	-	411
Debt service:				
Principal	-	-	19,040	19,040
Interest & fiscal charges	-	-	8,724	8,724
Capital outlay:				
General government	11	-	-	11
Public safety	297	-	-	297
Total expenditures	<u>11,466</u>	<u>21,892</u>	<u>27,764</u>	<u>72,894</u>
Excess (deficiency) of revenues over (under) expenditures	4,008	(255)	(26,990)	(14,012)
Other financing sources (uses):				
Transfers in	114	379	28,052	28,545
Transfers out	(5,500)	(2,306)	(106)	(14,717)
Total other financing sources (uses)	<u>(5,386)</u>	<u>(1,927)</u>	<u>27,946</u>	<u>13,828</u>
Net change in fund balance	(1,378)	(2,182)	956	(184)
Fund balance at beginning of year, as previously reported	-	40,677	5,875	59,543
Change within financial reporting entity	21,971	-	-	18,215
Fund balance at beginning of year, as restated	21,971	40,677	5,875	77,758
Fund balance at end of year	<u>\$ 20,593</u>	<u>\$ 38,495</u>	<u>\$ 6,831</u>	<u>\$ 77,574</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Human Services Fund
For the Year Ended December 31, 2024
(in thousands)

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues/operating revenues:				
Taxes & special assessments	\$ 4,683	\$ 4,683	\$ 4,755	\$ (72)
Intergovernmental	4,389	4,389	28	4,361
Interest & assessment interest	-	-	27	(27)
Premiums/contributions	563	563	34	529
Total revenues	<u>9,635</u>	<u>9,635</u>	<u>4,844</u>	<u>4,791</u>
Expenditures:				
Economic environment	134	134	163	(29)
Health & human services	9,441	9,441	7,373	2,068
Total expenditures	<u>9,575</u>	<u>9,575</u>	<u>7,536</u>	<u>2,039</u>
Excess (deficiency) of revenues over (under) expenditures	60	60	(2,692)	2,752
Other financing sources (uses):				
Transfers in	-	-	2,306	(2,306)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,306</u>	<u>(2,306)</u>
Net change in fund balance	60	60	(386)	446
Fund balance beginning of year	<u>1,796</u>	<u>1,796</u>	<u>83</u>	<u>1,713</u>
Fund balance end of year	<u>\$ 1,856</u>	<u>\$ 1,856</u>	<u>\$ (303)</u>	<u>\$ 2,159</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Land Purchase Revolving Fund
For the Year Ended December 31, 2024**
(in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actuals on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues/operating revenues:				
Interest & assessment interest	\$ -	\$ -	\$ 398	\$ (398)
Rent	<u>1,059</u>	<u>1,059</u>	<u>1,007</u>	<u>52</u>
Total revenues	<u>1,059</u>	<u>1,059</u>	<u>1,405</u>	<u>(346)</u>
Expenditures:				
General government	200	200	193	7
Transportation	10	10	23	(13)
Culture & recreation	881	881	905	(24)
Capital outlay:				
Culture & recreation	-	-	268	(268)
Total expenditures	<u>1,091</u>	<u>1,091</u>	<u>1,389</u>	<u>(298)</u>
Excess (deficiency) of revenues over (under) expenditures	(32)	(32)	16	(48)
Other financing sources (uses):				
Transfers in	150	150	150	-
Transfers out	<u>(1,400)</u>	<u>(1,400)</u>	<u>(2,100)</u>	<u>700</u>
Total other financing sources (uses)	<u>(1,250)</u>	<u>(1,250)</u>	<u>(1,950)</u>	<u>700</u>
Net change in fund balance	(1,282)	(1,282)	(1,934)	652
Fund balance beginning of year	<u>2,488</u>	<u>2,488</u>	<u>10,633</u>	<u>(8,145)</u>
Fund balance end of year	<u>\$ 1,206</u>	<u>\$ 1,206</u>	<u>\$ 8,699</u>	<u>\$ (7,493)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Development Services Fund
For the Year Ended December 31, 2024**
(in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actuals on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues/operating revenues:				
Licenses & permits	\$ 18,971	\$ 18,971	\$ 17,251	\$ 1,720
Service charges & fees	16,474	16,474	14,900	1,574
Fines & forfeitures	3	3	1	2
Interest & assessment interest	169	169	3,338	(3,169)
Total revenues	<u>35,617</u>	<u>35,617</u>	<u>35,490</u>	<u>127</u>
Expenditures:				
General government	1	1	1	-
Economic environment	36,523	36,523	34,197	2,326
Total expenditures	<u>36,524</u>	<u>36,524</u>	<u>34,198</u>	<u>2,326</u>
Excess (deficiency) of revenues over (under) expenditures	(907)	(907)	1,292	(2,199)
Other financing sources (uses):				
Transfers in	4,810	4,810	4,621	189
Transfers out	(162)	(162)	(214)	52
Total other financing sources (uses)	<u>4,648</u>	<u>4,648</u>	<u>4,407</u>	<u>241</u>
Net change in fund balance	3,741	3,741	5,699	(1,958)
Fund balance beginning of year	53,527	53,527	55,012	(1,485)
Fund balance end of year	<u>\$ 57,268</u>	<u>\$ 57,268</u>	<u>\$ 60,711</u>	<u>\$ (3,443)</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Parks Enterprise Fund
For the Year Ended December 31, 2024
(in thousands)

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues/operating revenues:				
Service charges & fees	\$ 5,579	\$ 5,579	\$ 5,221	\$ 358
Interest & assessment interest	10	10	169	(159)
Rent	2,879	2,879	3,632	(753)
Other	15	15	7	8
Total revenues	<u>8,483</u>	<u>8,483</u>	<u>9,029</u>	<u>(546)</u>
Expenditures:				
Culture & recreation	8,100	8,100	8,737	(637)
Culture & recreation	-	-	14	(14)
Total expenditures	<u>8,100</u>	<u>8,100</u>	<u>8,751</u>	<u>(651)</u>
Excess (deficiency) of revenues over (under) expenditures	383	383	278	105
Other financing sources (uses):				
Transfers in	35	35	35	-
Transfers out	(110)	(110)	-	(110)
Total other financing sources (uses)	<u>(75)</u>	<u>(75)</u>	<u>35</u>	<u>(110)</u>
Net change in fund balance	308	308	313	(5)
Fund balance beginning of year	<u>1,785</u>	<u>1,785</u>	<u>2,016</u>	<u>(231)</u>
Fund balance end of year	<u><u>\$ 2,093</u></u>	<u><u>\$ 2,093</u></u>	<u><u>\$ 2,329</u></u>	<u><u>\$ (236)</u></u>

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
LEOFF I Medical Reserve Fund
For the Year Ended December 31, 2024
(in thousands)

	Original Budget	Final Budget	Actuals on Budgetary Basis	Variance with Final Budget
Revenues/operating revenues:				
Intergovernmental	\$ 39	\$ 39	\$ 43	\$ (4)
Interest & assessment interest	4	4	25	(21)
Total revenues	<u>43</u>	<u>43</u>	<u>68</u>	<u>(25)</u>
Expenditures:				
Public safety	593	593	48	545
Total expenditures	<u>593</u>	<u>593</u>	<u>48</u>	<u>545</u>
Excess (deficiency) of revenues over (under) expenditures	(550)	(550)	20	(570)
Fund balance beginning of year	550	550	567	(17)
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 587</u>	<u>\$ (587)</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Park Maintenance and Operations Reserve Fund
For the Year Ended December 31, 2024
(in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actuals on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues/operating revenues:				
Taxes & special assessments	\$ 2,759	\$ 2,759	\$ 2,741	\$ 18
Interest & assessment interest	-	-	349	(349)
Total revenues	<u>2,759</u>	<u>2,759</u>	<u>3,090</u>	<u>(331)</u>
Excess (deficiency) of revenues over (under) expenditures	2,759	2,759	3,090	(331)
Other financing sources (uses):				
Transfers out	<u>(3,282)</u>	<u>(3,282)</u>	<u>(806)</u>	<u>(2,476)</u>
Total other financing sources (uses)	<u>(3,282)</u>	<u>(3,282)</u>	<u>(806)</u>	<u>(2,476)</u>
Net change in fund balance	(523)	(523)	2,284	(2,807)
Fund balance beginning of year	<u>4,036</u>	<u>4,036</u>	<u>6,743</u>	<u>(2,707)</u>
Fund balance end of year	<u>\$ 3,513</u>	<u>\$ 3,513</u>	<u>\$ 9,027</u>	<u>\$ (5,514)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Hotel/Motel Tax Fund
For the Year Ended December 31, 2024
(in thousands)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actuals on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues/operating revenues:				
Taxes & special assessments	\$ 11,861	\$ 16,361	\$ 13,411	\$ 2,950
Service charges & fees	3,634	3,634	4,259	(625)
Interest & assessment interest	-	-	169	(169)
Total revenues	<u>15,495</u>	<u>19,995</u>	<u>17,839</u>	<u>2,156</u>
Expenditures:				
General government	5,861	10,361	8,517	1,844
Economic environment	3,634	3,634	3,207	427
Total expenditures	<u>9,495</u>	<u>13,995</u>	<u>11,724</u>	<u>2,271</u>
Excess (deficiency) of revenues over (under) expenditures	6,000	6,000	6,115	(115)
Other financing sources (uses):				
Transfers out	(6,000)	(6,000)	(5,999)	(1)
Total other financing sources (uses)	<u>(6,000)</u>	<u>(6,000)</u>	<u>(5,999)</u>	<u>(1)</u>
Net change in fund balance	-	-	116	(116)
Fund balance beginning of year	-	-	1,925	(1,925)
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,041</u>	<u>\$ (2,041)</u>

Internal Service Funds

(This page is intentionally left blank.)

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.

The **Workers' Compensation Fund** accounts for the city's workers' compensation self-insurance program. Premiums received by the fund are used to pay benefits to injured workers and to maintain reserves for the payment of future claims based on actuarial estimates.

The **Unemployment Compensation Fund** accounts for the city's unemployment compensation self-insurance program. Premiums received by the fund are used to reimburse the State's Employment Security Department for unemployment benefits paid to eligible individuals and to maintain reserves for the payment of future claims based on actuarial estimates.

The **General Self-Insurance Fund** accounts for the city's self-insurance program for property and casualty losses, and general loss control activities. Premiums received by the fund are used to pay liability claims, purchase fire and property damage coverage, and to maintain reserves for the payment of estimated future claims liability based on actuarial estimates.

The **Health Benefits Fund** accounts for programs established to provide employee medical and dental health care coverage. Medical premiums received by the fund are used to pay claims for employees participating in the city's self-insured health care program, purchase stop-loss coverage for individual and aggregate claims in excess of self-insured limits, and maintain reserves for the payment of future claims based on actuarial estimates. Employee dental coverage is purchased from an outside carrier.

The **Information Technology Fund** accounts for information services operations and replacement reserves for the desktop computers, workstations, and major software applications.

The **Facilities Services Fund** provides planning, development, maintenance, and management services required to support city operations in general government buildings. This fund includes operating costs, capital costs, and building reserves for future facility projects.

Combining Statement of Fund Net Position
Internal Service Funds
As of December 31, 2024
(in thousands)

	<u>Equipment Rental</u>	<u>Workers' Compensation</u>	<u>Unemployment Compensation</u>	<u>General Self- Insurance</u>
Assets:				
Current assets:				
Cash & equity in pooled investments	\$ 27,873	\$ 5,986	\$ 199	\$ 7,221
Receivables (net of allowances):				
Accounts	13	-	-	-
Leases receivable	-	-	-	-
Other	3	-	-	-
Due from other funds	109	-	-	-
Due from other governments	1	-	-	-
Inventory	655	-	-	-
Prepaid expenses	-	-	-	-
Restricted cash & equity in pooled investments:				
For capital projects	-	-	-	-
Total current assets	<u>28,654</u>	<u>5,986</u>	<u>199</u>	<u>7,221</u>
Noncurrent assets:				
Lease receivable	-	-	-	-
Net pension asset	473	-	-	146
Capital assets (net)	<u>24,955</u>	<u>-</u>	<u>-</u>	<u>236</u>
Total noncurrent assets	<u>25,428</u>	<u>-</u>	<u>-</u>	<u>382</u>
Total assets	<u>54,082</u>	<u>5,986</u>	<u>199</u>	<u>7,603</u>
Deferred outflows				
For pensions	618	-	-	191
For asset retirement obligation	<u>494</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred outflows	<u>1,112</u>	<u>-</u>	<u>-</u>	<u>191</u>
Total assets & deferred outflows	<u>\$ 55,194</u>	<u>\$ 5,986</u>	<u>\$ 199</u>	<u>\$ 7,794</u>

**Combining Statement of Fund Net Position
Internal Service Funds
As of December 31, 2024
(in thousands)**

	<u>Health Benefits</u>	<u>Information Technology</u>	<u>Facilities Services</u>	<u>Total</u>
Assets:				
Current assets:				
Cash & equity in pooled investments	\$ 10,830	\$ 10,459	\$ 1,972	\$ 64,540
Receivables (net of allowances):				
Accounts	526	-	2	541
Leases receivable	-	144	564	708
Other	-	-	-	3
Due from other funds	-	-	-	109
Due from other governments	-	-	-	1
Inventory	-	-	-	655
Prepaid expenses	203	-	-	203
Restricted cash & equity in pooled investments:				
For capital projects	-	5	-	5
Total current assets	<u>11,559</u>	<u>10,608</u>	<u>2,538</u>	<u>66,765</u>
Noncurrent assets:				
Lease receivable	-	1,834	2,833	4,667
Net pension asset	51	1,734	525	2,929
Capital assets (net)	-	3,027	614	28,832
Total noncurrent assets	<u>51</u>	<u>6,595</u>	<u>3,972</u>	<u>36,428</u>
Total assets	<u>11,610</u>	<u>17,203</u>	<u>6,510</u>	<u>103,193</u>
Deferred outflows				
For pensions	66	3,994	685	5,554
For asset retirement obligation	-	-	-	494
Total deferred outflows	<u>66</u>	<u>3,994</u>	<u>685</u>	<u>6,048</u>
Total assets & deferred outflows	<u>\$ 11,676</u>	<u>\$ 21,197</u>	<u>\$ 7,195</u>	<u>\$ 109,241</u>

**Combining Statement of Fund Net Position
Internal Service Funds
As of December 31, 2024
(in thousands)**

	<u>Equipment Rental</u>	<u>Workers' Compensation</u>	<u>Unemployment Compensation</u>	<u>General Self- Insurance</u>
Liabilities:				
Current liabilities:				
Accounts payable	\$ 1,903	\$ 18	\$ -	\$ 68
Estimated claims	-	2,858	68	3,271
Due to other governments	2	-	-	-
Accrued payroll	153	-	-	38
Accrued compensated absences	209	-	-	65
Subscription liability	-	-	-	76
Liabilities payable from restricted assets:				
Retainage payable	-	-	-	-
Total current liabilities	<u>2,267</u>	<u>2,876</u>	<u>68</u>	<u>3,518</u>
Noncurrent liabilities:				
Accrued compensated absences	144	-	-	132
Estimated claims	-	2,635	-	3,555
Asset retirement obligation	3,852	-	-	-
Pension liability	-	-	-	-
Subscription liability	-	-	-	135
Total noncurrent liabilities	<u>3,996</u>	<u>2,635</u>	<u>-</u>	<u>3,822</u>
Total liabilities	<u>6,263</u>	<u>5,511</u>	<u>68</u>	<u>7,340</u>
Deferred inflows				
For pensions	182	-	-	55
For leases	-	-	-	-
Total deferred inflows	<u>182</u>	<u>-</u>	<u>-</u>	<u>55</u>
Total liabilities & deferred inflows	<u>6,445</u>	<u>5,511</u>	<u>68</u>	<u>7,395</u>
Net position:				
Net investment in capital assets	23,541	-	-	25
Restricted for:				
Net pension asset	473	-	-	146
Unrestricted	24,735	475	131	228
Total net position	<u>\$ 48,749</u>	<u>\$ 475</u>	<u>\$ 131</u>	<u>\$ 399</u>

**Combining Statement of Fund Net Position
Internal Service Funds
As of December 31, 2024
(in thousands)**

	<u>Health Benefits</u>	<u>Information Technology</u>	<u>Facilities Services</u>	<u>Total</u>
Liabilities:				
Current liabilities:				
Accounts payable	\$ 333	\$ 243	\$ 750	\$ 3,315
Estimated claims	1,912	-	-	8,109
Due to other governments	-	-	5	7
Accrued payroll	12	501	161	865
Accrued compensated absences	24	776	180	1,254
Subscription liability	-	489	-	565
Liabilities payable from restricted assets:				
Retainage payable	-	5	-	5
Total current liabilities	<u>2,281</u>	<u>2,014</u>	<u>1,096</u>	<u>14,120</u>
Noncurrent liabilities:				
Accrued compensated absences	99	1,402	205	1,982
Estimated claims	-	-	-	6,190
Asset retirement obligation	-	-	-	3,852
Pension liability	-	10,800	-	10,800
Subscription liability	-	1,035	-	1,170
Total noncurrent liabilities	<u>99</u>	<u>13,237</u>	<u>205</u>	<u>23,994</u>
Total liabilities	<u>2,380</u>	<u>15,251</u>	<u>1,301</u>	<u>38,114</u>
Deferred inflows				
For pensions	19	1,514	172	1,942
For leases	-	1,727	2,530	4,257
Total deferred inflows	<u>19</u>	<u>3,241</u>	<u>2,702</u>	<u>6,199</u>
Total liabilities & deferred inflows	<u>2,399</u>	<u>18,492</u>	<u>4,003</u>	<u>44,313</u>
Net position:				
Net investment in capital assets	-	1,503	614	25,683
Restricted for:				
Net pension asset	51	1,734	525	2,929
Unrestricted	9,226	(532)	2,053	36,316
Total net position	<u>\$ 9,277</u>	<u>\$ 2,705</u>	<u>\$ 3,192</u>	<u>\$ 64,928</u>

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2024
(in thousands)

	<u>Equipment Rental</u>	<u>Workers' Compensation</u>	<u>Unemployment Compensation</u>	<u>General Self-Insurance</u>
Operating revenues:				
Intergovernmental	\$ 25	\$ -	\$ -	\$ -
Service charges & fees	15,746	-	-	-
Interest & assessment interest/penalties	-	-	-	-
Rent	-	-	-	-
Insurance recovery	-	-	-	419
Premiums/contributions	-	3,257	175	7,306
Other	5	482	-	2
Total operating revenues	<u>15,776</u>	<u>3,739</u>	<u>175</u>	<u>7,727</u>
Operating expenses:				
Administrative & general	949	151	-	1,970
Maintenance & operations	6,365	42	-	-
Depreciation	7,941	-	-	72
Insurance costs	-	857	-	4,177
Benefits & claims payments	-	3,096	202	9,697
Total operating expenses	<u>15,255</u>	<u>4,146</u>	<u>202</u>	<u>15,916</u>
Operating income (loss)	521	(407)	(27)	(8,189)
Nonoperating revenues (expenses):				
Interest income	1,067	212	8	306
Gain on disposal of capital assets	544	-	-	-
Other nonoperating revenues	-	-	-	-
Other nonoperating expenses	-	-	-	(4)
Total nonoperating revenue (expenses)	<u>1,611</u>	<u>212</u>	<u>8</u>	<u>302</u>
Income before contributions & transfers	2,132	(195)	(19)	(7,887)
Special items, contributions & transfers:				
Transfers in	6,649	-	-	226
Transfers out	(124)	(226)	(6)	-
Capital contributed from external sources	41	-	-	-
Total special items, contributions & transfers	<u>6,566</u>	<u>(226)</u>	<u>(6)</u>	<u>226</u>
Change in net position	8,698	(421)	(25)	(7,661)
Net position beginning of year	40,051	896	156	8,060
Net position end of year	<u>\$ 48,749</u>	<u>\$ 475</u>	<u>\$ 131</u>	<u>\$ 399</u>

**Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2024
(in thousands)**

	Health Benefits	Information Technology	Facilities Services	Total
Operating revenues:				
Intergovernmental	\$ -	\$ -	\$ 54	\$ 79
Service charges & fees	2,766	18,166	8,620	45,298
Interest & assessment interest/penalties	-	30	53	83
Rent	-	-	410	410
Insurance recovery	-	-	-	419
Premiums/contributions	29,937	-	30	40,705
Other	-	1	-	490
Total operating revenues	<u>32,703</u>	<u>18,197</u>	<u>9,167</u>	<u>87,484</u>
Operating expenses:				
Administrative & general	820	5,333	363	9,586
Maintenance & operations	-	10,593	8,499	25,499
Depreciation	-	741	104	8,858
Insurance costs	8,436	-	-	13,470
Benefits & claims payments	24,253	-	-	37,248
Total operating expenses	<u>33,509</u>	<u>16,667</u>	<u>8,966</u>	<u>94,661</u>
Operating income (loss)	(806)	1,530	201	(7,177)
Nonoperating revenues (expenses):				
Interest income	456	453	84	2,586
Gain on disposal of capital assets	-	-	-	544
Other nonoperating revenues	1,869	160	462	2,491
Other nonoperating expenses	-	(20)	-	(24)
Total nonoperating revenue (expenses)	<u>2,325</u>	<u>593</u>	<u>546</u>	<u>5,597</u>
Income before contributions & transfers	1,519	2,123	747	(1,580)
Special items, contributions & transfers:				
Transfers in	-	-	37	6,912
Transfers out	(10)	(27)	(1,397)	(1,790)
Capital contributed from external sources	-	-	-	41
Total special items, contributions & transfers	<u>(10)</u>	<u>(27)</u>	<u>(1,360)</u>	<u>5,163</u>
Change in net position	1,509	2,096	(613)	3,583
Net position beginning of year	7,768	609	3,805	61,345
Net position end of year	<u>\$ 9,277</u>	<u>\$ 2,705</u>	<u>\$ 3,192</u>	<u>\$ 64,928</u>

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2024
(in thousands)**

	<u>Equipment Rental</u>	<u>Workers' Compensation</u>	<u>Unemployment Compensation</u>	<u>General Self-Insurance</u>
Cash flows from operating activities:				
Cash received from customers & users	\$ 15,904	\$ -	\$ -	\$ 39
Contributions received - employer/employee	-	3,256	174	7,304
Cash received from insurance proceeds	-	-	-	419
Cash payments to suppliers for goods & services	(6,107)	(176)	-	(1,029)
Cash payments to employees for services	(2,191)	-	-	(1,022)
Cash payments to claimants	-	(1,906)	(168)	(7,778)
Cash received from contracts/rent	-	-	-	-
Cash payments for insurance	-	(856)	-	(4,177)
Other receipts	-	481	-	-
Net cash provided (used) by operating activities	<u>7,606</u>	<u>799</u>	<u>6</u>	<u>(6,244)</u>
Cash flows from noncapital financing activities:				
Transfers in	6,649	-	-	226
Transfers out	(124)	(226)	(6)	-
Cash received from non-operating revenues	-	-	-	-
Net cash provided (used) by noncapital financing activities:	<u>6,525</u>	<u>(226)</u>	<u>(6)</u>	<u>226</u>
Cash flows from capital & related financing activities:				
Acquisition & construction of capital assets	(7,687)	-	-	(4)
Proceeds from sale of assets	544	-	-	-
Cash contributions in aid of construction	41	-	-	-
Interest paid on subscription assets	-	-	-	(4)
Net cash provided (used) by capital financing activities	<u>(7,102)</u>	<u>-</u>	<u>-</u>	<u>(8)</u>
Cash flows from investing activities:				
Interest on investments	1,066	212	8	306
Net cash provided (used) by investing activities	<u>1,066</u>	<u>212</u>	<u>8</u>	<u>306</u>
Net increase (decrease) in cash balance	8,095	785	8	(5,720)
Cash & equity in pooled investments balance beginning of year	<u>19,778</u>	<u>5,201</u>	<u>191</u>	<u>12,941</u>
Cash & equity in pooled investments balance end of year	<u>\$ 27,873</u>	<u>\$ 5,986</u>	<u>\$ 199</u>	<u>\$ 7,221</u>
Cash & equity in pooled investments at end of year consist of:				
Unrestricted	\$ 27,873	\$ 5,986	\$ 199	\$ 7,221
Restricted	-	-	-	-
Total cash & equity in pooled investments	<u>\$ 27,873</u>	<u>\$ 5,986</u>	<u>\$ 199</u>	<u>\$ 7,221</u>

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2024**
(in thousands)

	Health Benefits	Information Technology	Facilities Services	Total
Cash flows from operating activities:				
Cash received from customers & users	\$ 2,603	\$ 18,773	\$ 9,461	\$ 46,780
Contributions received - employer/employees	29,938	-	-	40,672
Cash received from insurance proceeds	-	-	-	419
Cash payments to suppliers for goods & services	(562)	(8,201)	(5,231)	(21,306)
Cash payments to employees for services	(353)	(11,356)	(3,859)	(18,781)
Cash payments to claimants	(24,147)	-	-	(33,999)
Cash received from contracts/rent	-	-	440	440
Cash payments for insurance	(8,436)	-	-	(13,469)
Other receipts	-	-	-	481
Net cash provided (used) by operating activities	<u>(957)</u>	<u>(784)</u>	<u>811</u>	<u>1,237</u>
Cash flows from noncapital financing activities:				
Transfers in	-	-	37	6,912
Transfers out	(10)	(27)	(1,397)	(1,790)
Cash received from non-operating revenues	1,869	160	462	2,491
Net cash provided (used) by noncapital financing activities:	<u>1,859</u>	<u>133</u>	<u>(898)</u>	<u>7,613</u>
Cash flows from capital & related financing activities:				
Acquisition & construction of capital assets	-	(1,146)	(75)	(8,912)
Proceeds from sale of assets	-	-	-	544
Cash contributions in aid of construction	-	-	-	41
Interest paid on subscription assets	-	(20)	-	(24)
Net cash provided (used) by capital financing activities	<u>-</u>	<u>(1,166)</u>	<u>(75)</u>	<u>(8,351)</u>
Cash flows from investing activities:				
Interest on investments	456	453	84	2,585
Net cash provided (used) by investing activities	<u>456</u>	<u>453</u>	<u>84</u>	<u>2,585</u>
Net increase (decrease) in cash balance	1,358	(1,364)	(78)	3,084
Cash & equity in pooled investments balance beginning of year	9,472	11,819	2,050	61,452
Cash & equity in pooled investments balance end of year	<u>\$ 10,830</u>	<u>\$ 10,464</u>	<u>\$ 1,972</u>	<u>\$ 64,545</u>
Cash & equity in pooled investments at end of year consist of:				
Unrestricted	\$ 10,830	\$ 10,459	\$ 1,972	\$ 64,540
Restricted	-	5	-	5
Total cash & equity in pooled investments	<u>\$ 10,830</u>	<u>\$ 10,464</u>	<u>\$ 1,972</u>	<u>\$ 64,545</u>

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2024**
(in thousands)

	<u>Equipment Rental</u>	<u>Workers' Compensation</u>	<u>Unemployment Compensation</u>	<u>General Self-Insurance</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 521	\$ (407)	\$ (27)	\$ (8,189)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	7,941	-	-	72
Changes in assets & liabilities:				
(Increase) decrease in accounts receivable	(7)	-	-	37
(Increase) decrease in due from other funds	6	-	-	-
(Increase) decrease in other receivables	120	-	-	-
(Increase) decrease in lease receivables	-	-	-	-
(Increase) decrease in prepaid expenses	-	-	-	-
(Increase) decrease in inventory	(4)	-	-	-
(Increase) decrease in asset retirement obligation	(2,441)	-	-	-
(Increase) decrease in deferred outflow	46	-	-	(53)
(Increase) decrease in pension asset	-	-	-	-
(Increase) decrease in lease asset	-	-	-	-
Increase (decrease) in accounts payable	1,274	16	-	(61)
Increase (decrease) in wages & benefits payable	31	-	-	1
Increase (decrease) in compensated absences	236	-	-	117
Increase (decrease) in due to other funds	-	-	-	-
Increase (decrease) in due to other governments	3	-	-	-
Increase (decrease) in customer deposits	-	-	-	-
Increase (decrease) in estimated claims payable	-	1,190	33	1,919
Increase (decrease) in pension liability	-	-	-	-
Increase (decrease) in deferred inflows	(120)	-	-	(37)
Increase (decrease) in deferred inflows leases	-	-	-	-
Increase (decrease) in subscription asset	-	-	-	(50)
Total adjustments	<u>7,085</u>	<u>1,206</u>	<u>33</u>	<u>1,945</u>
Net cash provided (used) by operating activities	<u>\$ 7,606</u>	<u>\$ 799</u>	<u>\$ 6</u>	<u>\$ (6,244)</u>
Non-cash investing, capital & financing activities:				
Capital Contributions	\$ 41	\$ -	\$ -	\$ -

City of Bellevue, Washington

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2024**
(in thousands)

Page 4 of 4

	<u>Health Benefits</u>	<u>Information Technology</u>	<u>Facilities Services</u>	<u>Total</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (806)	\$ 1,530	\$ 201	\$ (7,177)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	-	741	104	8,858
Changes in assets & liabilities:				
(Increase) decrease in accounts receivable	(163)	(1)	57	(77)
(Increase) decrease in due from other funds	-	-	-	6
(Increase) decrease in other receivables	13	-	-	133
(Increase) decrease in lease receivables	-	580	564	1,144
(Increase) decrease in prepaid expenses	(61)	350	-	289
(Increase) decrease in inventory	-	-	-	(4)
(Increase) decrease in asset retirement obligation	-	-	-	(2,441)
(Increase) decrease in deferred outflow	(19)	(617)	(192)	(835)
(Increase) decrease in pension asset	-	-	133	133
(Increase) decrease in lease asset	-	-	(22)	(22)
Increase (decrease) in accounts payable	(99)	(255)	406	1,281
Increase (decrease) in wages & benefits payable	1	87	21	141
Increase (decrease) in compensated absences	84	1,129	132	1,698
Increase (decrease) in due to other funds	-	-	1	1
Increase (decrease) in due to other governments	-	-	-	3
Increase (decrease) in customer deposits	-	-	(1)	(1)
Increase (decrease) in estimated claims payable	106	-	-	3,248
Increase (decrease) in pension liability		(3,218)		(3,218)
Increase (decrease) in deferred inflows	(13)	(1,158)	(133)	(1,461)
Increase (decrease) in deferred inflows leases		(154)	(460)	(614)
Increase (decrease) in subscription asset		202		152
Total adjustments	<u>(151)</u>	<u>(2,314)</u>	<u>610</u>	<u>8,414</u>
Net cash provided (used) by operating activities	<u>\$ (957)</u>	<u>\$ (784)</u>	<u>\$ 811</u>	<u>\$ 1,237</u>
Non-cash investing, capital & financing activities:				
Capital Contributions	\$ -	\$ -	\$ -	\$ 41

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**Pension
(and Other Employee Benefit)
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, 2024
(in thousands)

	<u>Firefighters'</u> <u>Pension Fund</u>	<u>Municipal</u> <u>Employees'</u> <u>Benefit Trust</u>	<u>Total</u>
Assets:			
Cash & equity in pooled investments:			
Mutual funds	\$ -	\$ 712,138	\$ 712,138
Common & preferred stocks	-	75,220	75,220
Collective trust fund	-	261,279	261,279
State investment pool	3,439	-	3,439
US government & agency obligations	3,516	-	3,516
Interest-bearing bank deposits	306	1,845	2,151
Supranationals	382	-	382
Interest receivable	-	1,183	1,183
Notes receivable from participants	-	8,576	8,576
Total assets	<u>\$ 7,643</u>	<u>\$ 1,060,241</u>	<u>\$ 1,067,884</u>
Liabilities:			
Due to other governments	-	407	407
Total liabilities	<u>-</u>	<u>407</u>	<u>407</u>
Total net position restricted for pensions	<u>\$ 7,643</u>	<u>\$ 1,059,834</u>	<u>\$ 1,067,477</u>

Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Pension Funds
For the Year ended December 31, 2024
(in thousands)

	Firefighters' Pension Fund	Municipal Employees' Benefit Trust	Total
Additions:			
Investment income:			
Interest	\$ 335	\$ 616	\$ 951
Net change in fair value of investments	-	62,711	62,711
Dividends	-	38,961	38,961
Contributions:			
Employer & nonemployer premiums	333	28,634	28,967
Participants & members	-	32,484	32,484
Rollovers	-	1,146	1,146
Total additions	<u>668</u>	<u>164,552</u>	<u>165,220</u>
Deductions:			
Benefit payments	320	88,878	89,198
Insurance premiums	-	2,492	2,492
Administrative expense	21	2,179	2,200
Total deductions	<u>341</u>	<u>93,549</u>	<u>93,890</u>
Net increase (decrease) in net position	327	71,003	71,330
Net position beginning of year	<u>7,316</u>	<u>988,831</u>	<u>996,147</u>
Net position end of year	<u>\$ 7,643</u>	<u>\$ 1,059,834</u>	<u>\$ 1,067,477</u>

Custodial Funds

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Descriptions of the custodial (fiduciary) 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 via 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 **Eastside Narcotics Task Force (ENTF) Fund** accounts for revenues generated by an interlocal task force of law enforcement agencies to support drug enforcement activities.

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; funding from other cities for contracts with human services providers; and amounts held as evidence for police investigations.

Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
As of December 31, 2024
(in thousands)

	eCityGov Alliance	Community Connectivity Consortium
Assets:		
Cash & equity in pooled investments	\$ 1,272	\$ 371
Receivables (net of allowances)	-	-
Due from other governments	12	-
Capital assets (net)	-	-
Total assets	\$ 1,284	\$ 371
Liabilities:		
Accounts payable	\$ 15	\$ 9
Total liabilities	15	9
Total net position restricted for individuals, organizations, & other governments	\$ 1,269	\$ 362

Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
As of December 31, 2024
(in thousands)

	<u>Hazardous Materials</u>	<u>Custodial Fund</u>	<u>Total</u>
Assets:			
Cash & equity in pooled investments	\$ 708	\$ 429	\$ 2,780
Receivables (net of allowances)	-	747	747
Due from other governments	23	-	35
Capital assets (net)	84	-	84
Total assets	<u>\$ 815</u>	<u>\$ 1,176</u>	<u>\$ 3,646</u>
Liabilities:			
Accounts payable	\$ 1	\$ 149	\$ 174
Total liabilities	<u>1</u>	<u>149</u>	<u>174</u>
Total net position restricted for individuals, organizations, & other governments	<u>\$ 814</u>	<u>\$ 1,027</u>	<u>\$ 3,472</u>

**Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended December 31, 2024
(in thousands)**

	<u>eCityGov Alliance</u>	<u>Community Connectivity Consortium</u>
Additions:		
Investment income:		
Interest	\$ 70	\$ 16
Other contributions:		
Contributions from members	1,835	145
Tax collections for other governments	-	-
Deposits collected	-	-
Total additions	<u>1,905</u>	<u>161</u>
Deductions:		
Administrative expense	1,922	61
Distributions to developers	-	-
Distributions to human services agencies	-	-
Payments to other governments	-	-
Deposits released	-	-
Total deductions	<u>1,922</u>	<u>61</u>
Net increase (decrease) in net position	(17)	100
Net position at beginning of year, as previously reported	1,286	262
Error correction	-	-
Net position at beginning of year, as restated	<u>1,286</u>	<u>262</u>
Net position end of year	<u>\$ 1,269</u>	<u>\$ 362</u>

**Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended December 31, 2024
(in thousands)**

	<u>Hazardous Materials</u>	<u>Custodial Fund</u>	<u>Total</u>
Additions:			
Investment income:			
Interest	\$ 29	\$ 6	\$ 121
Other contributions:			
Contributions from members	147	3,640	5,767
Tax collections for other governments	-	1,664	1,664
Deposits collected	-	38	38
Total additions	<u>176</u>	<u>5,348</u>	<u>7,590</u>
Deductions:			
Administrative expense	-	-	1,983
Distributions to developers	56	-	56
Distributions to human services agencies	-	3,718	3,718
Payments to other governments	-	1,490	1,490
Deposits released	-	37	37
Total deductions	<u>56</u>	<u>5,245</u>	<u>7,284</u>
Net increase (decrease) in net position	120	103	306
Net position at beginning of year, as previously reported	694	942	3,184
Error correction	-	(18)	(18)
Net position at beginning of year, as restated	<u>694</u>	<u>924</u>	<u>3,166</u>
Net position end of year	<u>\$ 814</u>	<u>\$ 1,027</u>	<u>\$ 3,472</u>

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Statistical Section

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:

- Net Position by Component
- Changes in Net Position
- Governmental Activities Tax Revenue by Source
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds
- 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:

- Taxable Sales by Category
- Sales Tax Rates – Direct and Overlapping Governments
- Assessed and Estimated Actual Value of Taxable Property
- Property Tax Rates Direct and Overlapping Governments
- Principal Property Taxpayers
- 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:

- Ratio of Outstanding Debt by Type
- Ratio of General Bonded Debt Outstanding
- Computation of Direct and Overlapping Debt
- Legal Debt Margin Information
- Pledged Revenue Coverage

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

- Demographic Statistics
- 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:

- Full-Time Equivalent City Government Employees by Function
- Operating Indicators by Function
- Capital Assets by Function

Table 1

NET POSITION BY COMPONENT^(A)
 Last Ten Fiscal Years
 (in thousands)

Year	Governmental Activities				Business-type Activities				Total - Primary Government			
	Net investment in capital assets	Restricted	Unrestricted	Total	Net investment in capital assets	Restricted	Unrestricted	Total	Net investment in capital assets	Restricted	Unrestricted	Total
2015	\$ 1,566,471	\$ 91,987	\$ (31,050)	\$ 1,627,408	\$ 312,700	\$ 537	\$ 235,263	\$ 548,500	\$ 1,879,171	\$ 92,524	\$ 204,213	\$ 2,175,908
2016	1,605,104	101,621	(37,081)	1,669,644	336,121	800	215,615	552,536	1,941,225	102,421	178,534	2,222,180
2017	1,626,502	112,522	5,774	1,744,798	353,414	804	249,089	603,307	1,979,916	113,326	254,863	2,348,105
2018	1,661,776	117,031	27,875	1,806,682	375,075	378	282,087	657,540	2,036,851	117,409	309,962	2,464,222
2019	1,707,871	105,692	56,849	1,870,412	403,636	578	325,907	730,121	2,111,507	106,270	382,756	2,600,533
2020	1,761,119	120,961	46,419	1,928,499	431,961	520	351,271	783,752	2,193,080	121,481	397,690	2,712,251
2021	1,809,539	203,861	94,227	2,107,627	462,545	2,520	379,982	845,047	2,272,084	206,381	474,209	2,952,674
2022	1,859,753	244,539	145,931	2,250,223	487,560	4,377	414,227	906,164	2,347,313	248,916	560,158	3,156,387
2023	1,882,612	290,608	226,580	2,399,800	512,304	6,036	450,378	968,718	2,394,916	296,644	676,958	3,368,518
2024	1,930,876	209,789	330,255	2,470,920	540,422	3,825	504,689	1,048,936	2,471,298	213,614	834,944	3,519,856

^(A) All amounts are reported on a full accrual basis.

CHANGES IN NET POSITION ^(A)
Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
General government	\$ 33,611	\$ 39,840	\$ 27,174	\$ 34,751	\$ 38,187	\$ 82,024	\$ 11,811	\$ 47,661	\$ 54,322	\$ 99,417
Public safety	90,269	90,827	94,620	98,732	107,391	104,615	98,731	113,870	132,676	149,724
Physical environment	2,446	1,509	1,361	1,194	1,452	1,284	1,455	1,578	1,549	3,404
Transportation	36,384	36,729	43,071	40,929	62,788	47,976	46,400	43,085	56,543	60,751
Economic environment	34,571	32,573	31,821	31,259	43,764	44,271	46,043	61,241	56,722	83,969
Health & human services	8,457	6,766	7,492	6,548	6,897	6,393	7,455	9,695	9,010	9,343
Culture & recreation	43,116	39,356	47,522	43,080	42,243	41,637	44,730	43,639	52,246	57,049
Interest on long-term debt	11,148	12,010	11,686	11,097	10,990	10,960	10,443	7,915	11,170	8,596
Total governmental activities	260,002	259,610	264,747	267,590	313,712	339,160	267,068	328,684	374,238	472,253
Business-type activities										
Water	44,529	48,299	45,722	49,899	50,474	51,027	55,899	56,462	57,437	62,968
Sewer	48,683	49,470	47,913	50,623	53,173	53,215	53,511	58,261	64,411	62,049
Storm & surface water	12,699	14,413	15,020	11,973	13,622	14,710	14,466	15,894	18,082	22,462
Solid waste ^(B)	-	-	-	-	-	-	-	-	-	938
Marina	219	216	349	154	318	318	353	398	345	420
Total business-type activities	106,130	112,398	109,004	112,649	117,587	119,270	124,229	131,015	140,275	148,837
Total primary government expenses	\$ 366,132	\$ 372,008	\$ 373,751	\$ 380,239	\$ 431,299	\$ 458,430	\$ 391,297	\$ 459,699	\$ 514,513	\$ 621,090
Program Revenues										
Governmental activities										
Charges for services										
General government	\$ 5,518	\$ 3,519	\$ 3,449	\$ 3,295	\$ 3,801	\$ 4,601	\$ 4,791	\$ 17,063	\$ 20,329	\$ 24,764
Public safety	19,549	22,274	22,668	23,994	23,713	24,395	25,868	26,930	27,418	32,367
Physical environment	692	705	708	742	641	800	810	746	863	699
Transportation	10,098	8,518	11,361	15,224	7,626	18,876	25,812	22,451	17,396	13,317
Economic environment	18,797	19,334	17,444	17,873	24,502	28,513	31,384	24,839	26,549	26,844
Health & human services	555	2,150	3,015	3,048	412	283	30	29	50	76
Culture & recreation	10,220	11,569	11,258	11,488	11,992	7,119	9,093	11,609	13,152	13,420
Operating grants & contributions	11,427	8,043	7,542	7,542	18,168	21,845	30,117	34,467	34,549	44,441
Capital grants & contributions	17,239	9,811	20,027	10,969	28,532	38,193	18,998	23,028	20,147	26,396
Total governmental activities program revenues	94,095	85,923	97,472	94,175	119,387	144,625	146,903	161,162	160,453	182,324

CHANGES IN NET POSITION ^(A)
Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities										
Charges for Services										
Water	\$ 57,666	\$ 57,215	\$ 61,622	\$ 64,373	\$ 67,555	\$ 65,993	\$ 75,020	\$ 74,135	\$ 77,152	\$ 76,738
Sewer	56,628	59,678	61,758	63,479	66,384	64,244	69,524	74,712	77,961	79,323
Storm & surface water	21,333	22,593	23,376	24,490	26,178	26,866	28,567	29,177	30,262	31,256
Solid waste ^(B)	-	-	-	-	-	-	-	-	-	906
Marina	625	624	606	653	715	680	700	752	693	634
Operating grants & contributions	-	-	-	104	75	66	74	1	32	8,458
Capital grants & contributions	5,611	6,068	6,617	7,644	20,341	12,649	9,799	7,537	4,698	7,483
Total business-type activities program revenues	141,863	146,178	153,979	160,743	181,248	170,498	183,684	186,314	190,798	204,798
Total primary government program revenues	\$ 235,958	\$ 232,101	\$ 251,451	\$ 254,918	\$ 300,635	\$ 315,123	\$ 330,587	\$ 347,476	\$ 351,251	\$ 387,122
Net (Expense)/Revenue										
Governmental activities	\$ (165,907)	\$ (173,687)	\$ (167,275)	\$ (173,415)	\$ (194,325)	\$ (194,535)	\$ (120,165)	\$ (167,522)	\$ (213,785)	\$ (289,929)
Business-type activities	35,733	33,780	44,975	48,094	63,661	51,228	59,455	55,299	50,523	55,961
Total primary government net expense	\$ (130,174)	\$ (139,907)	\$ (122,300)	\$ (125,321)	\$ (130,664)	\$ (143,307)	\$ (60,710)	\$ (112,223)	\$ (163,262)	\$ (233,968)
General Revenues & Other Changes in Net Position										
Governmental activities										
Taxes										
Property tax	\$ 40,222	\$ 41,304	\$ 55,907	\$ 57,754	\$ 59,210	\$ 61,172	\$ 62,581	\$ 64,392	\$ 87,675	\$ 90,911
Retail sales & use tax	66,173	69,686	72,981	78,251	83,781	74,150	100,443	110,590	109,198	105,517
Utility tax	27,219	27,169	29,386	29,036	27,092	26,398	28,140	29,834	32,980	32,943
Business & occupation tax	36,551	38,380	43,530	47,811	43,012	41,515	52,796	67,328	76,160	72,489
Excise tax	19,515	22,815	21,350	20,951	28,310	27,969	39,377	22,113	14,605	19,746
Hotel/motel tax	10,191	11,214	11,780	12,645	12,531	3,139	4,543	9,827	11,570	13,411
Other tax	474	1,837	1,969	2,065	2,115	264	417	739	706	587
Payments from component unit	9	11	9	11	10	8,906	11	12	-	-
Grants & contributions - unrestricted	1,721	1,202	2,746	1,398	1,525	1,166	1,170	1,184	1,177	1,167
Unrestricted investment interest	1,349	1,622	2,098	3,459	5,214	2,159	1,230	5,883	19,780	24,283
Gain (loss) in change of fair value of investments	(131)	(304)	(490)	341	1,124	2	(145)	(216)	37	(1)
Miscellaneous	269	823	572	750	1,513	3,856	2,401	3,257	3,966	2,824
Gain (loss) on sale of capital assets	(685)	221	991	2,682	283	304	6,329	322	576	546
Transfers	(141)	(60)	48	(171)	382	400	-	131	4,940	421
Total governmental activities	\$ 202,736	\$ 215,920	\$ 242,877	\$ 256,983	\$ 266,102	\$ 251,400	\$ 299,293	\$ 315,396	\$ 363,370	\$ 364,844

CHANGES IN NET POSITION ^(A)
Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities										
Unrestricted investment interest	\$ 1,581	\$ 2,099	\$ 2,857	\$ 4,496	\$ 6,830	\$ 1,937	\$ 874	\$ 5,253	\$ 15,839	\$ 19,619
Gain (loss) in change of fair value of investments	7,425	(432)	(707)	432	1,613	2	(146)	(187)	3	-
Miscellaneous	1,054	1,747	3,658	1,041	861	864	1,112	866	1,121	1,264
Gain (loss) on sale of capital assets	201	46	44	(1)	-	-	-	-	-	-
Transfers	141	60	(48)	171	(382)	(400)	-	(131)	(4,940)	(421)
Total business-type activities	10,402	3,520	5,804	6,139	8,922	2,403	1,840	5,801	12,023	20,462
Total primary government	\$ 213,138	\$ 219,440	\$ 248,681	\$ 263,122	\$ 275,024	\$ 253,803	\$ 301,133	\$ 321,197	\$ 375,393	\$ 385,306
Change in Net Position										
Governmental activities	\$ 36,829	\$ 42,233	\$ 75,602	\$ 83,568	\$ 71,777	\$ 56,865	\$ 179,128	\$ 147,874	\$ 149,585	\$ 74,915
Business-type activities	46,135	37,300	50,779	54,233	72,583	53,631	61,295	61,100	62,546	76,423
Total primary government	\$ 82,964	\$ 79,533	\$ 126,381	\$ 137,801	\$ 144,360	\$ 110,496	\$ 240,423	\$ 208,974	\$ 212,131	\$ 151,338

(A) All amounts are reported on a full accrual basis.

(B) The solid waste fund was moved to a Proprietary Fund in 2024.

Table 3

GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE^(A)

Last Ten Fiscal Years
(in thousands)

Fiscal Year	Total Taxes	General Property Taxes	General Sales Taxes	Utility Taxes	Business & Occupation Taxes	LFR Local Option Sales & Use Tax	Excise Taxes	Other Taxes & Assessments^(B)	Memo Only Hotel/Motel Tax^(C)
2015	\$ 190,154	\$ 40,222	\$ 65,551	\$ 27,219	\$ 36,551	\$ 622	\$ 19,515	\$ 474	\$ 10,191
2016	201,190	41,303	69,184	27,169	38,380	502	22,815	1,837	11,214
2017	225,124	55,908	72,481	29,386	43,530	500	21,350	1,969	11,780
2018	235,868	57,754	77,751	29,036	47,811	500	20,951	2,065	12,645
2019	243,520	59,210	83,281	27,092	43,012	500	28,310	2,115	12,531
2020	231,468	61,172	73,650	26,398	41,515	500	27,969	264	3,139
2021	283,754	62,581	99,943	28,140	52,796	500	39,377	417	4,543
2022	294,996	64,392	110,090	29,834	67,327	500	22,113	739	9,827
2023	321,324	87,675	108,698	32,980	76,160	500	14,605	706	11,570
2024	322,193	90,911	105,017	32,943	72,489	500	19,746	587	13,411

^(A) All amounts are reported on a full accrual basis.

^(B) Includes miscellaneous tax revenue and special assessments.

^(C) 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.

FUND BALANCES OF GOVERNMENTAL FUNDS^(A)

Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable for:										
Prepays	\$ 732	\$ 491	\$ 522	\$ 2	\$ 488	\$ 644	\$ 1,165	\$ 1,084	\$ 2,034	\$ 1,424
Total nonspendable fund balance	732	491	522	2	488	644	1,165	1,084	2,034	1,424
Restricted for:										
General government	-	-	-	3	-	-	8	188	281	7
Public safety	-	245	341	287	647	561	638	714	687	2,493
Culture & recreation	-	38	225	2,472	13	-	-	-	-	-
Total restricted fund balance	-	283	566	2,762	660	561	646	902	968	2,500
Committed for:										
General government	-	-	-	-	-	-	-	4,278	4,255	4,275
Public safety	-	-	-	-	-	-	-	-	-	7
Transportation	-	-	-	-	-	-	-	3,740	4,514	2,508
Economic environment	-	-	-	-	-	-	-	49,410	55,012	60,712
Health & human services	-	-	-	-	-	-	-	1,303	83	-
Culture & recreation	-	-	-	-	-	-	-	3,100	3,814	3,808
Total committed fund balance	-	-	-	-	-	-	-	61,831	67,678	71,310
Assigned for:										
General government	1,333	1,640	1,086	1,050	1,125	1,045	4,708	539	980	1,455
Public safety	-	-	57	60	-	-	25	-	-	-
Transportation	-	-	716	3,591	863	847	3,751	-	-	-
Economic environment	-	-	-	16,056	23,368	31,669	43,996	-	-	-
Health & human services	98	58	-	-	772	975	1,496	-	-	-
Culture & recreation	912	1,132	914	1,253	2,126	1,603	2,291	-	-	-
Total assigned fund balance	2,343	2,830	2,773	22,010	28,254	36,139	56,267	539	980	1,455
Unassigned	31,309	36,907	44,735	44,193	47,784	42,657	51,018	59,483	67,536	59,947
Total unassigned fund balance	31,309	36,907	44,735	44,193	47,784	42,657	51,018	59,483	67,536	59,947
Fund Balance - General fund	\$ 34,384	\$ 40,511	\$ 48,597	\$ 68,967	\$ 77,186	\$ 80,001	\$ 109,096	\$ 123,839	\$ 139,196	\$ 136,636

FUND BALANCES OF GOVERNMENTAL FUNDS^(A)

Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other Governmental Funds										
Nonspendable for:										
Prepays	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 478
Total nonspendable fund balance	-	-	-	-	-	-	-	-	-	478
Restricted for:										
General government	51,842	38,975	19,018	571	-	-	7,222	310	7,473	75
Public safety	1,005	825	6,323	12,780	18,855	23,286	27,831	34,498	33,852	31,363
Physical environment	94	394	595	1,413	13	-	530	492	426	1,934
Transportation	10,800	9,604	18,213	34,942	16,116	11,685	29,008	33,827	28,905	24,301
Economic environment	8,708	12,386	12,210	281	241	618	579	1,229	1,925	247
Health & human services	3,090	8,387	5,083	5,372	10	492	11,617	25,267	30,451	25,876
Culture & recreation	14,989	20,676	23,963	21,737	35,146	41,719	58,363	63,594	83,740	54,016
Debt services	1,459	1,867	110	103	642	4,897	4,247	6,414	5,875	6,831
Total restricted fund balance	91,987	93,114	85,515	77,199	71,023	82,697	139,397	165,631	192,647	144,643
Committed for:										
General government	-	-	189	2,201	-	-	-	90,567	114,121	135,561
Public safety	-	-	-	-	-	-	-	132	108	97
Physical environment	-	-	-	-	2,065	2,409	2,578	2,961	3,330	-
Transportation	-	-	2,078	-	-	-	-	-	1,948	326
Economic environment	-	-	-	-	-	-	-	2,816	-	1,485
Health & human services	-	-	-	-	2,687	7,535	7,188	5,435	3,112	7,785
Culture & recreation	-	-	-	-	-	34	34	1,206	1,730	43,738
Total committed fund balance	-	-	2,267	2,201	4,752	9,978	9,800	103,117	124,349	188,992
Assigned for:										
General government	\$ 3,043	\$ 492	\$ 10,648	\$ 30,119	\$ 36,486	\$ 50,752	\$ 68,299	\$ 4,546	\$ 11,193	\$ 17,308
Public safety	5,272	3,900	1,981	537	-	-	297	-	71	71
Physical environment	1,299	1,420	1,306	1,386	407	421	36	-	19	51
Transportation	-	6,204	-	-	2,973	2,210	830	245	897	-
Economic environment	-	-	1,627	-	1,256	-	-	-	-	310
Health & human services	5,093	398	1,698	3,651	-	1,802	632	3,124	7,187	4,988
Culture & recreation	-	466	707	-	1,148	1,206	1,698	2	43	47
Debt services	-	-	1,012	1,049	559	141	805	-	-	-
Total assigned fund balance	14,707	12,880	18,979	36,742	42,829	56,532	72,597	7,917	19,410	22,775
Fund Balance - Other Governmental Funds	\$ 106,694	\$ 105,994	\$ 106,761	\$ 116,142	\$ 118,604	\$ 149,207	\$ 221,794	\$ 276,665	\$ 336,406	\$ 356,888

FUND BALANCES OF GOVERNMENTAL FUNDS^(A)

Last Ten Fiscal Years
(in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental Funds										
Nonspendable for:										
Prepays	\$ 732	\$ 491	\$ 522	\$ 2	\$ 488	\$ 644	\$ 1,165	\$ 1,084	\$ 2,034	\$ 1,902
Total nonspendable fund balance	<u>732</u>	<u>491</u>	<u>522</u>	<u>2</u>	<u>488</u>	<u>644</u>	<u>1,165</u>	<u>1,084</u>	<u>2,034</u>	<u>1,902</u>
Restricted for:										
General government	\$ 51,842	\$ 38,975	\$ 19,019	\$ 574	\$ -	\$ -	\$ 7,230	\$ 498	\$ 7,754	\$ 82
Public safety	1,005	1,070	6,664	13,067	19,502	23,847	28,469	35,212	34,539	33,856
Physical environment	94	394	595	1,413	13	-	530	492	426	1,934
Transportation	10,800	9,604	18,213	34,942	16,116	11,685	29,008	33,827	28,905	24,301
Economic environment	8,708	12,386	12,210	281	241	618	579	1,229	1,925	247
Health & human services	3,090	8,425	5,308	7,844	23	492	11,617	25,267	30,451	25,876
Culture & recreation	14,989	20,676	23,963	21,737	35,146	41,719	58,363	63,594	83,740	54,016
Debt services	1,459	1,867	110	103	642	4,897	4,247	6,414	5,875	6,831
Total restricted fund balance	<u>91,987</u>	<u>93,397</u>	<u>86,082</u>	<u>79,961</u>	<u>71,683</u>	<u>83,258</u>	<u>140,043</u>	<u>166,533</u>	<u>193,615</u>	<u>147,143</u>
Committed for:										
General government	-	-	189	2,201	-	-	-	94,845	118,376	139,836
Public safety	-	-	-	-	-	-	-	132	108	104
Physical environment	-	-	-	-	2,065	2,409	2,578	2,961	3,330	-
Transportation	-	-	2,078	-	-	-	-	6,556	6,462	2,834
Economic environment	-	-	-	-	-	-	-	49,410	55,012	62,197
Health & human services	-	-	-	-	2,687	7,535	7,188	6,738	3,195	7,785
Culture & recreation	-	-	-	-	-	34	34	4,306	5,544	47,546
Total committed fund balance	<u>-</u>	<u>-</u>	<u>2,267</u>	<u>2,201</u>	<u>4,752</u>	<u>9,978</u>	<u>9,800</u>	<u>164,948</u>	<u>192,027</u>	<u>260,302</u>

FUND BALANCES OF GOVERNMENTAL FUNDS^(A)
Last Ten Fiscal Years
(in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Assigned for:										
General government	4,377	2,132	11,734	31,169	37,611	51,797	73,007	5,085	12,173	18,763
Public safety	5,272	3,900	2,038	597	-	-	322	-	71	71
Physical environment	1,299	1,420	2,022	4,977	1,270	421	36	-	19	51
Transportation	-	6,204	-	16,056	26,341	3,057	4,581	245	897	-
Economic environment	98	58	1,627	-	2,028	31,669	43,996	-	-	310
Health & human services	6,005	1,530	2,612	4,904	2,126	2,777	2,128	3,124	7,187	4,988
Culture & recreation	-	466	707	-	1,148	2,809	3,989	2	43	47
Debt services	-	-	1,012	1,049	559	141	805	-	-	-
Total assigned fund balance	<u>17,051</u>	<u>15,710</u>	<u>21,752</u>	<u>58,752</u>	<u>71,083</u>	<u>92,671</u>	<u>128,864</u>	<u>8,456</u>	<u>20,390</u>	<u>24,230</u>
Unassigned	<u>31,309</u>	<u>36,907</u>	<u>44,736</u>	<u>44,193</u>	<u>47,784</u>	<u>42,657</u>	<u>51,018</u>	<u>59,483</u>	<u>67,536</u>	<u>59,947</u>
Total unassigned fund balance	<u>31,309</u>	<u>36,907</u>	<u>44,736</u>	<u>44,193</u>	<u>47,784</u>	<u>42,657</u>	<u>51,018</u>	<u>59,483</u>	<u>67,536</u>	<u>59,947</u>
Fund balance - governmental funds	<u>\$ 141,080</u>	<u>\$ 146,505</u>	<u>\$ 155,358</u>	<u>\$ 185,109</u>	<u>\$ 195,790</u>	<u>\$ 229,208</u>	<u>\$ 330,890</u>	<u>\$ 400,504</u>	<u>\$ 475,602</u>	<u>\$ 493,524</u>

^(A) All amounts are reported on the modified accrual basis.

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS^(A)
Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes & special assessments	\$200,358	\$211,295	\$236,956	\$244,132	\$259,732	\$234,659	\$288,294	\$307,786	\$331,717	\$335,893
Licenses & permits	9,308	11,516	9,969	10,948	14,536	16,416	21,875	12,981	16,838	17,679
Intergovernmental	33,826	44,920	48,611	34,847	42,423	80,458	64,807	49,819	54,522	56,623
Service charges & fees	44,799	31,400	29,393	38,492	38,614	47,737	54,297	51,690	48,490	47,155
Fines & forfeitures	2,176	2,880	2,014	2,261	2,156	1,198	1,480	1,570	761	1,781
Interest & penalties	1,076	1,303	1,701	2,894	4,453	1,951	1,158	5,171	17,644	21,613
Net change in fair value of investments	(133)	(244)	(390)	287	944	2	(131)	(194)	16	-
Rent	6,624	6,419	4,896	5,184	7,100	5,664	7,623	11,322	11,200	10,221
Judgements & settlements	-	8	-	11	3,631	8	4	253	118	1,419
Premiums & contributions	4,081	1,721	4,189	2,378	4,366	1,435	8,287	17,316	5,017	9,871
Other	709	1,435	954	1,321	1,107	2,663	1,195	1,191	1,211	1,033
Total revenues	302,824	312,653	338,293	342,755	379,062	392,191	448,889	455,905	487,534	503,288
Expenditures										
General government	31,432	30,167	28,273	30,325	38,280	74,881	31,497	38,288	42,293	50,371
Public safety	91,040	90,928	95,476	102,063	105,768	108,067	113,615	118,388	139,883	147,505
Physical environment	2,382	1,330	1,391	1,207	1,462	1,299	1,464	1,692	1,564	3,448
Transportation	40,235	29,432	34,332	35,961	51,649	40,544	42,693	39,821	49,001	53,189
Economic environment	34,643	35,645	36,836	39,417	44,415	44,133	49,749	63,477	58,081	83,196
Health & human services	8,596	6,786	7,442	6,586	6,898	6,393	7,454	9,696	9,011	9,343
Culture & recreation	40,466	38,524	36,558	37,896	40,373	37,373	38,635	40,613	46,367	49,482
Capital outlay	83,794	51,010	66,346	40,426	60,954	79,695	50,493	45,984	63,779	76,209
Debt service:										
Principal	6,050	7,192	9,542	9,875	10,333	10,793	10,798	99,836	15,972	20,873
Interest & fiscal charges	9,250	15,485	12,804	12,136	11,680	11,563	11,297	10,345	8,306	9,396
Total expenditures	347,888	306,499	329,000	315,892	371,812	414,741	357,695	468,140	434,257	503,012

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS^(A)
Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other Financing Sources (Uses)										
Transfers in	\$ 22,433	\$ 27,193	\$ 26,861	\$ 30,770	\$ 35,977	\$ 29,940	\$ 34,545	\$ 46,756	\$ 34,576	\$ 40,624
Transfers out	(22,897)	(27,920)	(28,032)	(31,669)	(36,975)	(29,674)	(33,217)	(55,455)	(34,282)	(45,324)
Issuance of long term debt	91	-	-	908	6,133	65,255	50,196	10,218	21,286	26,101
Refunding bonds issued	97,935	-	-	-	-	-	(47,083)	72,675	-	-
Payment to refunded bond escrow agent	(13,072)	-	-	-	-	(13,185)	-	(86,692)	-	-
Sale of capital assets	118	-	731	2,879	39	42	6,047	-	240	1
Premium on issuance of long-term debt	11,958	-	-	-	-	2,368	-	14,447	-	-
Total other financing sources (uses)	96,566	(727)	(440)	2,888	5,174	54,746	10,488	1,949	21,820	21,402
Net change in fund balance	\$51,503	\$5,427	\$8,853	\$29,751	\$12,424	\$32,196	\$101,682	\$76,406	\$75,098	\$21,678
Debt service as a percentage of noncapital expenditures	5.78%	8.80%	8.37%	8.01%	7.12%	6.66%	7.25%	26.88%	6.53%	7.18%

^(A) All amounts are reported on the modified accrual basis.

Table 6

GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE^(A)

Last Ten Fiscal Years
(in thousands)

Fiscal Year	Total Taxes	General Property Taxes	General Sales Taxes	Utility Taxes	Business & Occupation Taxes	Local Option Sales & Use Tax	Other Taxes & Assessments ^(B)	Memo Only Hotel/Motel Tax ^(C)
2015	\$ 190,166	\$ 40,187	\$ 65,551	\$ 27,219	\$ 37,025	\$ 622	\$ 19,562	\$ 10,191
2016	200,081	41,256	69,183	27,169	38,987	502	22,984	11,214
2017	225,200	55,974	72,481	29,386	43,530	500	23,329	11,780
2018	231,488	57,667	77,751	29,060	43,506	500	23,002	12,645
2019	247,201	59,231	83,281	27,118	46,662	500	30,409	12,531
2020	231,520	60,924	73,650	26,421	41,817	500	28,209	3,139
2021	283,749	62,417	99,942	28,172	52,955	500	39,763	4,543
2022	294,960	64,615	110,090	29,834	67,448	500	22,473	9,827
2023	332,259	86,447	109,240	32,980	76,211	500	15,311	11,570
2024	336,657	91,207	105,783	32,943	72,479	500	20,335	13,411

^(A) All amounts are reported on the modified accrual basis.

^(B) Includes miscellaneous tax revenues and special assessments.

^(C) 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, Washington

Table 7

TAXABLE SALES BY CATEGORY^(A)

Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 ^(B)
Contracting	\$1,363,843	\$1,439,618	\$1,579,775	\$1,538,415	\$1,735,586	\$1,821,117	\$2,346,962	\$2,732,451	\$2,720,749	\$1,647,862
Manufacturing	76,751	82,192	94,236	126,221	128,936	94,989	97,936	108,713	112,864	71,739
Transportation, communications, & utilities	322,087	313,202	345,163	413,748	417,965	418,568	430,278	450,166	452,083	341,756
Finance, insurance, & real estate	187,217	261,724	202,781	192,955	206,034	198,650	223,255	216,433	200,476	152,825
Wholesale trade	393,174	340,796	357,548	479,677	437,027	386,034	476,985	511,766	515,682	344,316
Retail - building materials	132,481	134,739	133,530	128,599	149,580	147,959	171,030	183,485	162,971	115,183
Retail - general merchandise	202,926	176,441	188,332	203,095	203,158	183,652	190,647	171,558	159,110	122,125
Retail - food	100,303	95,884	99,667	104,032	101,696	97,088	106,242	114,529	121,431	92,016
Retail - automotive	1,059,875	1,147,166	1,252,278	1,446,424	1,362,354	1,245,120	1,549,064	1,664,111	1,568,786	1,145,833
Retail - apparel	502,078	507,741	511,368	531,937	541,700	314,074	523,425	585,487	582,207	413,941
Retail - furniture & accessories	349,400	392,609	409,314	442,617	455,356	432,135	529,160	491,543	481,024	344,012
Retail - restaurants	481,320	515,601	552,794	607,142	649,253	354,194	508,615	672,407	741,951	584,490
Retail - miscellaneous	530,147	561,930	584,338	641,498	701,579	687,068	847,088	883,676	899,459	630,766
Services - hotels	247,476	270,072	286,425	306,679	305,583	77,378	103,848	214,896	262,378	229,995
Services - business	480,886	611,070	682,897	744,410	883,585	880,489	1,070,047	1,231,903	1,105,523	799,251
Services - other	282,981	301,751	308,410	327,476	339,633	221,783	247,554	319,314	367,167	300,916
All other categories	1,084	1,220	988	1,327	1,366	654	1,447	1,121	969	486
Total sales	\$6,714,030	\$7,153,756	\$7,589,845	\$8,236,252	\$8,620,390	\$7,560,952	\$9,423,584	\$10,553,562	\$10,454,828	\$7,337,512

^(A) The city is prohibited by law from reporting individual taxpayers.

^(B) 4th Quarter 2024 data not available at the time of printing.

Source: Washington State Department of Revenue Quarterly Business Review reports

SALES TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Local rate:										
City of Bellevue										
Base rate	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%
Affordable & supportive housing ^(A)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%	0.10%	0.10%
King County										
Base rate	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.25%
Metro transit	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
Mental health	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Criminal justice ^(B)	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Regional Transit Authority-Sound Transit ^(C)	0.90%	0.90%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%
Total local rate	3.00%	3.00%	3.50%	3.50%	3.50%	3.50%	3.60%	3.60%	3.60%	3.70%
State of Washington rate	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Total sales tax rate	9.50%	9.50%	10.00%	10.00%	10.00%	10.00%	10.10%	10.10%	10.10%	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 2024, the city's estimated population was 155,100 and the County's population was 2,378,100. Bellevue represented 6.52 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:

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

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

(in thousands, except tax rate)

Fiscal Year	Assessed & Estimated Actual Value ^(A)						Grand Total	Total Direct Tax Rate
	Real Property	Personal Property	State Public Service Property	Exemptions	Omits ^(B)			
2015	\$ 39,536,877	\$ 1,165,859	\$ 734,283	\$ 110,666	\$ 5,452	\$ 41,320,905	0.98	
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	-	64,986,182	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	-	71,293,126	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	-	98,997,561	0.88	
2024	90,443,186	1,503,531	753,194	405,110	-	92,718,111	0.98	

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

^(B) Starting for the fiscal year 2008 non-taxable values are excluded from assessed taxable property values.

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

**PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS
PER ONE 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
2015	\$ 0.98	\$ 3.13	\$ 1.35	\$ 2.29	\$ 0.19	\$ 0.93	\$ 8.87
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

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

Rank	Taxpayer	Type of Business	2024		Rank	2015	
			Assessed Valuation (in millions)	Percentage of Total Assessed Valuation ^(A)		Assessed Valuation (in millions)	Percentage of Total Assessed Valuation ^(A)
1	Kemper Development Co.	Land management	\$ 774	0.83%	2	\$ 578	1.42%
2	Essex Property Trust, Inc.	Property management	633	0.68%	10	164	0.40%
3	AvalonBay Communities, Inc.	Real estate investment	443	0.48%	^(B)	-	-
4	Bellevue Investors II, LLC	Real estate investment	398	0.43%	^(B)	-	-
5	1001 Office, LLC	Real estate investment	371	0.40%	^(B)	-	-
6	Bellevue Investors 1 LLC 339800	Real estate investment	369	0.40%	^(B)	-	-
7	Kilroy Realty (formerly Three Bellevue Center, LLC)	Property management	361	0.39%	4	361	-
8	LS2 Office, LLC	Property management	329	0.35%	^(B)	-	-
9	FSP-City Center Plaza, LLC	Property management	276	0.30%	6	298	0.73%
10	Bellevue Place Hotel LLC	Property management	262	0.28%	^(B)	-	-
^(B)	Microsoft	Computer software	^(B)	-	1	679	1.67%
^(B)	Urban Renaissance Group	Property management	^(B)	-	3	381	0.94%
^(B)	Boeing	Aerospace	^(B)	-	5	306	0.75%
^(B)	Puget Sound Energy	Utility services	^(B)	-	7	292	0.72%
^(B)	Bellevue Place	Property management	^(B)	-	8	265	0.65%
^(B)	AAT CC Bellevue LLC	Property management	^(B)	-	9	192	0.47%
			<u>\$ 4,216</u>	4.55%		<u>\$ 3,516</u>	8.64%

^(A) Total 2024 assessed valuation, in millions, is \$92,718. Total 2015 assessed valuation, in millions, was \$40,703.

^(B) Taxpayer was not a principal taxpayer in this period.

Source: King County Assessor

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years
(in thousands)

Fiscal Year	Total Tax Levy ^(A)	Collected within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
		Amount	Percentage		Amount ^(B)	Percentage
2015	\$ 39,821	\$ 39,393	98.9%	\$ 446	\$ 39,838	100.0%
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	\$ 57,894	\$ 57,400	99.1%	\$ 494	\$ 57,894	100.0%
2019	\$ 59,414	\$ 58,934	99.2%	\$ 480	\$ 59,414	100.0%
2020	\$ 61,103	\$ 60,437	98.9%	\$ 633	\$ 61,070	100.0%
2021	\$ 62,566	\$ 61,908	98.9%	\$ 646	\$ 62,554	100.0%
2022	\$ 64,760	\$ 64,199	99.1%	\$ 508	\$ 64,707	99.9%
2023	\$ 87,048	\$ 86,220	99.0%	\$ 643	\$ 86,863	99.8%
2024	\$ 89,712	\$ 89,070	99.3%	\$ -	\$ 89,070	99.3%

^(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 BY TYPE

Last Ten Fiscal Years

(in thousands, except per capita)

Fiscal Year	Governmental Activities				Business-Type Activities			Total primary government	Percentage of personal income ^(A)	Per capita
	General obligation bonds	PWTF loans	Leases	Subscriptions	General obligation bonds	Leases	Subscriptions			
2015	\$ 310,670	\$ 438	\$ -	\$ -	\$ 1,363	\$ -	\$ -	\$ 312,471	3.07%	\$ 2,089
2016	301,894	398	-	-	965	-	-	303,257	2.76%	2,175
2017	290,768	358	-	-	477	-	-	291,603	2.49%	2,073
2018	280,299	319	-	-	-	-	-	280,618	2.23%	1,971
2019	274,989	279	-	-	-	-	-	275,268	1.99%	1,894
2020	315,942	239	-	-	-	-	-	316,181	2.14%	2,135
2021	309,145	199	-	-	-	-	-	309,344	1.88%	2,089
2022	293,273	159	12,047	-	-	-	-	297,496	1.70%	1,933
2023	303,086	119	11,530	2,040	-	-	60	316,835	1.68%	2,049
2024	303,983	80	13,424	5,410	-	-	2,018	324,915	N/A ^(B)	N/A ^(B)

^(A) 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.

^(B) Personal income data not available at time of printing.

RATIO OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

(in thousands, except per capita)

Fiscal Year	GO Bonds	Less Debt Service Funds	Net Bonded Debt	Percentage of estimated actual taxable value of property^(A)	Net Bonded Debt per Capita^(B)
2015	\$ 312,034	\$ 1,839	\$ 310,195	0.68%	\$ 2,073
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	303,983	6,831	297,152	0.32%	1,917

^(A) See Table 9: Assessed and Estimated Actual Value of Taxable Property for property value statistics.

^(B) See Table 18: Demographic Statistics for population statistics.

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
As of December 31, 2024
(in thousands)

Jurisdiction	Net Outstanding Debt	Percentage Applicable to Bellevue ^(A)	Amount Applicable to Bellevue
City of Bellevue	\$ 322,897	100.00%	\$ 322,897
Bellevue School District #405	591,021	79.99%	472,758
King County (1)	998,453	11.13%	111,128
Issaquah School District #411	588,778	11.50%	67,709
Port of Seattle	445,465	11.13%	49,580
Renton School District #403	504,134	2.69%	13,561
Lake Washington School District #414	455,430	0.93%	4,235
Fire District #10	955,950	6.59%	62,997
Total other jurisdictions	4,539,231	17.23%	781,969
Total Direct & Overlapping Debt	\$ 4,862,128	22.72%	\$ 1,104,866

^(A) Determined by ratio of 2024 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, 2024 are exclusive of refunded bonds.

Source: King County Assessor

Table 16

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$3,099,068	\$3,332,598	\$3,702,773	\$4,226,197	\$4,863,389	\$5,123,880	\$5,346,984	\$5,790,387	\$7,424,817	\$6,953,858
Total net debt applicable to limit	292,461	312,743	299,875	287,670	281,143	315,591	304,882	287,658	297,211	297,152
Legal debt margin	\$2,806,607	\$3,019,855	\$3,402,898	\$3,938,527	\$4,582,246	\$4,808,289	\$5,042,102	\$5,502,729	\$7,127,606	\$6,656,706
Total net debt applicable to the limit as a percentage of debt limit	9.44%	9.38%	8.10%	6.81%	5.78%	6.16%	5.70%	4.97%	4.00%	4.27%

Description	Councilmanic Debt (Non-Voted)	Voted Debt	General Purpose Indebtedness ^(A)	Excess Levy Open Space and Park	Excess Levy Utility Purposes	Total Debt Capacity
Assessed value ^(B)	\$ 92,718,111	\$ 92,718,111	\$ 92,718,111	\$ 92,718,111	\$ 92,718,111	\$ 92,718,111
Statutory debt limit percentages:	1.50%	1.00%	2.50%	2.50%	2.50%	7.50%
Statutory debt limit	\$ 1,390,772	\$ 927,181	\$ 2,317,953	\$ 2,317,953	\$ 2,317,953	\$ 6,953,858
Debt applicable to limit						
Bonds outstanding	\$ 303,983	\$ -	\$ 303,983	\$ -	\$ -	\$ 303,983
Less: cash on hand for debt redemption ^(C)	6,831	-	6,831	-	-	6,831
Total net debt applicable to limit	297,152	-	297,152	-	-	297,152
Remaining debt capacity	\$ 1,093,620	\$ 927,181	\$ 2,020,801	\$ 2,317,953	\$ 2,317,953	\$ 6,656,706

(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 2024, which will be used to determine the 2024 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 17

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years
(in thousands)

Fiscal Year	Revenue Bonds								Special Assessment Bonds					
	Gross Revenue	Expenses	Net revenue available for debt service	Debt Service Requirements			Coverage	Special Assessment Collections	Debt Service					
				Principal	Interest	Total			Principal	Interest	Total	Coverage		
2015	\$ 10,191	\$ -	\$ 10,191	\$ 1,005	\$ 4,020	\$ 5,025	2.03	\$ 47	\$ -	\$ -	\$ -	N/A		
2016	11,214	-	11,214	1,246	5,354	6,600	1.70	-	-	-	-	N/A		
2017	11,780	-	11,780	1,227	5,817	7,044	1.67	-	-	-	-	N/A		
2018	12,645	-	12,645	1,204	6,321	7,525	1.68	-	-	-	-	N/A		
2019	12,531	-	12,531	1,180	6,795	7,975	1.57	-	-	-	-	N/A		
2020	3,139	-	3,139	539	2,901	3,440	1.32	-	-	-	-	N/A		
2021	4,543	-	4,543	-	-	-	-	-	-	-	-	N/A		
2022	9,827	-	9,827	-	-	-	-	-	-	-	-	N/A		
2023	11,570	-	11,570	-	-	-	-	-	-	-	-	N/A		
2024	13,411	-	13,411	-	-	-	-	-	-	-	-	N/A		

Note: Revenue bond information for fiscal years 2015 – 2024 represent amounts for the discretely presented component unit BCCA. There are no expenses for 2024 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

DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population	Per Capita Personal Income	Personal Income	Median Age	Number of Households	Public School Enrollment	Number of Jobs	Unemployment Rate	CPI-U%
2015	135,000	74,210	10,018,350	37	55,920	19,910	144,472	3.7%	1.4%
2016	139,400	77,638	10,822,737	39	58,056	20,284	146,115	3.5%	2.2%
2017	140,700	82,387	11,591,851	37	58,290	20,585	147,647	3.3%	3.1%
2018	142,400	87,809	12,504,002	37	58,936	20,623	152,758	3.0%	3.2%
2019	145,300	93,643	13,606,328	37	59,562	20,705	158,805	2.4%	2.5%
2020	148,100	98,830	14,636,723	38	60,953	20,005	155,031	6.3%	1.7%
2021	151,854	109,827	16,677,669	39	61,430	19,189	150,628	3.6%	4.6%
2022	153,900	113,317	17,439,486	39	62,087	18,722	163,784	2.7%	9.0%
2023	154,600	122,235	18,897,531	39	62,226	19,200	162,040	3.2%	5.7%
2024	155,000	(A)	(A)	(A)	62,383	19,715	(A)	3.9%	3.5%

(A) Data not available at time of publication.

Sources:

- 1) Population provided by Washington State's Office of Financial Management April 1 Postcensal Estimates of population.
- 2) 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, re-estimation, and/or adjustment to data
 - a. 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.
- 3) Personal Income was calculated from Per Capita Personal Income and Population estimates and is presented in thousands.
- 4) 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.
- 5) 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 2021-2024 are calculated based on 2020 housing occupancy rates using the April 1 postcensal estimates of housing.
- 6) Public School Enrollment was provided by the Washington State Office of Superintendent of Public Instruction. Population is K-12 students.
- 7) Number of total jobs provided by the Puget Sound Regional Council. Revised September 2024.
- 8) 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, re-estimation, and/or adjustment to new state control totals.
- 9) 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-Bremerton Consolidated Metropolitan Statistical Area, which includes Island, King, Kitsap, Pierce, Snohomish, and Thurston counties.

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer	Type of Business	2024			2015		
		Rank	Number of Employees ^(A)	Percentage of Total City Employment ^(B)	Rank	Number of Employees ^(A)	Percentage of Total City Employment ^(B)
Amazon	Online retail	1	14,300	8.68%	(C)	-	0.00%
T-Mobile USA ^(D)	Cellular telephone	2	7,800	4.74%	2	4,100	2.84%
Meta/Facebook	Online social network	3	5,400	3.28%	(C)	-	0.00%
Overlake Hospital Medical Center	Medical Hospital	4	3,800	2.31%	4	2,700	1.87%
Bellevue School District	Education K-12	5	2,900	1.76%	6	2,500	1.73%
City of Bellevue	Government	6	1,800	1.09%	8	1,600	1.11%
Tik-Tok ^(D)	Online social network	7	1,700	1.03%	(C)	-	0.00%
Salesforce	Business services	8	1,500	0.91%	(C)	-	0.00%
Bellevue College	Higher education	9	1,100	0.67%	7	2,000	1.38%
Pokémon	Video game developer	10	1,000	0.61%	(C)	-	0.00%
Microsoft	Computer software	(C)	-	0.00%	1	4,600	3.18%
Expedia	Online travel	(C)	-	0.00%	3	3,400	2.35%
Boeing	Aerospace	(C)	-	0.00%	5	2,700	1.87%
Puget Sound Energy	Utility services	(C)	-	0.00%	9	1,200	0.83%
SAP Concur	Online Travel	(C)	-	0.00%	10	1,000	0.69%
			<u>41,300</u>	<u>25.08%</u>		<u>25,800</u>	<u>17.86%</u>

- (A) Number of employees provided by the City of Bellevue Community Development Department. Note, estimates are rounded to the nearest hundred.
- (B) Percentages of total city employment for 2024 are derived from a projection of the most recent year of data available - 2023 - from the Puget Sound Regional Council (PSRC). To project 2024 employment, Bellevue's total employment estimate for 2023 (162,040) was adjusted by the average annual growth rate from 2015-2023. Percentages of total city employment for 2015 are derived from employment estimates provided by PSRC. In 2015, there were an estimated 144,472 people employed in Bellevue.
- (C) Employer was not a principal employer in this period.
- (D) 2024 employment estimates for T-Mobile and Tik-Tok are derived from LinkedIn as representatives from those organizations could not be reached for verified estimates.

Note: Total estimated numbers of employees at the end of 2024 was 164,679. Total estimated numbers of employees at the end of 2015 was 144,472.

Source: City of Bellevue Community Development Department

FULL- TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function:										
General government	382	386	389	405	415	423	444	456	505	503
Public Safety										
Police										
Officers	180	186	184	184	185	186	186	187	199	206
Civilians	41	41	41	41	46	47	47	47	49	49
Fire										
Firefighters & officers	214	216	216	216	227	228	211	219	231	231
Civilians	28	28	28	28	24	31	50	51	57	57
Transportation	122	129	140	142	143	144	147	152	158	159
Culture & recreation	165	165	166	165	168	168	168	168	169	170
Water	69	69	71	71	71	71	71	69	66	66
Sewer	51	52	52	53	52	52	52	52	54	54
Storm Drainage	47	48	50	50	50	50	50	50	54	54
Total	1,299	1,321	1,338	1,355	1,382	1,400	1,427	1,452	1,542	1,549

Source: City of Bellevue Budget Office

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function:										
Public safety/judicial:										
Police:										
Offenses:										
Rape	25	15	24	25	28	21	13	23	13	13
Robbery	64	63	59	87	77	70	88	105	104	78
Homicide ^(A)	2	-	-	-	1	6	3	4	1	3
Assault ^(B)	489	479	519	609	562	614	587	702	673	695
Auto theft	221	323	331	386	351	305	448	499	739	530
Burglary	732	636	570	524	403	540	601	746	601	521
Larceny	3,484	3,615	3,568	3,602	3,565	3,742	4,290	4,464	4,165	4,068
Citations:										
Traffic	11,428	13,021	11,872	8,239	9,611	9,075	18,372	10,300	4,947	3,545
Criminal ^(C)	1,587	1,827	2,302	2,618	2,055	2,304	2,061	2,073	2,311	2,445
Judicial system:										
Handled by district court	13,015	14,848	14,174	10,857	11,666	11,379	20,433	12,373	7,258	5,990
Fire:										
First response:										
Buildings	162	198	192	178	172	153	145	159	154	147
Non-Buildings	340	251	325	288	223	193	303	304	355	272
Service	598	840	1,252	1,706	1,845	2,179	3,340	2,513	2,697	2,975
False alarm	1,507	1,548	1,702	1,536	1,756	1,562	1,652	1,864	1,991	2,435
Other	1,006	981	1,033	1,004	1,095	997	1,248	1,321	1,540	1,923
Medic 1 Responses:										
First aid	14,606	14,951	15,319	15,307	15,618	13,847	15,962	17,087	16,890	17,134
Runs per week	281	288	295	294	300	266	307	329	325	330

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function:										
Transportation:										
Area of roadway repaired (sq. ft)	39,073	29,192	30,407	20,951	18,239	12,481	4,629	17,429	35,528	71,011
Miles of streets swept	5,696	4,856	3,373	4,812	6,627	5,326	2,471	3,266	3,454	5,082
Area of sidewalk repaired (sq. ft)	23,643	22,235	1,550	4,596	8,174	43	3,340	3,876	6,487	1,268
Physical/economic environment:										
Building permits issued	14,470	15,185	14,999	15,084	16,134	13,732	15,523	16,230	15,243	16,221
Estimated value (in millions)	\$ 950	\$ 793	\$ 718	\$ 942	\$ 712	\$ 1,161	\$ 1,656	\$ 1,152	\$ 689	\$ 569
Culture & recreation:										
Number of rounds of golf played	81,039	77,270	71,105	77,682	75,920	71,729	85,917	80,257	84,013	80,709
Water utility:										
Water consumption (CCF in thousands)	7,068	6,854	6,829	6,759	6,427	6,327	6,658	6,502	6,627	6,433
Number of customers:										
Residential	35,086	35,150	34,301	34,352	34,380	34,421	34,466	34,528	34,568	34,645
Multi-residential	680	666	660	688	691	698	699	702	704	704
Commercial	2,070	2,064	2,062	2,048	2,053	1,767	1,773	1,764	1,767	1,764
Total number of customers	37,836	37,880	37,023	37,088	37,124	36,886	36,938	36,994	37,039	37,113
Water consumption peak in a day (millions of gallons)	32	33	29	31	26	26	31	28	28	28
Water consumption peak in a month (millions of gallons)	881	912	783	808	803	840	780	779	774	762

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function:										
Sewer utility: ^(D)										
Sewer consumption (CCF in thousands)	5,634	5,418	5,389	5,725	5,918	5,690	5,759	5,498	5,844	5,534
Number of customers:										
Residential	34,833	34,775	32,580	32,557	32,540	32,530	32,522	32,562	32,619	33,294
Multi-residential	656	657	650	676	689	695	696	698	700	702
Commercial	1,700	1,682	1,667	1,663	1,670	1,645	1,651	1,636	1,649	1,645
Total number of customers	37,189	37,114	34,897	34,896	34,899	34,870	34,869	34,896	34,968	35,641
Storm & surface water utility: ^(D)										
Number of customers:										
Residential	30,529	30,579	30,612	30,623	30,650	30,678	30,714	30,735	30,740	30,738
Multi-residential	547	549	549	557	559	564	566	569	570	571
Commercial	1,929	1,923	1,901	1,899	1,903	1,887	1,883	1,881	1,881	1,881
Total number of customers	33,005	33,051	33,062	33,079	33,112	33,129	33,163	33,185	33,191	33,190

^(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.

^(D) 2017 totals declined due to South Cove area being annexed by Issaquah.

Note: No operating indicators are available for the general government and marina.

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

CAPITAL ASSETS BY FUNCTION

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function:										
Public Safety:										
Police										
Traffic/patrol units	68	67	67	72	79	79	80	77	72	91
Fire										
Fire stations	9	9	9	9	9	9	9	9	9	9
Fire apparatus	20	20	20	20	20	20	20	20	21	20
Fire aid units	15	15	14	14	14	14	14	14	14	14
Transportation:										
Paved streets (miles)	416	416	416	416	416	416	416	416	416	416
Sidewalks (miles)	352	358	366	359	359	363	367	368	369	371
Traffic signals	198	200	202	202	203	211	217	218	220	221
City of Bellevue streetlights	3,192	3,237	3,306	3,312	3,321	3,383	3,419	3,489	3,536	3,550
Puget Sound Energy streetlights	5,835	5,899	5,914	5,951	5,962	5,975	5,995	6,003	6,010	6,018
Culture & Recreation/Marina:										
Parks acreage	2,732	2,732	2,732	2,700	2,704	2,710	2,713	2,714	2,731	2,739
Parks	77	77	77	78	78	78	78	78	78	79
Maintained trails (miles)	93	93	98	98	98	98	98	98	98	98
Play areas	46	46	46	47	47	47	47	48	48	48
Tennis courts/centers	38	38	38	38	38	38	38	37	39	39
Sports fields	35	35	35	30	30	30	30	28	31	31
Sports courts	27	27	27	26	26	26	26	26	26	26
Swimming beaches/pools	7	7	7	7	7	8	8	8	8	8
Community Activity Buildings ^(A)	4	4	4	4	4	4	7	26	27	27
Community centers/recreation facilities	5	5	5	7	7	7	7	8	8	8
Golf courses	2	2	2	2	2	2	2	2	2	2
Marinas/boat launches ^(B)	2	2	2	2	2	2	9	9	9	9

CAPITAL ASSETS BY FUNCTION
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function:										
Water Utility:										
Water mains (miles)	619	620	611	605	605	608	608	608	608	608
Vehicles	40	45	44	45	46	47	51	50	38	44
Sewer Utility:										
Sanitary sewers (miles)	525	525	516	516	516	516	517	517	517	517
Vehicles	36	40	37	35	41	39	45	45	33	38
Storm & surface water Utility:										
Vehicles	29	30	29	31	31	30	31	31	31	35

Note: No capital asset indicators are available for the general government, judicial, economic environment, or physical environment functions.

^(A) 2024 count includes seven visitor/interpretive centers.

^(B) 2024 count includes seven beaches and docks.

Sources: City of Bellevue Departments - Finance and Asset Management, Parks and Community Services, Transportation, and Utilities