RESOLUTION NO. 862-25

A RESOLUTION OF THE COMMISSION OF THE PORT OF PORT TOWNSEND

ESTABLISHING A PROPERTY TAX RESERVE FUND

WHEREAS, to establish a designated purpose for the general property tax receipts and associated tax receipts and to create a potential funding source for future Port needs, the Commission of the Port of Port Townsend would like to establish and maintain a Property Tax Reserve Fund on the Port's balance sheet; and

WHEREAS, the Commission desires the property tax reserve funds to be used for any of the following purposes:

- Subsidize Port lines of business to cover operational expenses that exceed generated revenues
- Fund strategic opportunities that support economic development
- Fund capital projects that support general Port infrastructure
- Fund capital grant match
- Fund economic development
- Fund Port operational and capital reserve accounts
- Pay or retire scheduled general obligation debt

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Port of Port Townsend shall maintain a separate account for a Property Tax Reserve Fund as a separate line item in the Port's financial statement.

2. The Property Tax Reserve Fund will be held in the general fund account and may be invested in the Port's general fund investments directed by the Port's Director of Finance.

3. Establish the Property Tax Reserve Fund beginning January 1, 2026, with annual property tax receipts and maintain a running account balance based on actual tax receipts and authorized expenses.

ADOPTED this 22nd day of October 2025, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

Peter W. Hanke, Secretary

Carol L. Hasse, President

Pamela A. Petranek, Vice President

APPROVED AS TO FORM:

Port Attorney