

**\*\*\* PLEASE BE ADVISED THAT THE NUMBERS REFLECTED IN THIS ORDINANCE ARE INFLATED FOR PURPOSES OF INTRODUCTION OF THE ORDINANCE.**

**THE NUMBERS WILL BE EDITED TO REFLECT ACTUAL NUMBERS PRIOR TO THE SECOND READING OF THE ORDINANCE.**

DRAFT

**Ordinance No. 566**

**AN ORDINANCE TO ESTABLISH A PROPERTY TAX RATE AND TO  
ADOPT THE FISCAL YEAR 2027 BUDGET**

**WHEREAS**, the Council of the City of New Castle (“City Council”) possesses the authority to adopt, amend, modify, or repeal the City of New Castle Municipal Code (“City Code”); and

**WHEREAS**, Section 18 of the Charter for the City of New Castle provides that “The Council shall, on or before the first Monday in each July, meet and ascertain, as near as may be, the amount necessary to cover the net expenses of the government...Council shall proceed to levy a tax on the real property, thus valued and assessed, in just portions, sufficient to cover the aggregate of said budget”; and

**WHEREAS**, Section 18 of the Charter for the City of New Castle and Title 22, Section 1107 of the Delaware Code authorize the City to establish different tax rates for residential and non-residential properties; and

**WHEREAS**, the City Administrator has presented the proposed Fiscal Year 2027 General Fund and Grant Budget to City Council members, the Mayor, and the City Treasurer; and

**WHEREAS**, the Mayor and City Council members have advertised and held public meetings to discuss and make appropriate changes to the proposed budgets; and

**WHEREAS**, the Fiscal Year 2027 General Fund Budget is balanced at **\$10,000,000** and contains proposed wage adjustments for City employees; and

**WHEREAS**, the Fiscal Year 2027 Grant Budget is balanced at **10,000,000**; and

**WHEREAS**, the General Budget and the Grant Budget are to be managed by the City Administrator.

**NOW, THEREFORE,** making the express finding that the provisions of this Ordinance enhance and promote the health, safety, and welfare of the City of New Castle, be it ordained by the Council of the City of New Castle Council as follows:

**SECTION 1: Effective July 1, 2026**, the property tax rate shall be at **\$.75 per \$100** of assessed value, for residential properties, reflecting a **110%** tax rate increase from the previous rate, and **\$.75 per \$100** of assessed value for non-residential properties reflecting a **110%** tax rate increase from the previous rate.

**SECTION 2:** that the Fiscal Year 2027 Total City Budget is adopted at **\$20,000,000**.

**SECTION 3:** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decisions shall not affect the validity of the remaining portions of this Ordinance.

**SECTION 4:** In the event any existing Ordinances or parts of Ordinances are in conflict herewith, the provisions of this Ordinance shall control.

**SECTION 5:** This Ordinance shall become effective immediately upon its adoption and approval.

First Reading June 1<sup>st</sup>, 2026

Second Reading ,2026

Signed this \_\_\_ day of \_\_\_\_ 2026

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Suzanne Souder, President of City Council

Attest: \_\_\_\_\_

Courtaney Taylor, City Clerk

Approved: \_\_\_\_\_  
Valarie Leary, Mayor

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