Prime Sponsor(s): Mr. Smiley
Date of introduction: July 8, 2025

ORDINANCE NO. 25-095

AMENDING *NEW CASTLE COUNTY CODE* CHAPTER 14 ("FINANCE AND TAXATION"), SECTION 14.01.014 ("TAX STABILIZATION RESERVE ACCOUNT") REGARDING THE TAX STABILIZATION ACCOUNT AND REASSESSMENTS

WHEREAS, it is crucial to New Castle County that it is able to fund a special reserve account to ensure funding is available to cover reassessment related costs and thereby best control any unexpected impacts to the County and its citizens; and

WHEREAS, County Council has determined that the provisions of this Ordinance substantially advance and are reasonably and rationally related to legitimate government interests, including promoting the health, safety, and welfare of present and future inhabitants of New Castle County.

NOW, THEREFORE, THE COUNTY OF NEW CASTLE HEREBY ORDAINS:

Section 1. *New Castle County Code* Chapter 14 ("Finance And Taxation"), Section 14.01.014 ("Tax Stabilization Reserve Account") is hereby amended by adding the material that is underscored and deleting the material with strikethroughs, as set forth below.

Sec. 14.01.014. - Tax Stabilization Reserve Account.

...

D. Each July 1, $5,000,000 or 50% of the total amount in the Tax Stabilization Reserve Account, whichever is less, shall be transferred from the Tax Stabilization Reserve Account to the Reassessment Reserve Account (Sec. 14.01.018). Such transfers shall be mandated annually, on July 1, until the Reassessment Reserve Account balance reaches $15,000,000, at which time transfers will temporarily be suspended.

Section 2. This Ordinance shall become effective immediately upon its adoption by County Council and approval by the County Executive, or as otherwise provided in 9 *Del. C.* § 1156.

Adopted by County Council of
New Castle County on: 7/22/25

Monique Williams-Johns
President of County Council
of New Castle County

Approved on 7/23/25

Marcus Henry
County Executive
of New Castle County

SYNOPSIS: This Ordinance provides that each July 1, the start of the County fiscal year, 50% of the total amount in the Tax Stabilization Reserve Account or $5,000,000, whichever is less, must be transferred from the Tax Stabilization Reserve Account to the Reassessment Reserve Account. Such transfers are mandated each fiscal year, on July 1, until the Reassessment Reserve Account balance reaches $15,000,000, at which time such transfers will be temporarily suspended.

The purpose of this Ordinance is to ensure funding is available for the special reserve account to cover reassessment related costs and thereby best control any unexpected impacts to the County and its citizens.

FISCAL NOTE: This Ordinance results in the transfer of funds from one established reserve to another. Separately, the Tax Stabilization Reserve and Reassessment Reserve each allows for the use of reserves by supermajority vote for the purposes of budget stabilization. Consequently, there is no discernable fiscal impact in the transfer of reserve funds.

Acknowledged by the Chief Financial Officer June 30, 2025.