

**THE COUNCIL**

**THE CITY OF NEW YORK**

**FINANCE DIVISION**

**250 BROADWAY, 15TH FLOOR**

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**(212) 788-6921**

TO: Honorable Corey Johnson

Speaker

Honorable Daniel Dromm

Chair, Finance Committee

FROM: Latonia McKinney, Director, Finance Division

Raymond Majewski, Deputy Director/Chief Economist, Finance Division

Rebecca Chasan, Senior Counsel

Paul Sturm, Supervising Economist

DATE: June 19, 2019

SUBJECT: A Budget Modification (MN-6) for Fiscal 2019 that will appropriate $1.11 billion in new revenues.

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INITIATION: By letter dated June 18, 2019, the Director of the Office of Management and Budget submitted to the Council, pursuant to section 107(e) of the New York City Charter, a request to appropriate $1.11 billion in new revenues. These new revenues will be used for prepayments of $852.15 million to increase the Budget Stabilization Account and $200.0 million for Health and Hospitals, and to make a $57.53 million adjustment to the General Reserve.

BACKGROUND: This modification (MN-6) seeks to recognize $1.11 billion in new revenues, implementing changes reflected in the 2019 Executive and Adopted Financial Plan. These funds will add $852.15 million to the Budget Stabilization Account to prepay debt service for Fiscal 2020, prepay $200.0 million to Health and Hospitals, and upwardly adjust the General Reserve by $57.53 million.

FISCAL IMPACT: This modification represents a net increase in the Fiscal 2019 budget of $1.11 billion.