

**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 30, 2021

SUBJECT: A Budget Modification (MN-8) for Fiscal 2021 that will appropriate $2.07 billion in new revenues.

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INITIATION: By letter dated June 29, 2021, 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 $2.07 billion in new revenues. These new revenues, combined with additional resources of $0.41 billion from the General Reserve, will be used to prepay $2.48 billion in fiscal year 2022 expenses.

BACKGROUND: This modification (MN-8) seeks to recognize $2.07 billion in new revenues, and combines $0.41 billion from the General Reserve, implementing changes reflected in the June 2021 Plan at Adoption. Of these funds, $2.05 billion is added to the Budget Stabilization Account, which will prepay debt service for fiscal year 2022, and $0.43 billion will be used to replenish the Retiree Health Benefit Trust.

FISCAL IMPACT: This modification represents a net increase in the Fiscal 2021 budget of $2.07 billion.