

**THE COUNCIL**

**THE CITY OF NEW YORK**

**FINANCE DIVISION**

**250 BROADWAY, 15TH FLOOR**

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TO: Honorable Adrienne E. Adams

Speaker

Honorable Justin Brannan

Chair, Finance Committee

FROM: Tanisha S. Edwards, Esq.,

Chief Financial Officer and Deputy Chief of Staff to the Speaker

Raymond Majewski, Deputy Director/Chief Economist, Finance Division

Paul Sturm, Supervising Economist

Nashia Roman, Economist

Malcom M. Butehorn, Interim Finance Counsel

DATE: May 19, 2022

SUBJECT: A Budget Modification (MN-6) for Fiscal 2022 that will appropriate $1.36 billion in new revenues.

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INITIATION: By letter dated May 13, 2022, 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 $1.36 billion in new revenues. These new revenues with an additional adjustment of $177 million to the General Reserve, will be used to prepay $1.54 billion of fiscal year 2023 expenses in fiscal year 2022.

BACKGROUND: This modification (MN-6) seeks to recognize $1.36 billion in new revenues, implementing changes reflected since the February 2022 Financial Plan. These funds will add $1.04 billion to the Budget Stabilization Account to prepay debt service for Fiscal 2023 expenses, and add $500 million for fringe benefits in Fiscal 2023. There is also a downward adjustment of the Fiscal 2022 General Reserve.

FISCAL IMPACT: This modification represents a net increase in the Fiscal 2022 budget of $1.36 billion.