

THE COUNCIL

REPORT OF THE COMMITTEE ON FINANCE RESOLUTION APPROVING THE MODIFICATION (MN-3) OF UNITS OF APPROPRIATION AND THE TRANSFER OF CITY FUNDS BETWEEN AGENCIES PROPOSED BY THE MAYOR PURSUANT TO SECTION 107(b) OF THE NEW YORK CITY CHARTER

The Committee on Finance, to which was referred the above-captioned resolution, respectfully submits to The Council of the City of New York the following

REPORT

Introduction. At a meeting of the Committee on Finance of the City Council of the City of New York (the “City Council”) on April 14, 2022, the Committee on Finance considered a communication, dated March 15, 2022, from the Office of Management and Budget of the Mayor of The City of New York (the “Mayor”), of a proposed request, attached hereto as Exhibit “1” (the “modification” or “MN-3”), to modify units of appropriation and transfer City funds between various agencies in the amount of \$1,853,596,876 in the Fiscal 2022 expense budget as adopted by the Council on June 30, 2021.

Analysis. The Council annually adopts the City’s budget covering expenditures other than for capital projects (the “expense budget”) pursuant to Section 254 of the Charter. On June 30, 2021, the Council adopted the expense budget for Fiscal 2022 (the “Fiscal 2022 Expense Budget”). This Modification reallocates appropriations in the amount of \$1,853,596,876 that were reflected in the Fiscal 2022 Expense Budget to implement changes reflected in the February Financial Plan and to implement changes reflected in the February Financial Plan. The net effect of the modification is zero.

Procedure. If the Mayor wishes to transfer part or all of any unit of appropriation to another unit of appropriation from one agency to another; or when a transfer from one unit of appropriation to the another, and such transfer results in any unit of appropriation being increased or decreased by the greater of five percent or \$50,000, section 107(b) of the Charter requires that the Mayor must first notify the Council of the proposed action. Within 30 days after the first stated meeting of the Council following receipt of such notice, the Council may disapprove such proposed action. If the Council fails to approve or disapprove such proposed action within such 30-day period, the proposed action becomes effective and the Mayor has the authority to make such transfer.

Description of Above-captioned Resolution. In the above-captioned resolution, the Council would approve the Modification pursuant to Section 107(b) of the Charter. Such resolution would take effect as of the date of approval.