



THE CITY OF NEW YORK  
INDEPENDENT BUDGET OFFICE

110 WILLIAM STREET, 14<sup>TH</sup> FLOOR  
NEW YORK, NEW YORK 10038  
(212) 442-0632 • FAX (212) 442-0350 • EMAIL: [iboenews@ibo.nyc.ny.us](mailto:iboenews@ibo.nyc.ny.us)  
<http://www.ibo.nyc.ny.us>

**Testimony of Doug Turetsky**  
**On Evaluating the Structure and Content of the Mayor's Management Report**  
**To the New York City Council Oversight and Investigations/  
Government Operations Committee**  
**December 10, 2014**

Good morning Chairmen Gentile and Kallos and members of the committees. I am Doug Turetsky, chief of staff and communications director for the city's Independent Budget Office. Thank you for the opportunity to speak today about the current structure and content of the Mayor's Management Report.

I am sure that a number of us here today can remember the time when the release of the Mayor's Management Report was a major event on the municipal calendar. The old Board of Estimate chambers would be standing room only for the report's release. It was a presentation that rivaled the annual state of the city speech and the release of the Mayor's budget plans for public and press attention.

Times have changed. The report garners far less notice than it did in the past and many observers see it as more of a Mayoral public relations tool than a detailed review of the strengths and weaknesses of city service delivery. Former Mayor David Dinkins would point to statistics in the MMR that indicated areas in which the city needed to do better as well as stats that showed the city functioning well. Fast forward an administration or two and the self-criticism dissipated.

Over the years, the MMR evolved, growing into a multivolume, many hundreds of page report with a vast amount of numbers. But many of those numbers were simply inputs that revealed little if anything about outcomes and how well the city provided services. The more informative data all too often was hard to find, buried under layers of less meaningful numbers. More recently there has been an effort to scale back the management report and make it more accessible. There have been some concerns, though, that in the scaling back some valuable indicators were lost in the process.

If the process to improve the usefulness of the MMR is to continue, perhaps it is necessary to go back to the future. When the report was mandated in the 1970s, the intent was to help inform budget decisions. But there are at least two factors that hinder use of the report in this manner: timing and the structure of the city's budget.

As now scheduled under the terms of the City Charter, release of the MMR is ill-timed for linking its indicators to funding decisions as the Council moves towards adopting a budget for the upcoming fiscal year. The Preliminary Mayor's Management report is issued in February and covers just four months of the current fiscal year. The remaining eight months of data is not issued until September, when a budget has already been adopted.

While the timing of budget deliberations and the issuance of the MMR with a full set of indicators for the current year cannot be perfectly aligned, improvement is possible. As IBO has [suggested in the past](#) issuing a version of the MMR in conjunction with the release of the Mayor's Executive Budget could provide the Council with a fuller picture of how well the city is delivering key services. The Council would have more current and complete performance information as it determined spending priorities for the upcoming fiscal year.

But timing alone will not improve the Council's—and the public's—ability to use the MMR to make judgments about services and resources. In many instances, the current structure of the city budget, units of appropriation, bears little resemblance to how funds are spent programmatically. Some units of appropriation are so big that linkages between programs or the functions being funded are obscured. Prime examples are U of As 401 and 402, which together include more than \$6 billion in spending by the Department of Education.

The Council has already taken an initial step to address this issue. The Council's response in April to Mayor de Blasio's Preliminary Budget proposals presented nearly two dozen examples of units of appropriation that needed to be broken up to reflect discrete programs as well as other units of appropriation that should be created to align with new initiatives. These sorts of changes would improve everyone's ability to see how funds are budgeted for specific programs and then use the indicators in the Mayor's Management Report to assess the effect of these allocations. Ideally, relevant indicators could eventually be incorporated into the budget plan to further facilitate the linkage between resources and program performance.

There is one other element that also could be considered to make the Mayor's Management Report a more dynamic evaluation of city service delivery. The indicators in the MMR provide a statistical portrait of how well the city provides services. The experience of residents may be very different from what the numbers show. Here, too, the Council has shown initiative in the past by undertaking citizen surveys. Integrating survey data on citizen perspectives on, for example, park conditions can provide another perspective to the MMR's traditional measures of park upkeep and cleanliness.

The Mayor's Management Report has evolved in the four decades since its inception and been complemented by more recent tools such as the 311 reports on citizen complaints and requests and the Citywide Performance Reporting data on the Mayor's Office of Operations website. Efforts to improve the MMR as a means for evaluating the efficiency and effectiveness of city service delivery should be ongoing. Two important steps towards achieving this goal would be the aligning of the timing of the MMR and the Mayor's Executive Budget along with a restructuring of the budget's presentation so it more closely corresponds to the programs being funded. Integrating citizen surveys on service delivery with the MMR's indicators would add another useful dimension to the report.

Thank you again for the opportunity to testify and I am glad to respond to any questions.