Testimony of the New York City Independent Budget Office
On the Structure and Content of the Mayor's Management Report Before the New York City Council
Committee on Governmental Operations

April 11, 2002

Good morning, Chairman Perkins; members of the Committee. I am Kevin Koshar, Chief of Staff at the Independent Budget Office. I am joined today by Deputy Director Preston Niblack. Thank you for the opportunity to testify this morning.

The City Council is currently debating how to balance next year's budget while preserving municipal services to the greatest extent possible. In that context, it is more important than ever to be able to assess whatever effects budget cuts have on city programs and services, and the quality of the services we provide. Unfortunately, the tool we have for doing this—the current version of the Mayor's Management Report—is inadequate. Its release date is also poorly timed if it is to have maximum influence on budget decisions for the upcoming fiscal year.

Deputy Mayor Marc Shaw noted in his recent letter accompanying the release of the MMR that the administration plans to significantly overhaul future versions of the MMR at the Mayor's request. Deputy Mayor Shaw wrote: "It is our goal to provide a far more comprehensible, accessible and user friendly management report." The report has grown so large, and contains so many indicators of performance, that it now has the perverse effect that it is most often unread. Moreover, despite the huge volume of data in the MMR, much of it does not tell us much about the quality and productivity of government services. A more concise MMR that focuses on a smaller number of key indicators of greatest interest to the public and government officials is likely to have much more impact on our understanding of what agencies are accomplishing, and whether services need further improvement.

The MMR presents numerous indicators of the day-to-day activities of city agencies: the number of children that were in the foster care system in December, "average weekly scheduled hours" for Queens libraries in March, how many "weights and measures" inspections were carried out by the Department of Consumer Affairs. These statistics may be important for city government managers, but they say little about what results are achieved. Are at-risk children safer as a result of city child welfare programs? How would the public rate the quality of librarians, the

convenience of library hours, the quality and selection of library books? Are parks better maintained this year than last, and where have the improvements been greatest? What can be learned from parks success stories that could be applied to parks that are lagging behind?

If what matters are results—and increasing government accountability—the challenge is to measure and rate services from the citizens' perspective. The City Council recently developed a citizens' survey to go beyond how the *government* views its own achievements, to better understand how *citizens* view government services. Cities like Portland and San Francisco regularly and systematically survey their citizens each year on the perceived quality of libraries, parks, public transportation, public safety and other issues. Survey data of this type can be a useful supplement to traditional performance indicators, and there is a place for both types of data in a future management report that seeks a full understanding of the impact of municipal services.

The city has had some successes in reporting on results that matter to residents. The police department's nationally acclaimed Compstat program, which provides neighborhood-centered information on crime, is a good example. In contrast, while the parks department compiles statistics on the conditions of local parks—certainly of prime interest to neighborhood residents—the agency only publishes citywide indicators. City government could be more accountable for changes in parks spending if, for example, a resident of Jamaica could go to a computer map and click on Cunningham Park and view a scorecard for that park (graffiti, lighting, pathways, litter, safety) and compare those ratings to other parks of similar size across the city.

Consulting citizens and other stakeholders about the kinds of measures they would like to see reported would itself be a big advance in public accountability. Different kinds of information are needed for different purposes. Many citizens and elected officials will be especially interested in performance at the local level…how well their local park is maintained, how their local library stacks up against others in the system. On the other hand, agency managers also need overall performance goals and measurement so that they can insure that there is broad citywide improvement in key areas of performance for that agency. It may even be possible, in selected areas, to consider how efficiently we provide certain services in comparison with other large cities, and to learn in certain instances from their successes. There is no reason why New York would not benefit from a dialogue with other large cities with similar service delivery challenges, and cities which have MMR type documents of their own.

The timing of the release of the MMR is also something to consider. As it stands now, it is released in a different timeframe from budget deliberations. Ideally, if it was released around the time of the release of the Mayor's Executive Budget, the Council would have detailed performance information in hand as agency budgets were finalized for the upcoming fiscal year. The current timeframes for release of the MMR reduce its overall utility as a resource allocation

tool. It is critical during budget deliberations to know if we are getting what we are paying for, and a better timed MMR could help answer that question.

How well city agencies "score" on service delivery is critically important as the Mayor and City Council make hard choices about spending cuts to close the city's budget gap. The lack of clear, accessible and timely information that measures the results of city programs and services limits what might be done to improve them—and hampers public debate on how and where city resources are best spent.

Thank you.