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**Testimony of the New York City Independent Budget Office
On the Mayor's Management Report
To the New York City Council Committee on Governmental Operations**

April 6, 2016

Good afternoon Chairman Kallos and members of the committee. I am Lisa Neary, general counsel at the Independent Budget Office. Thank you for the opportunity to speak today on the Mayor's Preliminary Management Report (PMMR).

IBO last offered [testimony](#) on the Mayor's Management Report (MMR) in December 2015. We focused our comments then on the content of the MMR, specifically on legislation requiring that citizen surveys become part of the annual MMR—an important step towards creating an MMR that more accurately reflects how the city's communities experience and perceive the delivery of city services. Today, I would like to focus on the MMR process—specifically the timing of the publication of the MMR, an issue that has come up in prior Council hearings over the years, and in prior IBO testimony as well.

One of the initial intentions in issuing the first Mayor's Management Report, back in the mid-1970s, was to inform the city's budget resource decisions. A report that allows decision makers in the city's budget process to link the allocation of scarce resources to an assessment of city service delivery is certainly a reasonable, laudable goal. Over the years, IBO and others have pointed out that the timing of the release of the report, both the preliminary and final versions, hamper its usefulness in achieving this goal.

Although the Preliminary Mayor's Management Report is released prior to the Council's hearings on the Mayor's preliminary budget, which could arguably make the report a useful tool in discussing resource allocations during Council budget hearings, the timing of the report's release limits the amount of information that the report can contain.

As you are well aware, the performance indicators contained in the PMMR reflect only the first four months of the city's fiscal year. With only this partial picture in hand, the Council lacks crucial information that would allow you to link objectives to resources, and to link resources to outcomes. Without these tools the Council's ability to gauge the effectiveness of city programs put forward in the Mayor's preliminary budget is limited. For example, in the most recent PMMR, there are many indicators related to the Department of Education's efforts to improve academic achievement that are listed as "not available"—including over one dozen that have been identified as critical to achieving this goal. Though identified as critical information, because the PMMR is issued so early in the fiscal year, the information cannot be collected and reported.

The September release of the MMR is even more poorly timed. As you know, budget decisions are typically the focus of attention from January through June. For the MMR to have maximum influence on these decisions, its release date would need to be within this period. One suggestion IBO has made in the past would be to release a version of the MMR in conjunction with the release of the Mayor's executive budget. With this change in the timing, the Council would have crucial performance related information available as the budget negotiations took shape for the upcoming fiscal year. In addition, the Council would be in a better position to suggest additional MMR indicators related to the Mayor's budget initiatives going forward.

To take one small example, one of the new spending proposals the Mayor highlighted in his press release for the preliminary budget for fiscal year 2017 was an additional \$12.1 million in expense funds for 327 new traffic enforcement agents to improve traffic flow and safety. If the MMR accompanied the executive budget containing this proposal, Council Members could better assess, using indicators related to the goals of improving traffic congestion and pedestrian safety, whether this measure was a good use of the city's resources.

While the PMMR and MMR contain a plethora of information, the timing of the release of these reports critically limits the usefulness of the information they contain. In the case of the PMMR, the timing restricts the value of the information because coming so early in the budget adoption cycle, the report contains only a fraction of the whole picture. The MMR is issued outside the budget deliberation cycle, making it difficult to link the important information it contains with decisions about how to allocate the city's scarce resources.

Thank you and I would be pleased to answer any questions.