WORKING WITH NUMBERS

Shangrila budget exercise

You’re the new city hall reporter in Shangrila, an optimistically named city in New Jersey. One afternoon, you get a call from the city desk. Word is, the new mayor is going to unveil her first budget tomorrow. This will be particularly newsworthy because the mayor had recently unseated a long-time political rival after a bitter campaign in which she promised to hold the line on taxes and spending without sacrificing public safety.

Your editor wants to know if it would be possible for you to preview the budget message, and find out as much as possible about how the mayor plans on keeping her promises.

You call your contact in the administration and get some good news. The mayor likes your publication. It endorsed her. The editorial board has been friendly during the early days of her administration. They are willing to play ball. Just give them a while to put something together for you.

The minutes go by. Then hours. Soon it’s 3:30 – still no word from the mayor. You call back. They were just about to call you. They’re going to drop off some material for you in a few minutes. Then the mayor herself will squeeze you in for an exclusive interview at 5:15.

You call to alert the desk – you’re going to get something, but you’re not sure what yet. Your editor is pleased, but warns you: “Be alert. They’ve promised a lot. Really look hard to see if they can fulfill their promises.”

A few minutes later, a clerk knocks on the door and hands you a single piece of paper. It has some preliminary budget numbers. It has a couple of bullet points on it.

“Couldn’t you just e-mail me a spreadsheet?” you ask.

“A spread what?” the clerk says as he walks out and shuts your office door behind him.

You look up at the clock. You have a little more than an hour. And this piece of paper. And your laptop, on which you fire up Excel. Your plan is to type in the numbers on the handout and do a quick analysis that will arm you with good questions to ask the mayor.

Before you get started, you give the document a good once-over. Is there anything strange about the way the information is presented?

* change is percentage sometimes, missing other times, raw numbers otherwise
* the change in fee revenue is blacked out
* overall spending up 1 percent but biggest line items up 8 and 7 percent?

You type in the numbers, replicating what you see on the paper. Each row is budget line item, and each column is a year. **Because you know how to calculate totals and percentages with formulas, you know you don’t need to type those in**.

Once you have the numbers typed in, go ahead an use your spreadsheet skills to analyze the data. Add rows and columns if necessary. Sum rows and columns, calculate the year-to-year changes. Take notes on what questions for the mayor your analysis raises.