

A reporter's survival guide: Staying afloat in murky budget waters

By Matt Baron

Death and taxes are certainties not only in life, but also in journalism. To that unpleasant duo, you might add another certainty: More than a few reporters greet tax-related coverage as a fate worse than death.

But there is hope. Next time budget season rolls around, you can apply some simple steps to get the upper hand on the numbers-saturated documents that come with any financial cycle.

Step 1: Build Relationships & Trust

What are the most important set of numbers in any budget story? It's not any line item, fund category, or percentage-change calculation you might reach...it's the **phone numbers** of your key sources who know how to help you wade through the mass of figures.

Do as much of your footwork and relationship building **off of deadline**. Arrange to meet your sources in person so that when you need their insights and guidance on deadline, you will have built a strong rapport. Believe it or not, you will also have developed an authoritative voice that enables you to point out telling details that others may overlook.

In short, you will be more equipped to connect the dots ("Hey, the increase in sales tax revenue is more than enough to pay for those two new cops they are adding!")

Great budget stories flow from great human relations skills. A calculator can do the math; you just need to have the patience and persistence to learn which buttons to press.

Step 2: Get Back to Basics

It's amazing how many reporters—myself included—have drifted along covering multimillion-dollar budgets without a true command of the terms

they are using. While you need not rush out to become a CPA, you ought to make sure you know the basic elements of a budget.

One helpful approach may be to think along the lines of a family budget. Let's take the Smiths, a middle-class family with husband Bill, wife Sue, and children Bobby and Bridgett.

Bill and Sue create **revenue** (money into their pocket) at their jobs, and they have **expenditures** (money out of their pocket) on a daily, weekly, monthly, annual and a sporadic basis. Those two categories—revenue and expenditures—represent actual cash. The Smiths also have a **budget**, or an estimate of what they'll do with money.

One year, the Smiths decided to increase their food budget from \$10,000 of **expenditures** the year before to \$11,000. This increased spending would be possible because Bill and Sue anticipated receiving an additional \$5,000 in after-tax income (or **revenue**) at their jobs. The higher food budget was attributable largely to Bobby's plan to play football. But that blueprint changed when he spent \$15 of his \$300 annual entertainment account for a rap CD and decided to pursue a musical career.

So the family actually ended up spending \$9,500 on food (\$1,500 under their budgeted amount) but \$1,200 on music lessons and equipment (for which no money had been budgeted). That leaves \$300 in unbudgeted money, which could go toward the family's "surplus" (or savings account) or another line item (like dental work for Bridgett). It's a never-ending juggling act, and keeping track of all the spending is no small task—and explains, at least partly, why so many households routinely run a deficit.

It also explains why multimillion- or multibillion-dollar budgets can be so daunting to reporters. Take the Smith scenario and multiply it by everyone in your city, or county, or state.

Step 3: Don't Count Your Source's Chickens Before They're Hatched

Be skeptical of a source's verb tense. What one official might refer to as being in the current tense ("we have a \$10 million surplus") may truly be a future conditional tense ("we will have a \$10 million surplus, based on X, Y, and Z occurring as we expect they will.")

At the same time, do not get too creative with the thesaurus. Terms that might seem interchangeable are quite different in actual meaning. Repeat words like “revenue” and “estimates” and “budget” and “projections”. Be aware of built-in biases that sources bring to an issue. There is a fine line between “facts” and interpretation or opinion. Fight for straightforward, plain language and terms.

Step 4: What’s the Big Picture?

Keep the entire “pie” in mind: most of the budget goes toward paying salaries and benefits. When possible, focus on expenditures (practice), not budgeted amounts (theory). Again, expenditures reflect what the city (or any given entity) actually did in the past, and a budget reflects what the city plans to do.

Don’t get bogged down in trivial points. Keep the big picture in mind. Work with your graphics department to help pull out numbers from the text, so you can focus on telling a story and avoid listing numbers.

To provide deeper context, view a budget with at least the previous two years and the next two years in mind. Focus on key changes, the magnitude of those changes, and the reasons sparking those changes. What is different and why?

Step 5: Think Outside the “Meeting Box”

Avoid thinking in terms of “ending” and “beginning” or in terms of a “meeting” or a “special meeting”. Instead, remember the budget is part of an ongoing, living and breathing creature. For example, a mid-year economic downturn might result in employees being laid off. This is a story related to the budget—but it does not come at “budget time.”

Along those same lines, you don’t want to be seeing double before you pull yourself away from the rows of numbers in a budget. So take a break and ask yourself, “What do these numbers really mean?”

*How many more or less police officers will be on the force?

*How many road projects will be done?

*What effect will the opening or closure of new retail businesses have on the sales tax base?

*What will be affected by the anticipated increase or decrease in sales tax revenue?

Step 6: Above All Else, Remember the Reader

Think in terms of what is interesting to the reader. Remember: numbers *always* mean people, in some direct or indirect way.

To better illustrate the story, you can use specific examples that relate to city workers who are more likely to talk like your reader than Joe Q. Councilman. The enterprising type might even be able to arrange for a relevant photograph that ties in to your story.

It's one sure way to get folks—copy editors included—more interested in reading about the city budget.

Grappling with a numbers-related issue? Want to suggest a future “Go Figure” topic? E-mail Matt at Matt@InsideEdgePR.com or call him at 708.860.1380. A longtime journalist-turned-publicist, Matt delivers “Go Figure” seminars throughout the country for corporations and associations.