In Table 8.3 we have used San Jose's operating budgets to create a hypothetical variance report. Find the variances for the expenditure side and discuss what you think might prove to be problematic for the agency in the coming months.

3. Examine and discuss the Department of Transportation's Variance Report

Table 8.4 is a hypothetical variance report from the department of transportation in a large city in the Northeast. Find the variances for both the

TABLE 8.4

Variance Report from the Department of Transportation, 2007–2008

	Annual budget	Actuals First month	Percentage spent	Actuals Third month	Percentage spent
Revenues			8.33		25.00
Federal aid	$30,000,000	$2,000,000		$6,000,000	
State aid	80,000,000	8,000,000		30,000,000	
Local aid	20,000,000	1,700,000		5,400,000	
Total	$130,000,000	$11,700,000		$41,400,000	
Expenditures					
Central fleet maintenance	$2,267,724	$180,000		$530,000	
Public works and transportation	1,606,402	130,000		390,000	
Public works department	86,176,802	7,300,000		22,000,000	
Snow removal	12,292,072	—		—	
Transportation department	27,618,759	2,300,000		2,100,000	
Total	$129,961,759	$9,910,000		$25,020,000	

Note: — = not available.