

Memo on Lights in the Parkway revenue and expense

In 2021 LITP expense was \$388,292.29 and revenue was \$362,000.00. The event's expenses were \$26,292.29 greater than its revenues. A spread sheet is attached. The data is sourced from the general ledger.

While the expenses are mostly self-explanatory, please note that straight labor time represents an opportunity cost, not an additional cost. Parks employees would have worked those hours anyway, but they would have been accomplishing parks' maintenance instead of LITP.

A quick estimate of 2022 expenses and revenues is also attached. Revenues should exceed expenses by \$58,500.00. The estimate assumes:

No change in LITP program,

An equipment reduction of \$83,4222.00 to a budgeted total of \$35,000.00,

An operating supplies reduction of \$11,500.00 due to not purchasing Xmas tree ornaments,

3% increases in labor, electricity, rental, contract services and on the balance of operating supplies,

An increase of \$3,500.00 for City employee volunteers,

Other expenses remain unchanged, and

Revenues remain unchanged.