

Christmas tree fix vs purchase 06.04.15

Breakeven analysis

(constant \$ 000s)	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Cost current tree												
Reconstruct frame	126.0	126.0	126.0	126.0	126.0	0.0	0.0	0.0	0.0	0.0	1.0	2.0
Replace fasteners and drain holes	80.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	2.0
Replace branches	206.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	2.0
Rent storage facility	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0
Annual maintenance current tree (3)	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0
Annual put up / take down current tree (1,2, 4)	69.1	69.1	69.1	69.1	69.1	69.1	69.1	69.1	69.1	69.1	69.1	69.1
Total cost current tree	549.5	263.1	263.1	263.1	263.1	137.1	137.1	137.1	137.1	137.1	140.1	143.1
Cost new tree												
Initial purchase	670.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	2.0
Build / buy / operate storage facility	1,000.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	16.0	17.0
Annual maintenance new tree (5)	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Annual put up / take down new tree (5)	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.6	34.6
Total cost new tree	1,730.1	74.6	74.6	74.6	74.6	74.6	74.6	74.6	74.6	74.6	76.6	78.6
Annual cost current less new	(1,180.6)	188.6	188.6	188.6	188.6	62.6	62.6	62.6	62.6	62.6	63.6	64.6
Cumulative cost current less new	(1,180.6)	(992.0)	(803.4)	(614.9)	(426.3)	(363.8)	(301.2)	(238.6)	(176.1)	(113.5)	(50.0)	14.6

Notes:

1. Time to erect and decorate the tree takes about 3-4 weeks. Construction begins in late October. Generally
2. 800 labor hours to wrap tree with 62,000 ft of wiring. Assume \$ 15 / hr.
3. Eagle Metals patches and repairs the tree frame on an annual basis. Repairs are done to the most severely affected areas up to a maximum annual budgeted amount (approx. \$40,000/yr). Note that this annual estimate is budget constrained; actual requirements may be greater.
4. Additional functions paid by third parties or donated in-kind. See *In Kind expenses* worksheet
5. Assumes 1/2 current tree annual cost