

**VILLAGE OF ORLAND PARK  
TOTAL COST OF OWNERSHIP ANALYSIS**

**VILLAGE OF ORLAND PARK  
TOTAL COST of OWNERSHIP ANALYSIS**

**PROJECT:** Park Department Medium Duty Dump Truck F550/Plow/Chip Cap

**DATE:** 8/22/2014

PURCHASE COSTS		Lease	
Initial Costs		Option A	Option B
Acquisition Decision			\$ -
Purchase		\$ 67,406	-
Lease cost p/month X 60 months	\$1,223.75 p/m		73,425
Set-up/Deployment		650	650
Change Management(Training, Orientation, Process Change)		100	100
<b>Subtotal - Initial Costs</b>		<b>\$ 68,156</b>	<b>\$ 74,175</b>
<b>Ownership Costs per Year</b>			
Maintenance cost over the five years-Estimated		\$ 6,500	\$ 6,500
Gas-gallons used per year X \$3.27 av/p/ga (930gallons LY)		\$ 3,041	\$ 3,041
Licensing---included above		-	-
Insurance		750	750
<b>Subtotal - Ownership Costs per Year</b>		<b>\$ 10,291</b>	<b>\$ 10,291</b>
<b>Ownership Costs (over the Lifetime of the Asset)</b>			
<i>Expected Life (in Years) BASED on 60 month lease proposed</i>		<i>5</i>	<i>5</i>
<b>Subtotal - Ownership Costs (over the Lifetime of the Asset)</b>		<b>\$ 51,456</b>	<b>\$ 51,456</b>
<b>Post-Ownership Costs</b>			
Disposal/decommission/lease termination fee		200	500
Salvage Value (Negative Cost)		(19,250)	-
<b>Subtotal - Post-Ownership Costs</b>		<b>\$ (19,050)</b>	<b>\$ 500</b>
<b>TOTAL COST OF OWNERSHIP</b>		<b>\$ 110,853</b>	<b>\$ 136,422</b>

# Buy vs. Lease Car

Make & Model: \_\_\_\_\_

LEASE		BUY	
Suggested retail price	<input type="text"/>	Suggested retail price	<input type="text"/>
Tax, title, etc.	<input type="text"/>	Tax, title, etc.	<input type="text"/>
Refundable security deposit	<input type="text"/>		
First month's payment	<input type="text"/>		
Capital cost reduction payment	<input type="text"/>		
Last month payment in advance?	<input type="text"/>		
Payment (if yes)	<input type="text"/>		
Selling price at end of lease	<input type="text"/>	Resale value	<input type="text"/>
Monthly lease payment	<input type="text"/>	Monthly loan payment	<input type="text"/>
Lease term	<input type="text"/>	Term of loan	<input type="text"/>
Discount for present value	<input type="text"/>	Loan rate	<input type="text"/>
Future value of last payment	<input type="text"/>	Present value of resale	<input type="text"/>
Initial costs	<input type="text"/>	Initial costs	<input type="text"/>
Financing costs	<input type="text"/>	Financing costs	<input type="text"/>
Present value of refund	<input type="text"/>	Present value of total costs	<input type="text"/>
Present value of total costs	<input type="text"/>	<b>DIFFERENCE</b>	<input type="text"/>

*Note: Possible value favors leasing*

TAXATION	
Tax bracket	<input type="text"/>
Business use percentage	<input type="text"/>
Sales tax percentage	<input type="text"/>

TAXATION	LEASE	TAXATION	BUY
Title	<input type="text"/>	Title	<input type="text"/>
Fees	<input type="text"/>	Fees	<input type="text"/>
Sales tax	<input type="text"/>	Sales tax	<input type="text"/>
Potential financing deduction	<input type="text"/>	Interest deduction	<input type="text"/>
Total potential deductions	<input type="text"/>	Total potential deductions	<input type="text"/>
Potential tax savings	<input type="text"/>	Potential tax savings	<input type="text"/>

*Note: Depreciation deductions may be available that could change the results of this analysis.*