

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

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PROJECT: Replacement Medium duty dump trucks with plow and spreader

DATE: 7/22/2016

PURCHASE COSTS		Lease	
Initial Costs		Option A	Option B
Acquisition Decision			\$ -
Purchase of three units		\$ 218,786	-
Lease cost p/month X 5 years	\$3975.00 p/month for 3 units		238,500
Set-up/Deployment		850	850
Change Management(Training, Orientation, Process Change)		100	100
Subtotal - Initial Costs		\$ 219,736	\$ 239,450
Ownership Costs per Year			
Maintenance cost over the five years-Estimated		\$ 8,950	\$ 8,950
Gas-gallons used per year X \$3.27 av/p/ga 975gallons av/p/y/x5)		\$ 3,188	\$ 3,188
Licensing---included above		-	-
Insurance			
Subtotal - Ownership Costs over 5 years		\$ 12,138	\$ 12,138
Post-Ownership Costs			
Disposal/decommission/lease termination fee		500	unknown
Salvage Value (Negative Cost)		(15,000)	-
Subtotal - Post-Ownership Costs		\$ (14,500)	\$ -
TOTAL COST OF OWNERSHIP		\$ 217,374	\$ 251,588

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"/>	DIFFERENCE	<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.