

VILLAGE OF ORLAND PARK
TOTAL COST OF OWNERSHIP ANALYSIS

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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	
Subtotal - Initial Costs	\$ 68,156	\$ 74,175	
Ownership Costs per Year			
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	
Subtotal - Ownership Costs per Year	\$ 10,291	\$ 10,291	
Ownership Costs (over the Lifetime of the Asset)			
Expected Life (in Years) BASED on 60 month lease proposed	5	5	
Subtotal - Ownership Costs (over the Lifetime of the Asset)	\$ 51,456	\$ 51,456	
Post-Ownership Costs			
Disposal/decommission/lease termination fee	200	500	
Salvage Value (Negative Cost)	(19,250)	-	
Subtotal - Post-Ownership Costs	\$ (19,050)	\$ 500	
TOTAL COST OF OWNERSHIP	\$ 110,853	\$ 136,422	

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"/>
		Present value of resale	<input type="text"/>
Future value of last payment	<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"/>
		<i>Note: Possible value favors leasing</i>	

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.