

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)			
<i>Expected Life (in Years) BASED on 60 month lease proposed</i>		<i>5</i>	<i>5</i>
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"/>
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"/>
	<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"/>
Monthly lease payment	<input type="text"/>
Lease term	<input type="text"/>
Discount for present value	<input type="text"/>
	<input type="text"/>
Future value of last payment	<input type="text"/>
Initial costs	<input type="text"/>
Financing costs	<input type="text"/>
Present value of refund	<input type="text"/>
Present value of total costs	<input type="text"/>
	<input type="text"/>
DIFFERENCE	
<small>Note: Positive value favors leasing.</small>	

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

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

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