



AMERICAN AUTOMOBILE ASSOCIATION

# YOUR DRIVING COSTS \$



American Automobile Association  
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**How much does it cost to drive?  
Here are the national average  
per-mile costs and the composite  
national average for three  
different cars:**

	MILES PER YEAR		
	10,000	15,000	20,000
1992 Ford Escort LX 4-cyl. (114 CID) 4-door hatchback	39.1 cents	33.5 cents	30.3 cents
1992 Ford Taurus L 6-cyl. (182 CID) 4-door sedan	45.8 cents	39.3 cents	35.3 cents
1992 Chevrolet Caprice 8-cyl. (305 CID) 4-door sedan	57.4 cents	43.5 cents	38.7 cents
Composite cost	47.4 cents	38.8 cents	34.8 cents

Detailed driving costs can be found on pages 4 and 5.

AAA's analysis covers vehicles equipped with standard and optional accessories, including automatic transmission, air conditioning, power steering, power disc brakes, AM/FM stereo, cruise control, tilt steering wheel, tinted glass and rear-window defogger.

Fuel costs were based on an average price of \$1.22 per gallon of regular unleaded gasoline, weighted 20 percent full-serve and 80 percent self-serve.

Insurance figures were based on personal use of vehicles driven less than 10 miles to or from work, with no young drivers.

Normal depreciation costs were based on the vehicle's trade-in value at the end of four years or at 60,000 miles. For vehicles driven 10,000 miles per year, depreciation was based on six years or 60,000 miles.

This year's **Your Driving Costs** has a new feature. Driving costs for a 1992 Chevrolet S10 pickup truck and a 1992 Dodge Caravan SE are listed on Page 6. Costs for these two vehicles are not part of the composite national average. They are included as information to help buyers estimate operating costs for these two vehicles only.

The American Automobile Association acknowledges Runzheimer International for help in preparing the automotive costs presented in this booklet.

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# YOUR EXPENSES

How can you figure your own expenses? Vehicle costs fall into two categories: operating and ownership (see pages 4 - 6).

**OPERATING COSTS** — Gas, oil, maintenance and tire expenditures are operating costs related to the number of miles you drive.

**OWNERSHIP COSTS** — Taxes, depreciation, finance charges, registration, insurance and license fees are ownership costs. These costs are incurred even if you keep your vehicle parked in the garage.

To accurately determine vehicle costs, keep personal records.

**GAS AND OIL** — Begin with a full tank of gasoline. Record the mileage on the odometer. Each time you buy gasoline, note the number of gallons, how much you pay and the odometer reading.

Tank filled	odometer 8850
Buy 9.3 gallons . . . . . cost \$11.36	odometer 9062
Buy 9.5 gallons . . . . . cost \$11.61	odometer 9280
Buy 7.6 gallons . . . . . cost \$ 9.29	odometer 9456
<b>TOTAL: 26.4 gallons . . . . . cost \$32.26</b>	<b>odometer 9456</b>
	<b>-8850</b>
	<b>606</b>

Miles per gallon:  $606 \div 26.4 = 23$   
 Cost of gas per mile:  $\$32.26 \div 606 = 5$  cents

Figure oil consumption the same way. Remember to add the cost of every oil change.

**MAINTENANCE AND TIRES** — Jot down what you spend for tuneups, repairs and tires.

**INSURANCE** — Total the premiums of property damage and liability, comprehensive and collision policies that directly relate to your vehicle's operation.

**LICENSE, REGISTRATION FEES AND PROPERTY OR USE TAXES** — Record these as once-a-year costs. Don't include sales or excise taxes paid — they are part of the vehicle's purchase price.

**DEPRECIATION** — To calculate depreciation — the difference between what you pay for your vehicle and what you sell it for — subtract the projected trade-in value from the purchase price. Divide the difference by the number of years you plan to keep the vehicle.

**FINANCE CHARGE** — Note interest charges if you borrowed money to buy the vehicle.

At the end of the year, total all costs. Divide by the number of miles you drove during the year. The following computation sheet may be helpful:

	YEARLY TOTALS
<b>OPERATING COSTS</b>	
Gas and oil per mile	_____
Number of miles driven	_____
Cost per year (multiply miles driven by gas and oil per mile)	_____
Maintenance	_____
Tires	_____
<b>TOTAL OPERATING COSTS</b>	_____
<b>OWNERSHIP COSTS</b>	
Depreciation (divide by number of years of car ownership)	_____
Insurance	_____
Taxes	_____
License and Registration	_____
Finance Charge	_____
<b>TOTAL OWNERSHIP COSTS</b>	_____
<b>OTHER COSTS</b> (wash, repairs and accessories)	_____
<b>TOTAL DRIVING COSTS PER YEAR</b>	_____
<b>COST PER MILE</b> (divide total costs by total miles driven)	_____



**4-YEAR/60,000-MILE CYCLE**

	1992 Ford Escort LX 4-cyl. (114 CID) 4-door hatchback	1992 Ford Taurus L 6-cyl. (182 CID) 4-door sedan	1992 Chevrolet Caprice 8-cyl. (305 CID) 4-door sedan	Average Cost
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**DETAILS OF CAR COSTS**

**OPERATING COSTS**

	<b>COST PER MILE</b>	<b>COST PER MILE</b>	<b>COST PER MILE</b>	<b>COST PER MILE</b>
Gasoline and Oil .....	4.8 cents	6.0 cents	7.0 cents	5.9 cents
Maintenance .....	2.0 cents	2.2 cents	2.3 cents	2.2 cents
Tires .....	0.7 cents	0.9 cents	1.0 cents	0.9 cents
	<u>7.5 cents</u>	<u>9.1 cents</u>	<u>10.3 cents</u>	<u>9.0 cents</u>

**OWNERSHIP COSTS**

	<b>COST PER YEAR</b>	<b>COST PER YEAR</b>	<b>COST PER YEAR</b>	<b>COST PER YEAR</b>
Comprehensive insurance (\$100 deductible) .....	\$136	\$113	\$136	\$128
Collision insurance (\$250 deductible) .....	298	261	298	286
Property damage and bodily injury (\$100,000, \$300,000, \$50,000) .....	373	373	373	373
License, registration, taxes .....	145	179	197	174
Depreciation .....	2,311	2,780	3,061	2,717
Finance charge (20% down; loan @ 12.0%/4 yrs.) .....	640	832	917	796
	<u>\$3,903</u>	<u>\$4,538</u>	<u>\$4,982</u>	<u>\$4,474</u>
	(or \$10.69 per day)	(or \$12.43 per day)	(or \$13.65 per day)	(or \$12.26 per day)
Depreciation for excess mileage per 1,000 miles over 15,000 miles annually .....	\$132	\$140	\$141	\$138

**COST PER MILE**

Based on the above figures, the motorist driving 15,000 miles a year would pay:

15,000 miles .....	@7.5¢ \$1,125	@9.1¢ \$1,365	@10.3¢ \$1,545	@9.0¢ \$1,350
*365 days .....	@\$10.69 3,903	@\$12.43 4,538	@\$13.65 4,982	@\$12.26 4,474
	<u>\$5,028</u>	<u>\$5,903</u>	<u>\$6,527</u>	<u>\$5,824</u>

<b>COST PER MILE</b> .....	<b>33.5 cents</b>	<b>39.3 cents</b>	<b>43.5 cents</b>	<b>38.8 cents</b>
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The same person driving 20,000 miles a year would pay:

20,000 miles .....	@7.5¢ \$1,500	@9.1¢ \$1,820	@10.3¢ \$2,060	@9.0¢ \$1,800
*365 days .....	@\$10.69 3,903	@\$12.43 4,538	@\$13.65 4,982	@\$12.26 4,474
Added depreciation per 1,000 miles over 15,000 miles .....	@\$132 660	@\$140 700	@\$141 705	@\$138 690
	<u>\$6,063</u>	<u>\$7,058</u>	<u>\$7,747</u>	<u>\$6,964</u>

<b>COST PER MILE</b> .....	<b>30.3 cents</b>	<b>35.3 cents</b>	<b>38.7 cents</b>	<b>34.8 cents</b>
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The same person driving 10,000 miles a year would pay:

10,000 miles .....	@7.5¢ \$ 750	@9.1¢ \$ 910	@10.3¢ \$1,030	@9.0¢ \$ 900
**365 days .....	@\$8.65 3,157	@\$10.05 3,667	@\$12.89 4,706	@\$10.53 3,843
	<u>\$3,907</u>	<u>\$4,577</u>	<u>\$5,736</u>	<u>\$4,743</u>

<b>COST PER MILE</b> .....	<b>39.1 cents</b>	<b>45.8 cents</b>	<b>57.4 cents</b>	<b>47.4 cents</b>
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\* Ownership costs based on a 4-year/60,000-mile retention cycle  
 \*\* Ownership costs based on a 6-year/60,000-mile retention cycle

# Your Driving Costs

**4-YEAR/  
60,000-MILE  
CYCLE**

	▼1992	▼1992
	Chevrolet S10	Dodge Caravan SE
	4-cyl. (2.5 L)	6-cyl. (3.0 L)
	SB pickup	passenger van

## DETAILS OF VEHICLE COSTS

OPERATING COSTS	COST PER MILE	COST PER MILE
Gasoline and Oil .....	5.7 cents	6.3 cents
Maintenance .....	2.1 cents	2.1 cents
Tires .....	0.9 cents	0.9 cents
	<u>8.7 cents</u>	<u>9.3 cents</u>

OWNERSHIP COSTS	COST PER YEAR	COST PER YEAR
Comprehensive insurance (\$100 deductible) .....	\$108	\$108
Collision insurance (\$250 deductible) ..	259	259
Property damage and bodily injury (\$100,000, \$300,000, \$50,000) .....	373	373
License, registration, taxes .....	160	199
Depreciation .....	2,186	2,766
Finance charge (20% down; loan @ 12.0%/4 yrs.) .....	667	944
	<u>\$3,753</u>	<u>\$4,649</u>
	(or \$10.28 per day)	(or \$12.74 per day)
Depreciation for excess mileage per 1,000 miles over 15,000 miles annually	\$134	\$125

## COST PER MILE

Based on the above figures, the motorist driving 15,000 miles a year would pay:

15,000 miles .....	@8.7¢	\$1,305	@9.3¢	\$1,395
*365 days .....	@\$10.28	3,753	@\$12.74	4,649
		<u>\$5,058</u>		<u>\$6,044</u>
<b>COST PER MILE</b> .....		<b>33.7 cents</b>		<b>40.3 cents</b>

The same person driving 20,000 miles a year would pay:

20,000 miles .....	@8.7¢	\$1,740	@9.3¢	\$1,860
*365 days .....	@\$10.28	3,753	@\$12.74	4,649
Added depreciation per 1,000 miles over 15,000 miles .....	@\$134	670	@\$125	625
		<u>\$6,163</u>		<u>\$7,134</u>
<b>COST PER MILE</b> .....		<b>30.8 cents</b>		<b>35.7 cents</b>

The same person driving 10,000 miles a year would pay:

10,000 miles .....	@8.7¢	\$ 870	@9.3¢	\$ 930
**365 days .....	@\$7.84	2,862	@\$9.89	3,610
		<u>\$3,732</u>		<u>\$4,540</u>
<b>COST PER MILE</b> .....		<b>37.3 cents</b>		<b>45.4 cents</b>

\* Ownership costs based on a 4-year/60,000-mile retention cycle

\*\* Ownership costs based on a 6-year/60,000-mile retention cycle

▼ Costs for pickup truck and passenger van are not part of the composite national average. They are included as information to help buyers estimate operating costs for these two vehicles.

# VACATION PLANNING

Realistic budgeting can make the difference between a great vacation and one cut short for lack of funds.

AAA's suggested budget for a family of four — two adults and two children — is \$183 per day for lodging and meals, plus \$9 per 100 miles for gas, oil, tires and maintenance with the car averaging 21 miles per gallon.

The average cost for lodging is \$87 a night, based on rates charged by approved accommodations listed in AAA TourBooks. This rate includes \$5 nightly per child. However, if children are within an age limit set by management — usually up to 14 — there may not be an extra charge.

Vacation spending depends on a family's preferences and means, but costs vary by area. Higher rates can be expected in large metropolitan areas and at resorts in season.

To save on lodging, it's best to make reservations. If that is not possible, plan to arrive early to have a wider selection of accommodations at a price you want to pay without sacrificing quality.

AAA suggests that a family plan to spend \$96 a day for meals, not including tips and cocktails.

Meal costs can be reduced by having the main meal at midday, to take advantage of lower lunch prices at restaurants. An increasing number of restaurants offer children's menus and "early bird" dinner specials at reduced prices. Eating at fast-food restaurants and picnicking also offer savings.

In addition to lodging, food and driving costs, a family should budget for amusements, admission fees, road and bridge tolls, recreation and shopping. If you do not carry credit cards, include an emergency fund in your vacation budget.

The logo for Business Travel, featuring the words "BUSINESS" and "TRAVEL" in a bold, red, sans-serif font, stacked vertically. The text is set against a solid blue rectangular background.

What about business travel?

Although some firms continue to provide vehicles to full-time business travelers, a growing number let employees use personally owned vehicles for company business.

Companies use three primary methods to reimburse employees for the business use of their personal vehicles.

**FLAT MILEAGE ALLOWANCE** — Many companies give a flat allowance per mile, plus allowances for such charges as tolls and parking. The system involves a minimum of bookkeeping and office control, but it can result in overpayment or underpayment when compared to actual costs.

**FIXED PERIODIC REIMBURSEMENT** — Some companies give a flat dollar reimbursement per day, week or month to cover business use of a personal vehicle. This, too, may result in overpayment or underpayment when compared to actual costs.

**FIXED PERIODIC AND A FLAT MILEAGE RATE** — Many companies realize that some vehicle costs relate to miles driven (fuel, oil, tires and maintenance), and some relate to time (insurance, taxes, interest and depreciation). These companies provide a periodic fixed rate to cover time-related factors and a per-mile rate to cover business miles reported.

The per-mile rates listed in this pamphlet represent the national average of owning and operating a vehicle for a year. Because employees who use their own vehicles for company business also use them for personal driving, reimbursement should not amount to 100 percent of the total costs.

The logo for AAA, featuring the letters "AAA" in a bold, red, sans-serif font. The text is set against a solid blue rectangular background.

The American Automobile Association is a federation of motor clubs serving 33 million members in the United States and Canada through more than 1,000 offices.

Founded in 1902, AAA is a not-for-profit, fully tax-paying corporation. Its purpose is two-fold: to give members a full range of auto- and travel-related services, and to promote the interests of motorists and travelers through legislative and educational activities.

AAA has published **Your Driving Costs** since 1950. That year, driving a car 10,000 miles a year cost 9 cents a mile, and gasoline sold for 27 cents per gallon.

AAA headquarters is located at 1000 AAA Drive, Heathrow, Fla. 32746-5063; telephone: (407) 444-7000. Local AAA clubs are listed in telephone directories under "AAA."

The logo for Runzheimer International, featuring the words "RUNZHEIMER" and "INTERNATIONAL" in a bold, red, sans-serif font, stacked vertically. The text is set against a solid blue rectangular background.

Runzheimer International is a management consulting firm that specializes in travel and living costs.

Founded in 1933, the firm serves more than 2,000 businesses and government agencies worldwide. The Runzheimer Plan of Automobile Standard Costs forms the basis for the reimbursement of car expenses to 260,000 client employees.

Organizations that operate fleets of 10 or more cars can contact Runzheimer directly to learn about individual schedules. Firms with less than 10 cars may find the national averages in the cost charts helpful.

Runzheimer International is located at Runzheimer Park, Rochester, Wis. 53167; telephone: (414) 534-3121.