

Equipment Budget – Building Checklist

Ok	Equipment Budget Building Checklist	Assigned To	Due Date
<input type="checkbox"/>	<p>1. Forecast annual Vehicle/Equipment Ownership Expenses</p> <ul style="list-style-type: none"> ▪ Include all equipment billed directly on contracts ▪ Refer to vehicle/equipment files for cost information ▪ Use “equipment bundles” to group minor equipment into billable groups ▪ Include vehicles/equipment you own 		
<input type="checkbox"/>	<p>2. Forecast annual Downpayment or Buyout Expenses</p> <ul style="list-style-type: none"> ▪ Refer to your Business Plan to determine if you plan on adding/subtracting vehicles/equipment to your fleet. 		
<input type="checkbox"/>	<p>3. Forecast annual Fuel Expenses</p> <ul style="list-style-type: none"> ▪ Use Profit + Loss Statement for historical information 		
<input type="checkbox"/>	<p>4. Forecast annual Repair + Maintenance Expenses</p> <ul style="list-style-type: none"> ▪ Use Profit + Loss Statement for historical information 		
<input type="checkbox"/>	<p>5. Forecast annual Vehicle/Equipment Insurance Expenses</p> <ul style="list-style-type: none"> ▪ Use Profit + Loss Statement for historical information ▪ Contact your insurance company to review your policy. Make sure you have complete coverage of your fleet and drivers. Confirm any rate adjustments. 		
<input type="checkbox"/>	<p>6. Split your Fuel, Repair + Maintenance, and Vehicle/Equipment Insurance Expenses</p> <ul style="list-style-type: none"> ▪ If your accounting does not track these costs separately for field equipment vs. overhead equipment, you must estimate a proportion of costs to be assigned to each budget (equipment budget vs. overhead budget) ▪ Base your proportions on factors such as: <ul style="list-style-type: none"> ▪ Number of vehicles and equipment assigned to each budget ▪ Type of vehicles and equipment assigned to each budget ▪ Every company's proportions will be different. The following example illustrates a sample breakdown of these expenses between both budgets... 		

Expenses	Equipment Budget	Overhead Budget		
Fuel	80%	20%		
Maintenance and Repair	80%	20%		
Insurance	90%	10%		