



**FLEET MANAGEMENT**

Est. Savings  
Over 8 Years  
**\$422,000**

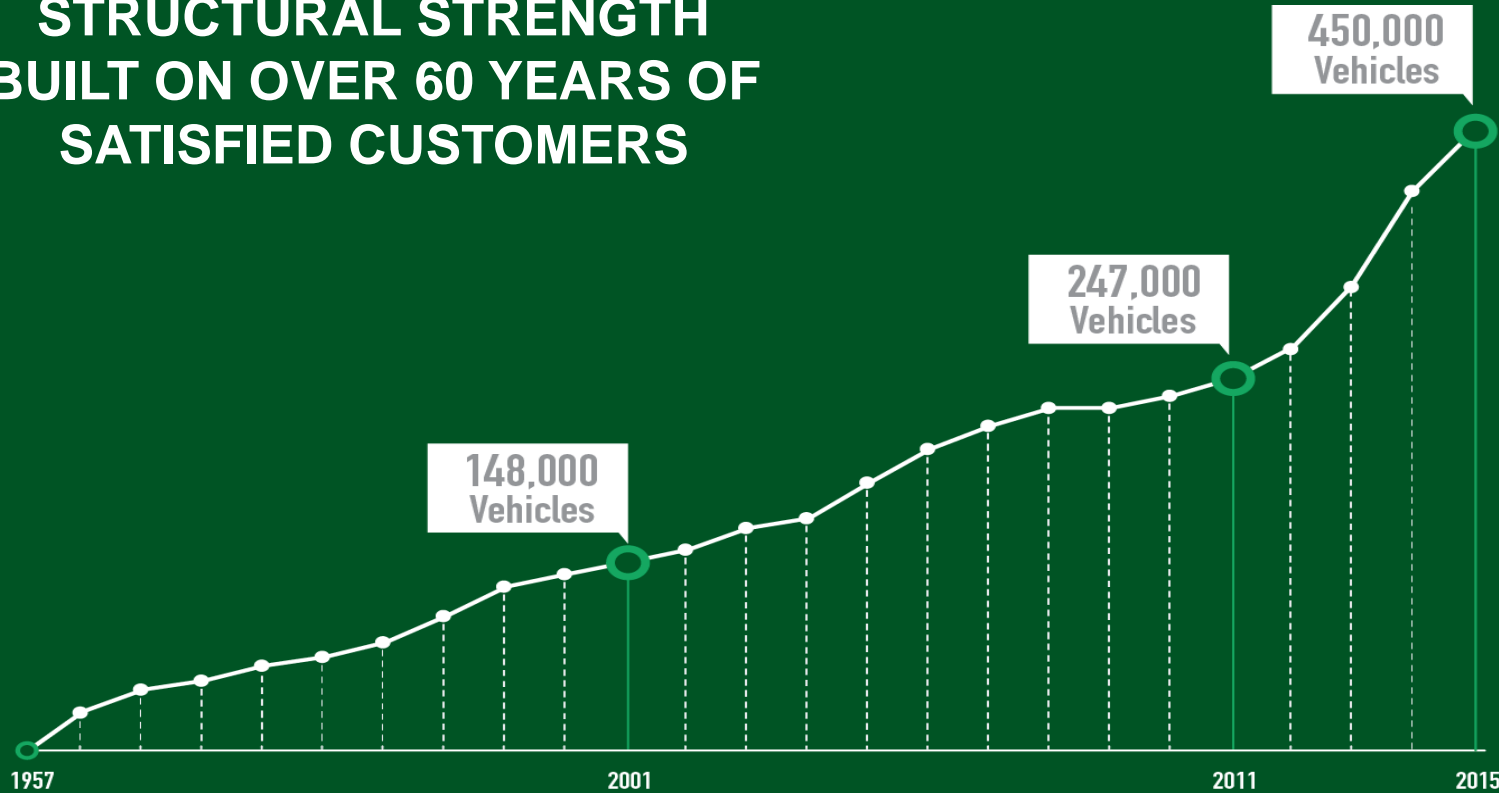


**NEW VEHICLES AT OR BELOW BUDGET**

# ENTERPRISE HOLDINGS OVERVIEW



### STRUCTURAL STRENGTH BUILT ON OVER 60 YEARS OF SATISFIED CUSTOMERS



**1400+**

Government Customers

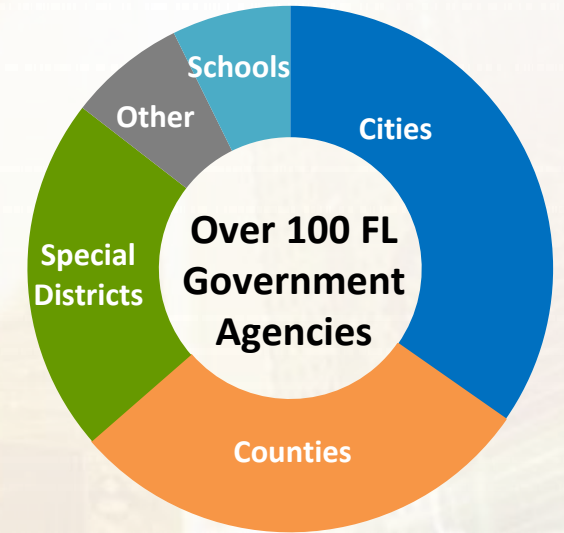
**100,000+**

Government Vehicles Managed

**22,000+**

Government Vehicles Leased

# SUCCESS STORIES



APPROVED COOPERATIVE PURCHASING CONTRACTS FOR VEHICLE PROCUREMENT AND FLEET MANAGEMENT:





## Fleet Situation

### How Fleet Budgets Are Managed:

#### Capital budget drives fleet replacement

however if underfunded capital budget, replacement plan falls off track, and **Operating Budget** takes the hit

**Low annual mileage on vehicles** cause misconception of optimal time to replace, which ages Gov. Fleets (resale & safety opportunities missed) **Current age of fleet 10+ years**

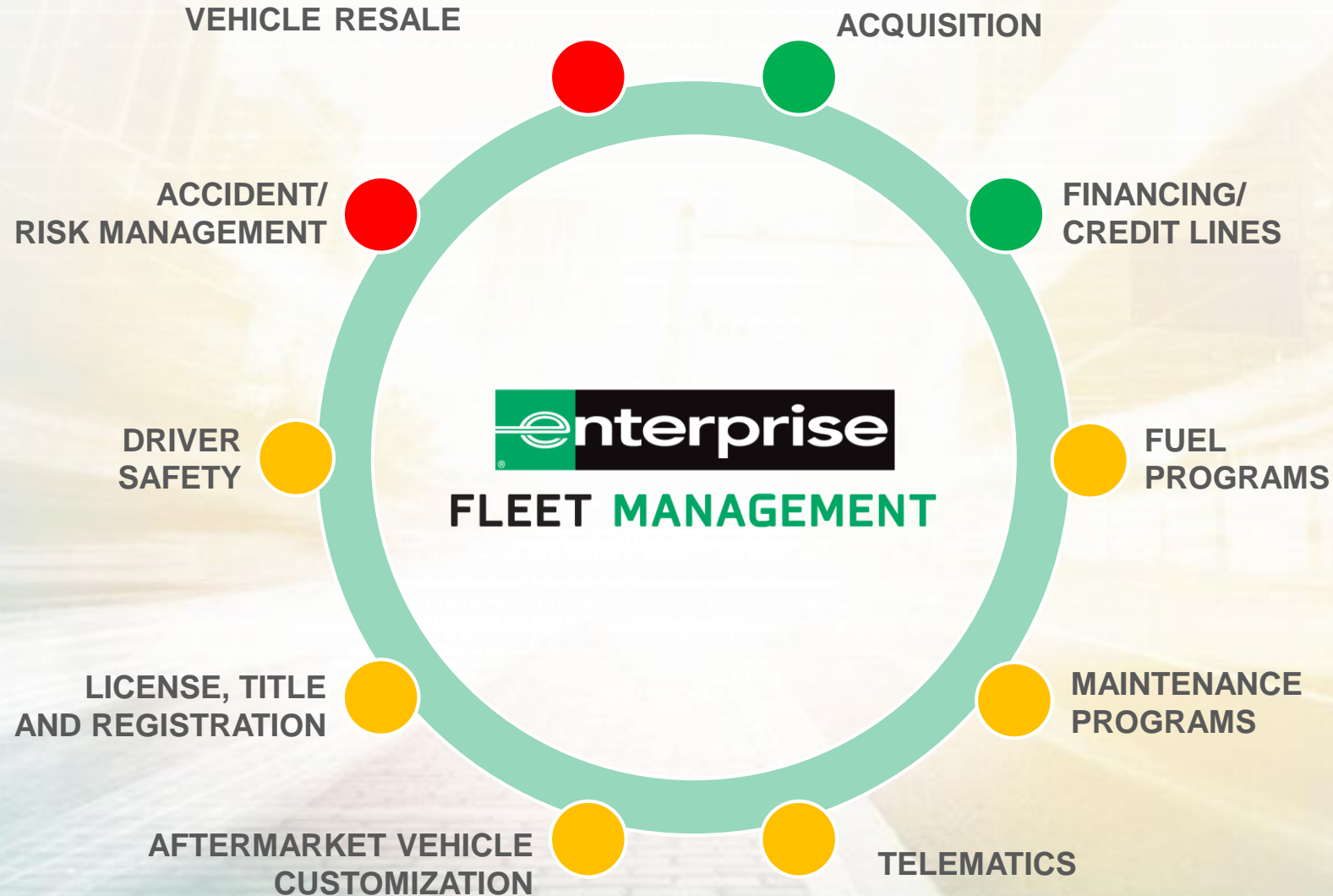
**Proactive Approach**  
**\$400+K with an 8-Year proactive plan**



## Key Objectives

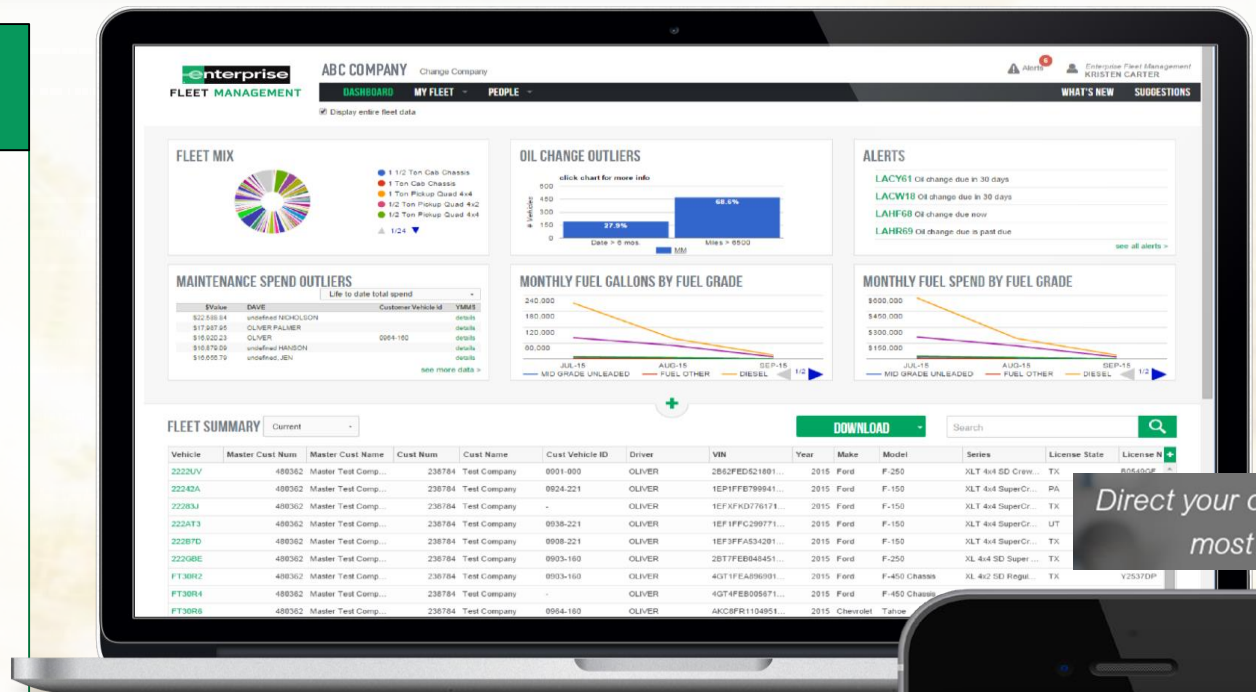
- **Purchase Budget**
  - Maximize purchase budget to replace aged fleet
  - Funding strategy to create cashflow
- **Maintenance & Fuel**
  - New vehicles will drive lowering operating costs, increase safety & fuel efficiency
  - Reduce maintenance costs with new vehicles operated, and allow police vehicles to use local shops
  - Manufacturers make vehicles more fuel-efficient year over year with latest technology

# TOTAL FLEET MANAGEMENT SOLUTION

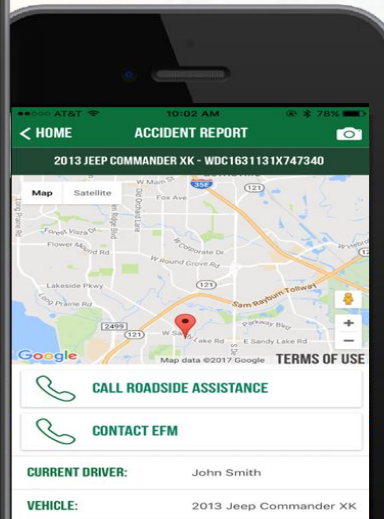
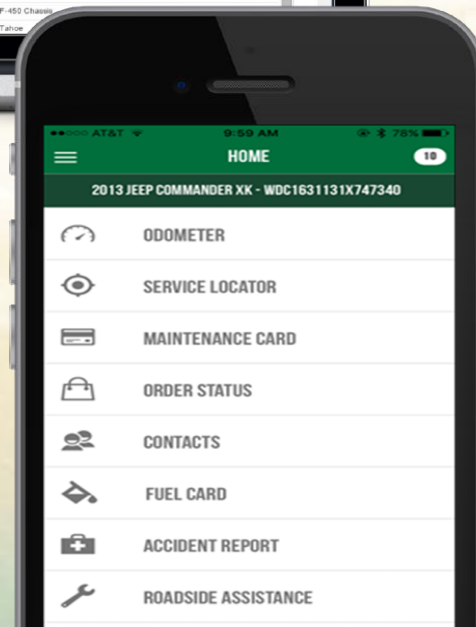


## Asset Management Software

- Visibility and tracking of vehicle data
- Customized dashboards with easy reporting
- Real-time alerts
- Simplify accounting processes with vehicle descriptors
- Self-service features including *driver changes, vehicle descriptors, mileage information and more*
- Assign unlimited unique identifiers to each vehicle to simplify routine tasks and vehicle categorization

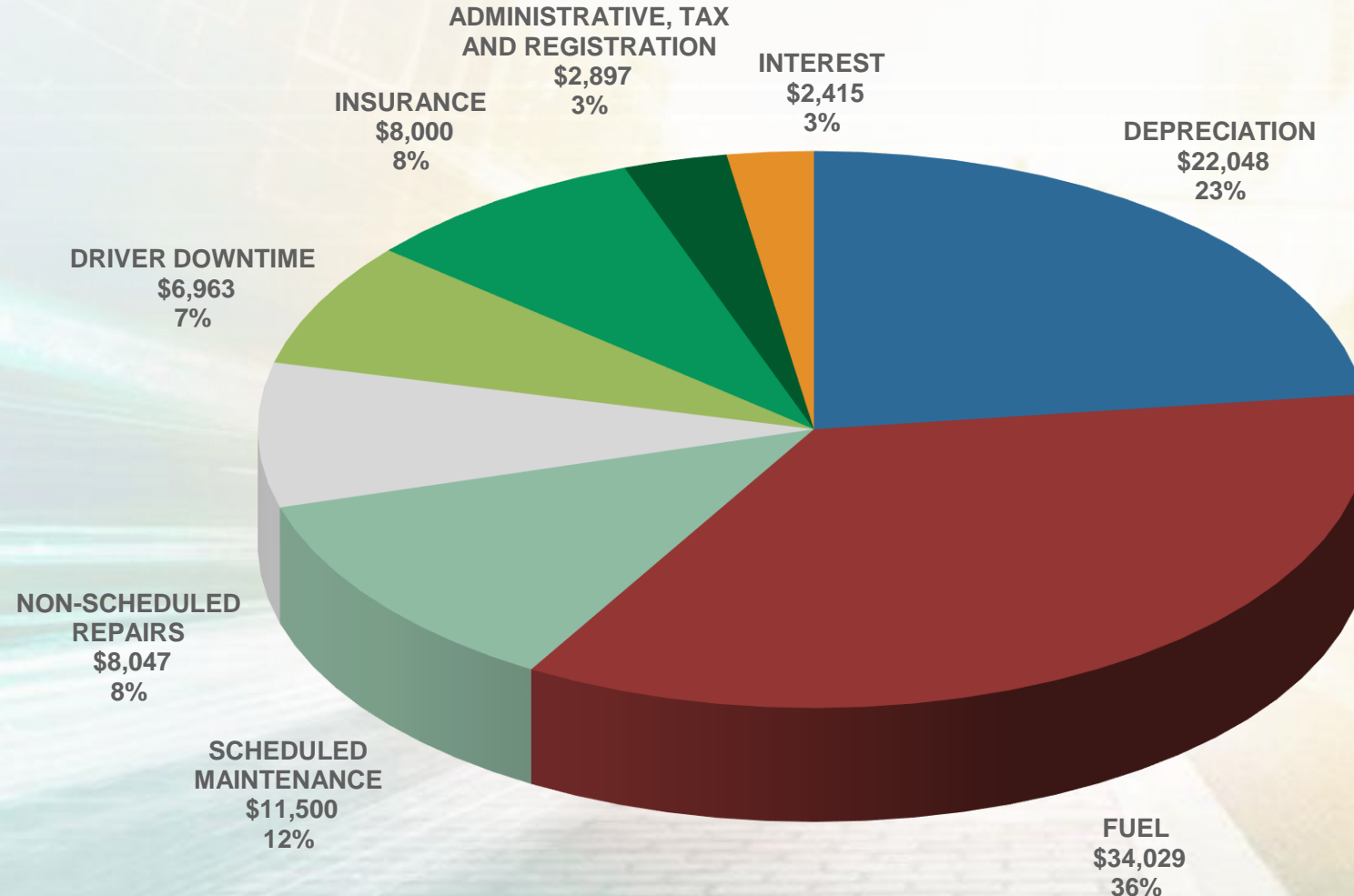


Direct your drivers to the **fastest**, most **efficient** repair shops!



# EVALUATING TOTAL COST OF OWNERSHIP

## EXAMPLE



**TOTAL COST OF  
BUY & HOLD FOR A  
1/2 TON PICKUP  
\$95,899**



**Assumes 8 year holding period at  
25,000 miles per year**

Source: Internal Data  
Total amount is determined without consideration  
for Income Tax, time value of money (present  
value) concepts or inflation. Assumes a holding  
period of 8 years at 25,000 miles per year.



# PROACTIVE VS REACTIVE REPLACEMENT



Vehicle Cycle

Reduced  
10+ years to <5



Budget

By reducing age of fleet  
you lower operating  
expenses and maintain a  
manageable vehicle  
budget

**\$33,225 - Retail**

**\$21,492- FSA/Sourcewell**



Depreciation

**\$14,300 - Resale**

\$ Cost



Fuel



Maintenance

**\$7,192  
Total  
Depreciation in  
5 Years**

Time



# MAINTENANCE

## Operating Expenses

### Full Maintenance – New Vehicles

- Fixed monthly rate
- Simple process for all parties
- Includes: 24/7 Roadside, all major and minor repairs

### Maintenance Management – Existing/PD

“Bridge” program for currently owned fleet vehicles

- Seamless experience for field drivers

### Enterprise National Service Department

- 146 Employees with over 1,100 total ASE certifications
- 322,698 vehicles under management on this program
- \$36.2 million in customer savings in 2016
- \$3.1 million in post warranty/goodwill refunded to our customers in 2016

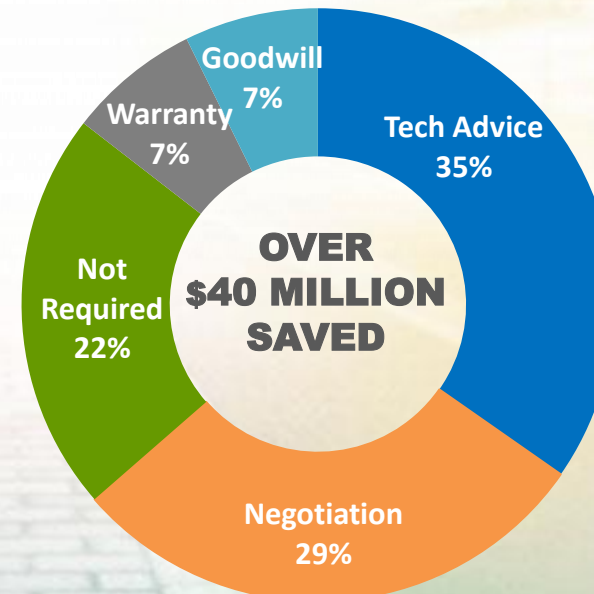
### Local Maintenance Vendors

**34 MAINTENANCE AND REPAIR LOCATIONS NEAR "33404"**

Not what you're looking for? [Search again](#)

SHOWING:  Preferred Partner (34)  Partner (24)

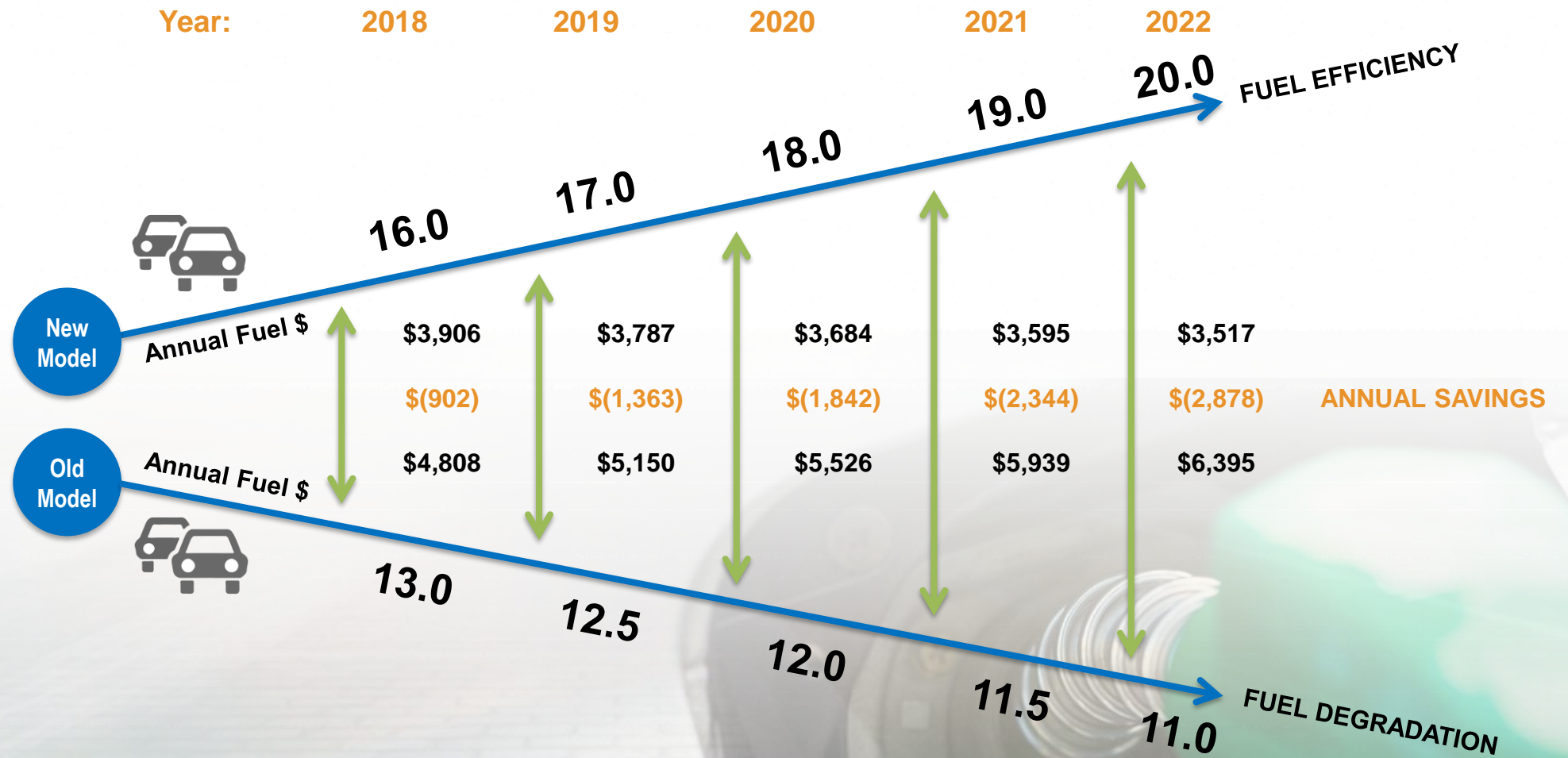
**MJ TRUCK NATION**  
3775 Interstate Park Rd W  
Riviera Beach, Florida 33404  
Telephone: 561-840-9800



# OPERATING EXPENSES

## Vehicle MPG Change

Effects of Newer Fuel Efficient Models vs Fuel Degradation in Older Models



Assuming an Avg. PPG of \$2.50 and 3% inflation increase per year  
 Assuming Annual mileage of 25K per Year

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# City of Riviera Beach - Fleet Profile

## Fleet Profile

## Fleet Replacement Schedule

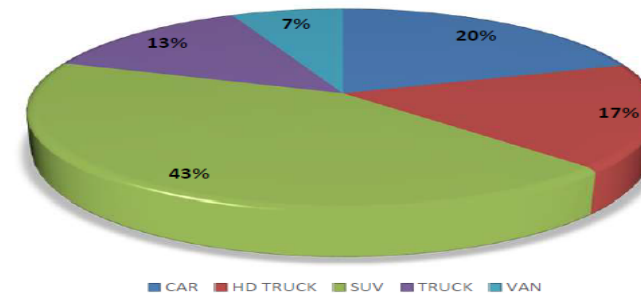
## Replacement Criteria

Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage
Compact Sedan	5	8.2	5,000
Mid-size Sedan	31	10.5	10,000
Full-size Sedan	21	12.1	8,100
Minivan-Cargo	12	5.4	6,700
3/4 Ton Van Cargo	4	11.3	6,300
1 Ton Van Cargo	3	12.6	5,000
Mid Size SUV 4x2	6	4.3	5,000
Mid Size SUV 4x4	44	4.8	10,000
Full Size SUV 4x2	72	5.9	8,700
1/2 Ton Pickup Reg 4x2	25	5.9	5,000
1/2 Ton Pickup Ext 4x2	7	3.8	5,700
1/2 Ton Pickup Quad 4x2	5	3.5	9,000
3/4 Ton Pickup Reg 4x2	14	8.1	5,000
3/4 Ton Pickup Reg 4x4	6	6.7	5,000
3/4 Ton Pickup Ext 4x4	3	9.6	5,000
3/4 Ton Pickup Quad 4x2	4	2.6	5,000
3/4 Ton Pickup Quad 4x4	6	8.2	5,000
1 Ton Pickup Quad 4x2	3	3.1	5,000
1 1/2 Ton Cab Chassis	4	10.5	5,000
Med Duty Cab Chassis	8	9.7	5,000
<b>Totals/Averages</b>	<b>283</b>	<b>7.0</b>	<b>7,700</b>

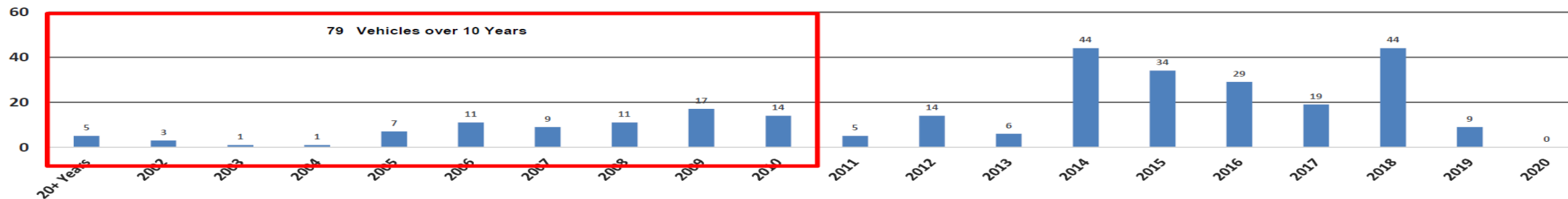
2020	2021	2022	2023		Under-Utilized
4	0	1	0		0
25	6	0	0		0
10	2	4	0		5
2	0	3	7		0
4	0	0	0		0
3	0	0	0		0
0	0	5	1		0
6	10	11	17		0
8	25	21	15		3
7	0	8	10		0
0	2	1	4		0
0	0	3	2		0
6	1	4	3		0
3	0	0	3		0
3	0	0	0		0
0	0	0	4		0
2	3	0	1		0
0	0	0	3		0
2	1	1	0		0
5	0	1	2		0
<b>90</b>	<b>50</b>	<b>63</b>	<b>72</b>		<b>8</b>

- \* Fiscal Year 2020 = 8 years old and older, or odometer over 100,000
- \* Fiscal Year 2021 = 6 years old and older, or odometer over 93,300
- \* Fiscal Year 2022 = 4 years old and older, or odometer over 86,600
- \* Fiscal Year 2023 = Remaining Vehicles
- \* Underutilized = Annual Mileage less than 2,500

## Vehicle Types



## Model Year Analysis



## Key Observations

- 28% of the current fleet is over 10 years old
- 64% of the current fleet is no longer under warranty

# FLEXIBLE FINANCING OPTIONS



## Open-End Lease

- Equity lease
- Flexible term
- No mileage restrictions
- No abnormal wear and tear clauses
- Lessee responsible for book value at term
- Lessee keeps vehicle equity at term



## Self-Funded

- Ideal for clients with strong cash position
- Pay down lease upfront to a \$1 book value or to projected residual book value
- No abnormal wear and tear charges or mileage restrictions
- EFM is title holder until term for vehicle management services



## Closed-End Lease

- Walk-a-way lease
- Fixed term
- Mileage restrictions
- Abnormal wear and tear clauses
- No responsibility for vehicle resale at term
- Most appropriate for cars and SUV's and mileage predictability

# FLEET COMPARISON – CURRENT VS. PROPOSED

## Current Fleet Trend 283 Units



(27) Purchased = \$463,000



Maint. 283 Units = \$490,450



Fuel. 283 Units = \$576,895



Total Fleet Budget  
= **\$1,530,345**

Savings  
**14%**  
Year 1

## Enterprise Plan 283 Units



(90) Purchased = \$559,022



(90) Equity Roll = (\$147,178)



Maint. 283 Units = \$364,666



Fuel. 283 Units = \$542,434



Total Fleet Budget  
**\$1,318,944**

# INDUSTRY UPDATE

AUGUST 2020

## MANUFACTURER

- Manufacturer Shutdowns
- 20%+ less vehicles being produced

## AFTERMARKET

- Get in line now



## INTEREST RATES

- All time lows.

## RESALE

- Used car market at an all time high
- Specifically trucks

# BENEFITS OF REPLACEMENT IMPLEMENTATION



## Key Objectives

- **Savings estimated over \$422,000 with an 8 year implementation plan City-Wide**
- **Recommending manufacturers** with highest incentives and **lowest total cost of ownership**
- Purchasing cash vs equity lease – Pay for what you use and increasing cash flow
- Lowering age of fleet & **increasing resale** value with EFM wholesale dealers
- Reducing operating expenses (Maintenance and Fuel) by operating newer vehicles
- Positive City Image & Employee Morale
- Updated safety technology in new vehicles