



# FLEET MANAGEMENT

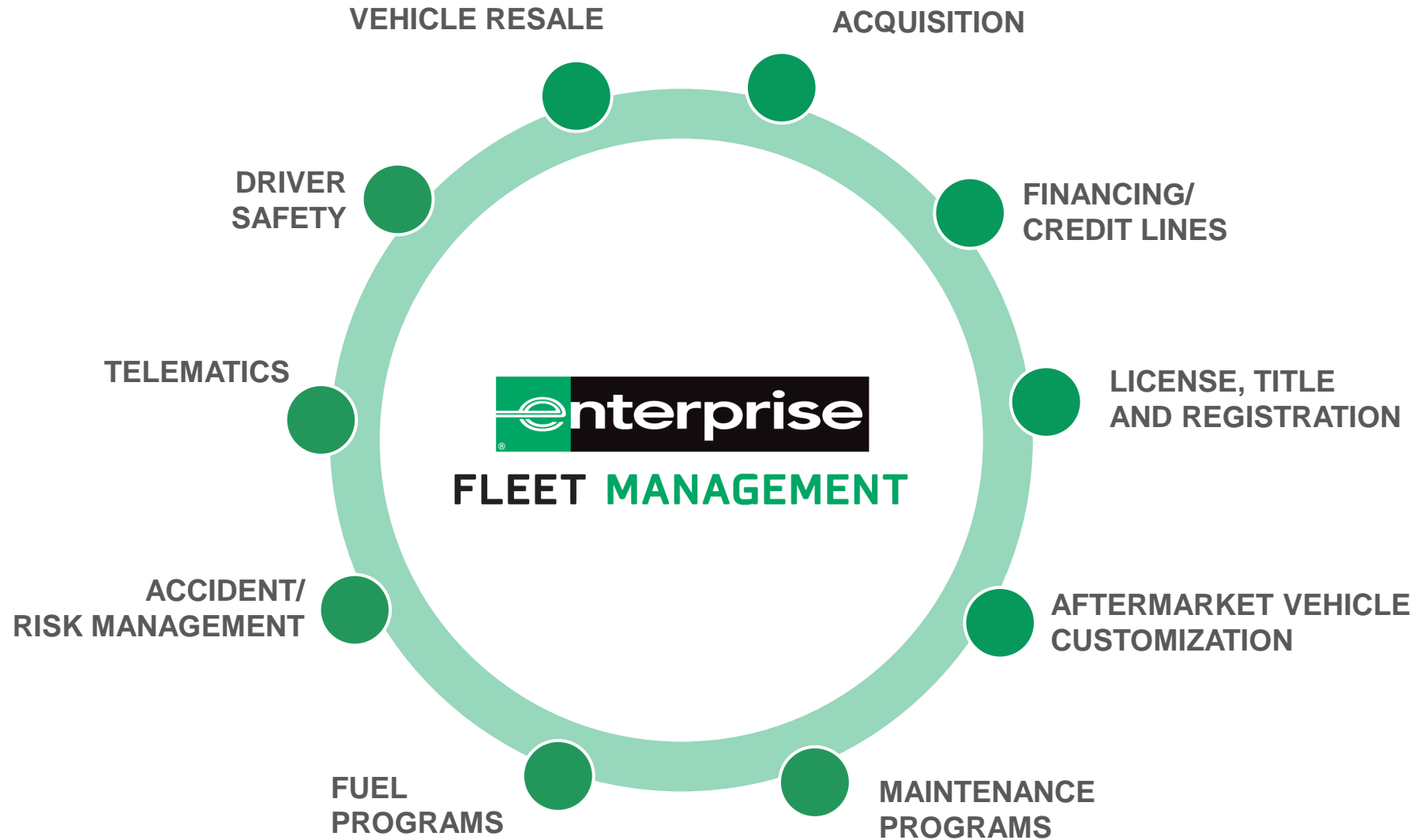
*City of Jackson*

*Mary Elizabeth Roe*

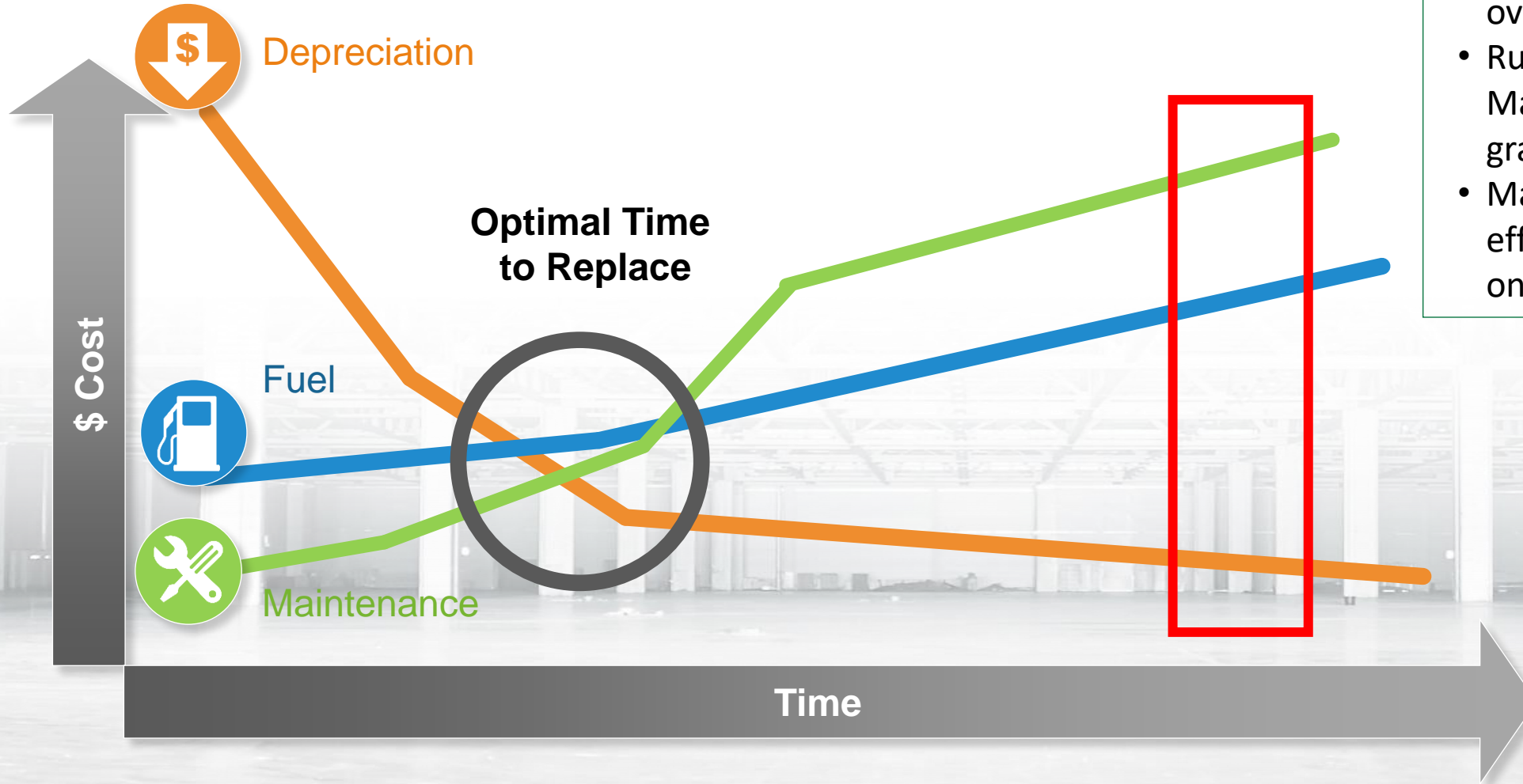
4/6/2022



DELIVERING SOLUTIONS. DRIVING RESULTS.



# EFFECTIVE VEHICLE LIFECYCLE



## Key Observations

- Depreciation/year declines over time
- Running costs of Fuel and Maintenance increase gradually over time
- Mandated MPG efficiencies reward staying on technology wave

# OPEN END LEASE



**Proactive Replacement Strategy**



**Appropriate Vehicle Selection**



**Appropriate Funding Structure**



**Annual Budget Planning**

## Open-End Lease Benefits

- Optimize cash flow with flexible funding options
- Customizable solutions based on operating needs
- Unlimited mileage
- No abnormal wear & tear clauses
- Greater flexibility if requirements change
- Flexibility of term
- Option to have equity interest in vehicles

### Full Maintenance

- Fixed monthly rate up to 100,000 miles
- Simple process for all parties
- Includes: 24/7 Roadside, all major and minor repairs

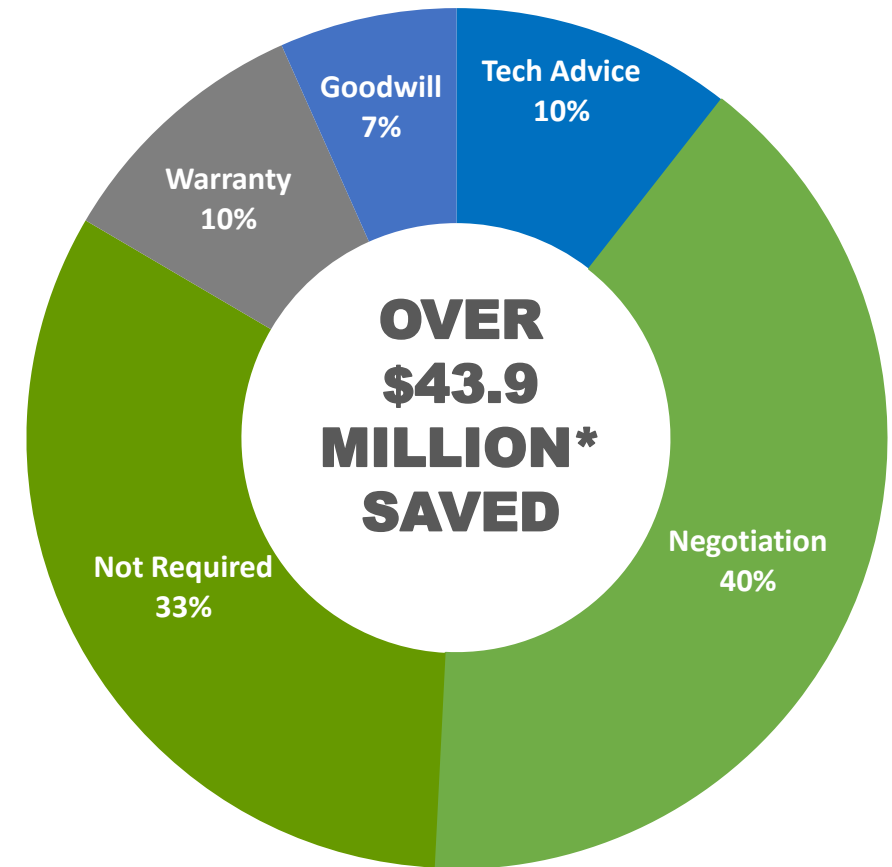
### Maintenance Management

- “Bridge” program for currently owned fleet vehicles
- Seamless experience for field drivers

### Enterprise National Service Department

*The first fleet management company to be awarded the Automotive Service Excellence “Blue Seal of Excellence” in 1997 and has received this recognition each year since then, an industry record.*

- We manage more than 500,000 vehicles and saved our clients a total of \$43.9 million\* in 2020.
- \$2.9 million in post warranty/goodwill was refunded to our clients in 2020.



### Vehicle MPG Change

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



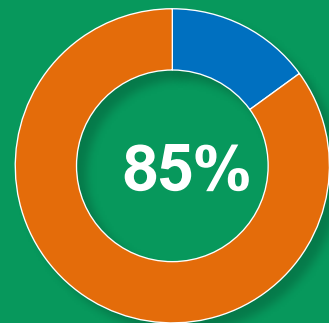
# VEHICLE DISPOSAL

**600** DEDICATED  
REMARKETING EMPLOYEES



**150** REMARKETING  
LOTS IN NORTH AMERICA

IN 2020, ENTERPRISE  
**SOLD OVER**  
**1,100,000**  
VEHICLES.



#### RESALE CHANNELS

- AUCTION 15%
- DIRECT TO DEALER 85%

**19,000+**  
UNIQUE BUYERS



AT AN AVERAGE OF  
**108% ABOVE**  
**BLACK BOOK (CVI).**

# City of Jackson, TN - Fleet Profile

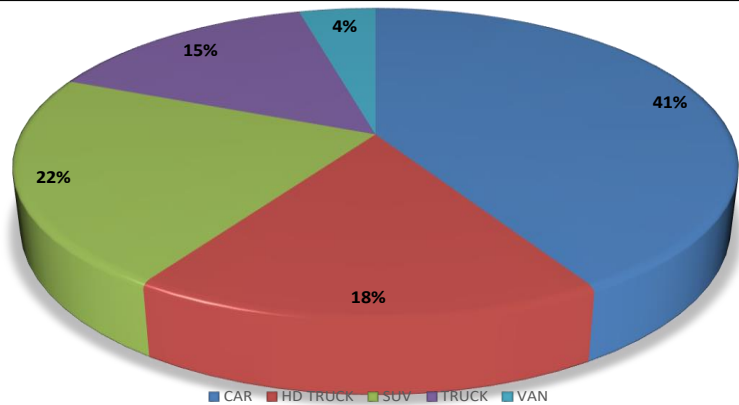
## Fleet Profile      Fleet Replacement Schedule      Replacement Criteria

Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage
Mid-size Sedan	51	15.2	8,600
Full-size Sedan-ERV	140	12.1	12,800
Full-size Van-Passenger	13	15.1	8,100
3/4 Ton Van Cargo	6	12.2	7,700
Mid Size SUV 4x2	26	14.5	8,700
Mid Size SUV 4x4-ERV	58	2.9	12,300
Full Size SUV 4x2	9	14.6	10,900
Full Size SUV 4x4	3	2.1	15,700
Full Size SUV 4x4-ERV	5	5.9	17,100
Compact Pickup Ext 4x2	21	18.5	8,700
1/2 Ton Pickup Reg 4x2	14	13.1	8,900
1/2 Ton Pickup Ext 4x4	16	7.4	10,400
1/2 Ton Pickup Quad 4x2	8	15.0	9,400
1/2 Ton Pickup Quad 4x4	9	3.9	11,700
3/4 Ton Pickup Reg 4x2	30	19.2	9,500
3/4 Ton Pickup Ext 4x2	15	14.4	11,200
1 Ton Pickup Reg 4x2	8	20.1	6,100
1 Ton Cab Chassis	6	17.6	8,500
1 1/2 Ton Cab Chassis	24	10.9	10,700
<b>Totals/Averages</b>	<b>462</b>	<b>12.1</b>	<b>10,900</b>

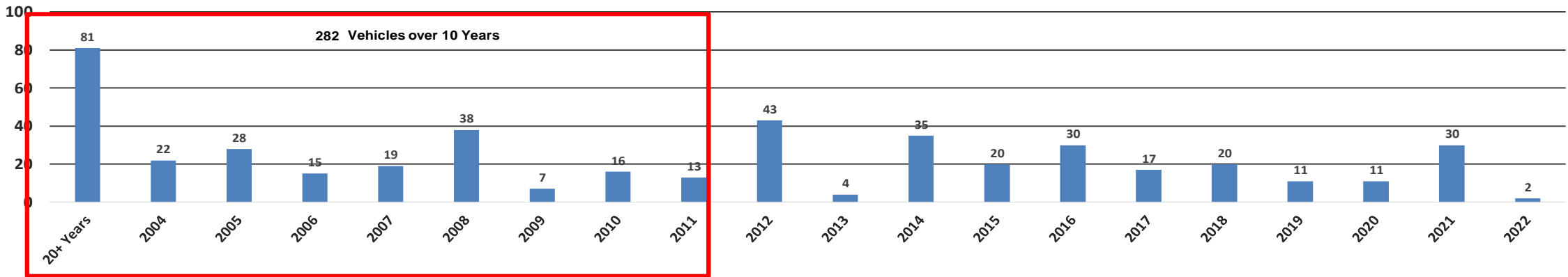
2022	2023	2024	2025	2026	Under-Utilized
30	9	6	4	2	0
83	43	13	1	0	0
6	4	3	0	0	0
2	0	2	1	1	0
14	7	3	2	0	0
0	1	14	6	37	0
4	5	0	0	0	0
0	0	1	0	2	0
0	3	1	1	0	0
17	4	0	0	0	0
5	5	3	1	0	0
2	3	5	3	3	0
7	0	1	0	0	0
0	0	3	2	4	0
28	1	0	1	0	0
12	2	1	0	0	0
7	0	1	0	0	0
4	0	1	0	0	1
9	2	6	2	3	2
<b>230</b>	<b>89</b>	<b>64</b>	<b>24</b>	<b>52</b>	<b>3</b>

- \* Fiscal Year 2022 = 15 years old and older, or odometer over 150,000
- \* Fiscal Year 2023 = 10 years old and older, or odometer over 100,000
- \* Fiscal Year 2024 = 6 years old and older, or odometer over 60,000
- \* Fiscal Year 2025 = 4 years old and older, or odometer over 40,000
- \* Fiscal Year 2026 = Remaining Vehicles
- \* Underutilized = Annual Mileage less than 1,000

### Vehicle Types



### Model Year Analysis

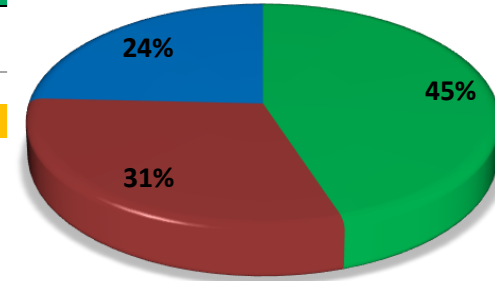




# City of Jackson, TN - Fleet Planning Analysis

Current Fleet	462	Fleet Growth	-0.14%	Proposed Fleet	459
Current Cycle	17.77	Annual Miles	11,000	Proposed Cycle	3.93
Current Maint.	\$250.00			Proposed Maint.	\$64.17
Maint. Cents Per Mile	\$0.27	Current MPG	10	Price/Gallon	\$4.00

## Fleet Costs Analysis



Fiscal Year	Fleet Size	Fleet Mix					Fleet Cost					Annual Net Cash
		Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	
Average	462	26.0	462	0	1,088,109	0			1,386,000	2,014,320	4,488,429	0
'22	459	230	229	230	0	2,083,917	-346,000	-272,187	864,101	1,781,392	4,111,224	377,205
'23	459	120	140	319	0	3,026,642	-416,075	-586,653	665,632	1,691,259	4,380,805	107,624
'24	459	125	76	383	0	3,671,256	-702,800	-1,302,088	522,912	1,626,444	3,815,724	672,703
'25	459	138	52	407	0	3,868,071	-278,300	-834,566	469,392	1,602,139	4,826,736	-338,308
'26	459	138	0	459	0	4,434,109	-532,600	-2,241,341	353,433	1,549,477	3,563,077	925,349
'27	459	218	0	459	0	4,434,109		-2,238,582	353,433	1,549,477	4,098,436	389,990
'28	459	202	0	459	0	4,434,109		-1,347,355	353,433	1,549,477	4,989,664	-501,238
'29	459	131	0	459	0	4,434,109		-1,073,183	353,433	1,549,477	5,263,836	-775,410
'30	459	109	0	459	0	4,434,109		-1,933,216	353,433	1,549,477	4,403,802	84,623
'31	459	173	0	459	0	4,434,109		-2,372,113	353,433	1,549,477	3,964,906	523,519
<b>10 Year Savings</b>											<b>\$1,466,057</b>	

■ Fuel ■ Maintenance ■ Purchase

## Current Fleet Equity Analysis

YEAR	2022	2023	2024	2025	2026	Under-Utilized
QTY	230	89	64	24	52	3
Est \$	\$1,441	\$4,675	\$10,981	\$11,596	\$10,242	\$4,833
<b>TOTAL</b>	<b>\$331,500</b>	<b>\$416,075</b>	<b>\$702,800</b>	<b>\$278,300</b>	<b>\$532,600</b>	<b>\$14,500</b>
<b>Estimated Current Fleet Equity**</b>					<b>\$2,275,775</b>	

\* Lease Rates are conservative estimates

\*\*Estimated Current Fleet Equity is based on the current fleet "sight unseen" and can be adjusted after physical inspection

Lease Maintenance costs are exclusive of tires unless noted on the lease rate quote.

## KEY OBJECTIVES

### Lower average age of the fleet

61% of the current light and medium duty fleet is over 10 years old  
Resale of the aging fleet is significantly reduced

### Reduce operating costs

Newer vehicles have a significantly lower maintenance expense  
Newer vehicles have increased fuel efficiency with new technology implementations

### Maintain a manageable vehicle budget

Challenged by inconsistent yearly budgets  
Currently vehicle budget is underfunded



FLEET MANAGEMENT

# ADDITIONAL VEHICLE INFORMATION

Qty	Vehicle Type	Year	Make	Model	Description	Term	Annual Miles	One Time AMES
51	Mid-size Sedan	2022	Chevrolet	Malibu	1ZC69-LS w/1FL 4dr Sedan	60	8600	\$0.00
140	Mid Size SUV 4x4	2022	Ford	Police Interceptor Utility	K8A-Base All-Wheel Drive	60	12800	\$20,000.00
13	Full-size Van-Passenger	2022	Chevrolet	Express 2500 Passenger Van	CG23406-LS Rear-Wheel Drive Passenger Van	60	8100	\$0.00
6	3/4 Ton Van Cargo	2022	Ford	Transit-250 Cargo	R1Y-Base Rear-Wheel Drive Low Roof Van 130 in. WB	60	7700	\$0.00
26	Mid Size SUV 4x2	2022	Chevrolet	Traverse	1NB56-LS w/1LS Front-wheel Drive	24	8700	\$0.00
58	Mid Size SUV 4x4	2022	Ford	Police Interceptor Utility	K8A-Base All-Wheel Drive	60	12300	\$20,000.00
9	Full Size SUV 4x2	2022	Chevrolet	Tahoe	CC10706-Commercial 4x2	24	10900	\$0.00
3	Full Size SUV 4x4	2022	Chevrolet	Tahoe	CK10706-Commercial 4x4	24	15700	\$0.00
5	Full Size SUV 4x4	2022	Chevrolet	Tahoe	CK10706-Police Vehicle 4x4	60	17100	\$20,000.00
21	1/2 Ton Pickup Ext 4x2	2022	GMC	Sierra 1500 Limited Double Cab	TC18753-Pro 4x2 Double Cab 6.6 ft. box 147.4 in. WB	12	8700	\$0.00
14	1/2 Ton Pickup Ext 4x2	2022	GMC	Sierra 1500 Limited Double Cab	TC18753-Pro 4x2 Double Cab 6.6 ft. box 147.4 in. WB	12	8900	\$0.00
16	1/2 Ton Pickup Ext 4x4	2022	GMC	Sierra 1500 Limited Double Cab	TK18753-Pro 4x4 Double Cab 6.6 ft. box 147.4 in. WB	12	10400	\$0.00
8	1/2 Ton Pickup Quad 4x2	2022	GMC	Sierra 1500 Limited Crew Cab	TC18543-Pro 4x2 Crew Cab 5.75 ft. box 147.4 in. WB	12	9400	\$0.00
9	1/2 Ton Pickup Quad 4x4	2022	GMC	Sierra 1500 Limited Crew Cab	TK18543-Pro 4x4 Crew Cab 5.75 ft. box 147.4 in. WB	12	11700	\$0.00
30	3/4 Ton Pickup Ext 4x2	2022	Ford	F-250 Super Cab	X2A-XL 4x2 SD Super Cab 6.75 ft. box 148 in. WB SRW	36	9500	\$3,000.00
15	3/4 Ton Pickup Ext 4x2	2022	Ford	F-250 Super Cab	X2A-XL 4x2 SD Super Cab 6.75 ft. box 148 in. WB SRW	36	11200	\$3,000.00
8	1 Ton Pickup Reg 4x2	2022	Ford	F-350 Regular Cab	F3A-XL 4x2 SD Regular Cab 8 ft. box 142 in. WB SRW	36	6100	\$3,000.00
6	1 Ton Cab Chassis	2022	Ford	F-350 Chassis Regular Cab	F3E-XL 4x2 SD Regular Cab 145 in. WB SRW	60	8500	\$10,000.00
24	1 1/2 Ton Cab Chassis	2022	Ford	F-450 Chassis Regular Cab	F4G-XL 4x2 SD Regular Cab 145 in. WB DRW	60	10700	\$15,000.00

# Impact of Partnership



## Financial Impact

- 10 years savings of **\$1.4M+**
- Annual meetings to review cost and make vehicle recommendations based to lowest total cost of ownership
- Cost going forward analysis to make best financial decision to keep or replace vehicles
- Flexibility of open-ended lease structure



- Local account management to reduce day to day responsibilities
- Reduce replacement cycle
  - 18 years to 4 years
- Newer fleet with more standard safety features
- Reduction in fuel consumption and maintenance cost
- Reduction in downtime and need for spares
- Utilization of local vendors for maintenance
- Visibility over entire fleet

### Client Website

- 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

