

## REPORT

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**TO:** Council  
**FROM:** Anna McCarthy  
**DATE:** April 5, 2023  
**REPORT:** FIN.23.04  
**SUBJECT:** Fleet Management Program

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### **RECOMMENDATION:**

That Council receive report FIN.23.04 Fleet Management Program for information; and  
That Council authorize the collaborative purchase award of a corporate leased ownership, maintenance, and management program to the Enterprise Fleet Management Leasing Program; and

That Council authorize a 5 year transition plan for procurement and disposition of light fleet vehicles; and

That Council authorize Staff to proceed with Year 1 procurement of 5 light fleet vehicles; and

That the Mayor and Clerk be authorized to enter into the necessary Agreements.

### **BACKGROUND AND ANALYSIS:**

The LAS/Enterprise Fleet Management Program is a procurement solution available through Canoe Procurement Group of Canada, one of the largest public sector buying groups in Canada. LAS/AMO is a founding partner in Canoe. Enterprise Fleet Management Program and LAS/Canoe Procurement entered into an agreement in 2019 following a competitive procurement process.

A representative from Enterprise Fleet Management attended Council on March 15 2023 to present details regarding the program, and specifically how it can benefit the Municipality. [The presentation can be viewed here](#), and begins at 1:17:45.

The Enterprise Fleet Management Program is an open ended lease program for light duty vehicles, which includes vehicle analysis, acquisition, outfitting, maintenance tracking, and vehicle sale. The program completes ongoing evaluations to identify opportunities to improve our fleet and related service levels based on municipal needs.

Unique benefits of the Enterprise Fleet Management Program and potential benefits to the Municipality include the following:

- competitive bid process by Enterprise ensures group buying power and lower costs, and achieving higher resale value of our assets
- elimination of tender process means quicker purchasing and less administrative work for staff
- replacement of vehicles according to full life-cycle cost of the asset
- reduction in repairs and maintenance expenses over the life of the asset
- access to industry data and analytics regarding total cost of ownership for vehicle types and brands
- better tracking mechanisms for our own fleet regarding total cost of ownership

The ultimate goal of the Municipality in entering this program is to ensure the best value to the taxpayer.

### Reasons for recommendation:

#### *1. To streamline the procurement process*

The Enterprise Fleet Management Program is part of the Association of Municipalities of Ontario (AMO) - Local Authority Services (LAS) Municipal group buying program. The group buying program allows for municipalities to leverage their buying power to access high quality and competitively priced goods and services. Because Enterprise has already completed a competitive procurement process, the Municipality will not be required to issue tenders to replace or purchase its light fleet. The process is fully compliant with trade legislation (CETA, CFTA).

The Municipality's Procurement By-Law provides for Co-operative Purchasing, including Local Authority Services, where the best interests of the Municipality will be served and provided that the method of procurement used by the other public body is a competitive method.

According to our Procurement Policy, any amount over \$50,000 must be publicly tendered, followed by award approval by Council. This process may take several months before the order of a vehicle can be placed. For the last 2-3 years, staff have issued tenders for vehicles, and in several instances received no responses. Where responses have been received, there has been little or no benefit to the Municipality for cost savings, and it has resulted in an administrative burden for staff and dealerships. When desirable vehicles have been sourced as available on the lot, staff are unable to move quickly enough due to report timelines and required approvals to move forward with the vehicle purchase; by the time these are received, the vehicle is no longer available.

#### *2. Fleet management*

A recurring theme throughout 2023 budget deliberations was fleet management. Our light-duty fleet is managed in-house by the respective departments. Replacements and additions are recommended to Council based on the most pressing need and based on budget limitations. Staff perform preventative maintenance in-house where possible, and send vehicles to local mechanics for other issues. Due to the relatively old age of our fleet, unexpected expenses are incurred for major repairs on vehicles. Older

vehicles are less fuel efficient than newer vehicles, so our fuel costs are higher as our fleet ages. Additionally, some of the older vehicles lack technology such as back up cameras and on-screen navigation, which are important features for safe operation of our vehicles.

Entering into an agreement with Enterprise will allow the Municipality to shift from a reactive approach to vehicle replacement, to a proactive approach. Local businesses will still be used to perform maintenance as required.

### *3. Cost reductions*

In 2022, Municipal Staff provided our current fleet details to Enterprise, including fleet age, odometer reading, and vehicle type, as well as total annual repair and maintenance and fuel costs for several years. Enterprise reviews all available options that meet the Municipality's operational needs. Enterprise analyzed 27 light duty vehicles. Based on this information, Enterprise presented the results at the March 15 Council meeting. Following the meeting, staff provided current and updated information to Enterprise so that a new analysis could be provided, which found the following:

- 15% of the light duty fleet is 10 years or older
- 43% were built before backup cameras became standard
- older vehicles have higher fuel and maintenance costs and tend to be unreliable causing increased downtime and loss of productivity.

Enterprise has projected 10 year savings of \$555,980, comprised of reductions in fuel and maintenance expenses and increased resale value by turning over our vehicles when we will receive the most value.

### Financial Reporting and Budget Impact

There are 4 vehicles that have been approved through the 2022 and 2023 budget process that are pending procurement, totaling \$222,000:

- Transportation: Replace pickup, \$60,000, fund from reserve and trade-in
- Parks & Recreation: Half Ton with Towing Package, \$67,000, fund from Development Charges
- Parks & Recreation: Replace SUV, \$45,000, fund by debenture
- Building Services: Hybrid Vehicle for Building Inspections, \$50,000 from reserves

In addition, Enterprise recommends the replacement of a 2016 half ton in the Transportation Department in 2023. This vehicle has not been approved for replacement in the budget.

Should Council approve entering into the corporate leasing agreement, the municipality would not be required to pay for the vehicles up front, but fund them through monthly payments. For the 4 vehicles already scheduled to be replaced, they would be funded in 2023 as per below. They will first be offset by any resale from the vehicle they are replacing (if applicable), and the monthly lease expense will be coded to the fleet operating budget of the respective department:

1. Transportation vehicle - fund monthly payments from the Transportation Reserve

2. Parks and Rec Half Ton - fund monthly payments from Development Charge Reserve Fund
3. Parks and Rec SUV replacement - fund monthly payments from the Facilities Reserve
4. Building Services - fund monthly payments from the Building Reserve Fund
5. Transportation pick up (unbudgeted) - fund monthly payments from the Transportation Fleet Operating Budget

The 10 year recommended replacement schedule to achieve savings of \$555,980 is included in the attached document "Lifecycle Costs", on page 7. Maintenance and fuel savings of approximately \$8,800 are projected in Year 1.

Enterprise's analysis considers the "effective vehicle lifecycle", and identifies the optimal time to replace. It is based on the premise that depreciation is the highest cost for a newer vehicle, but declines over time. Fuel and maintenance increase in the later years of a vehicle's life. There is an optimal time to replace for every vehicle where we can achieve the highest resale value for the existing asset, while minimizing the operational costs over the entire life of the vehicle. The lifecycle cost of the vehicle is a more meaningful measure of the impact to ratepayers and is considered best practice in asset management.

The "Market Value Finance" or "Open Ended Equity Lease" option available through Enterprise provides a cash flow option for the Municipality whereby the vehicle is financed over 5 years. It allows the municipality to leverage the equity of our fleet and replace our older vehicles faster. This will result in decreased repairs and maintenance costs, fleet with better safety technology, and more reliable vehicles for no interruptions to service levels.

Following an analysis of our fleet and transition timelines Enterprise recommends that the optimal transition time for all light fleet to the Enterprise program is over 5 year time period to achieve the highest savings over a 10 year period. The number of vehicles to transition in the first year would be 4 vehicle replacements plus 1 planned addition to the Fleet for Building Services (approved in the 2022 capital budget).

Should the Municipality enter into an agreement with Enterprise and we begin to transition, the 10 year summary will be a fluid and working analysis each year to determine the right number of vehicles recommended to replace to have the highest financial impact. The recommendation each year will take into consideration fuel and maintenance costs and resale value of the vehicles. Changes in the market will be reflected in the annual recommendations.

### Enterprise Costs

Enterprise earns its revenue in 3 ways:

1. 2.5% markup when vehicle is purchased.
2. Account Management Fee - \$50 per vehicle per month. This fee is for the account management work of Enterprise, including access to their website, analytics, and tracking. Only new leased vehicles will incur the management fee.

3. \$495 fee for reselling of vehicle, includes pick up of the vehicle, cleaning, and removing decals.

These expenses are built into the lease costs and included in the model presented by Enterprise.

#### Enterprise Fleet Management Agreements

Should Council authorize the Municipality to enter into an agreement with Enterprise Fleet Management, the following agreements would be executed, to be signed by the Mayor and Clerk:

1. Master Equity Vehicle Lease Agreement
  - opens our account with Enterprise to allow for purchasing
2. Full Maintenance Agreement
  - maintenance program on new vehicles procured through Enterprise
3. Maintenance Management Agreement
  - to allow Enterprise to monitor and track Grey Highlands' existing units in order to reduce maintenance costs until sold and transitioned into the program. This agreement is only relevant during the transition period.

If Council approves the recommendation, Staff from the relevant departments will work with Enterprise to procure the vehicles approved for replacement in 2023 and they will not come back to Council for approval. Staff will report back to Council on an annual basis, to receive Council approval to proceed with purchases in the next year of transition.

#### **OPERATIONAL CONSIDERATIONS:**

Options identified by Staff:

1. Enter into an agreement with LAS/Enterprise Fleet Management Program to procure and manage our light duty fleet, as recommended by Staff.
2. Amend the procurement policy, Schedule A- Award Authority, for the purchase of light fleet, so that amounts up to \$100,000 may be purchased without issuing a tender and on the authority of the Department Head. This option is recommended if Council does not want to enter into an agreement with LAS. It will help staff to procure vehicles more efficiently. However, the Municipality will not receive the benefit of the fleet management program, the analytics and expertise that Enterprise can provide, the open ended equity leasing and financing model, quicker turnaround of our vehicles and reduced operating costs, or bulk buying and selling benefits.
3. Maintain the status quo. This is not the recommended option as staff continue to experience difficulty in procuring vehicles. The importance of fleet management was identified by Council as an item of high importance during 2023 budget deliberations.

#### **POLICIES/LEGISLATION::**

**ENVIRONMENTAL IMPACTS:**

A positive environmental impact is anticipated as the Municipality transitions its fleet into the Fleet Management Program due to increased fuel efficiency resulting from newer vehicles. As fleet are replaced, Electric Vehicle and Hybrid options will be considered.

**Approved By:**

Karen Govan, Chief  
Administrative Officer

**Status:**


Approved - 29 Mar 2023

PREPARED FOR:



The Municipality of Grey Highlands

Chris Lockhart	226 – 339 - 2874	christopher.lockhart@efleets.com
FLEET CONSULTANT	PHONE	EMAIL



# FLEET SYNOPSIS | GREY HIGHLANDS

## THE SITUATION

**Out of the 26 light duty vehicles analyzed, current fleet age is negatively impacting the overall budget and fleet operations**

- 15% of the light duty fleet is currently 10 years or older
- 43% of fleet built before backup cameras became standard
- 6 years is the current average age of the fleet
- 10 years – the time it would take to cycle the entire fleet at current acquisition rates
- Older vehicles have higher fuel costs, maintenance costs and tend to be unreliable, causing increased downtime and loss of productivity.

## THE OBJECTIVES

**Identify an effective vehicle lifecycle that maximizes potential equity at time of resale creating savings of \$555,980 in 10 years**

- Shorten the current vehicle life cycle from 10 years to 5 years (depending on vehicle type, application, and equipment)
- Provide a lower sustainable fleet cost that is predictable year over year
- Significantly impact operating budget with reduced maintenance and fuel spend
- Generate \$28,594K in revenue in the first year from the resale of 4 identified vehicles
- Leverage an open-ended lease to maximize cash flow and recognize equity at the time of vehicle disposal
- Significantly reduce administrative and procurement's time by leveraging a cooperative purchasing agreement through LAS & Association of Municipalities of Ontario (AMO) program

**Increase employee safety with newer vehicles**

- Currently
  - 4 vehicles predate Electronic Stability Control standardization (2012)
    - *ESC is the most significant safety invention since the seatbelt*
  - 11 vehicles predate standardization of back up camera (2018)

**Utilize the Sourcwell / LAS / Canoe Procurement awarded RFP #060618-EFM that addresses the following:**

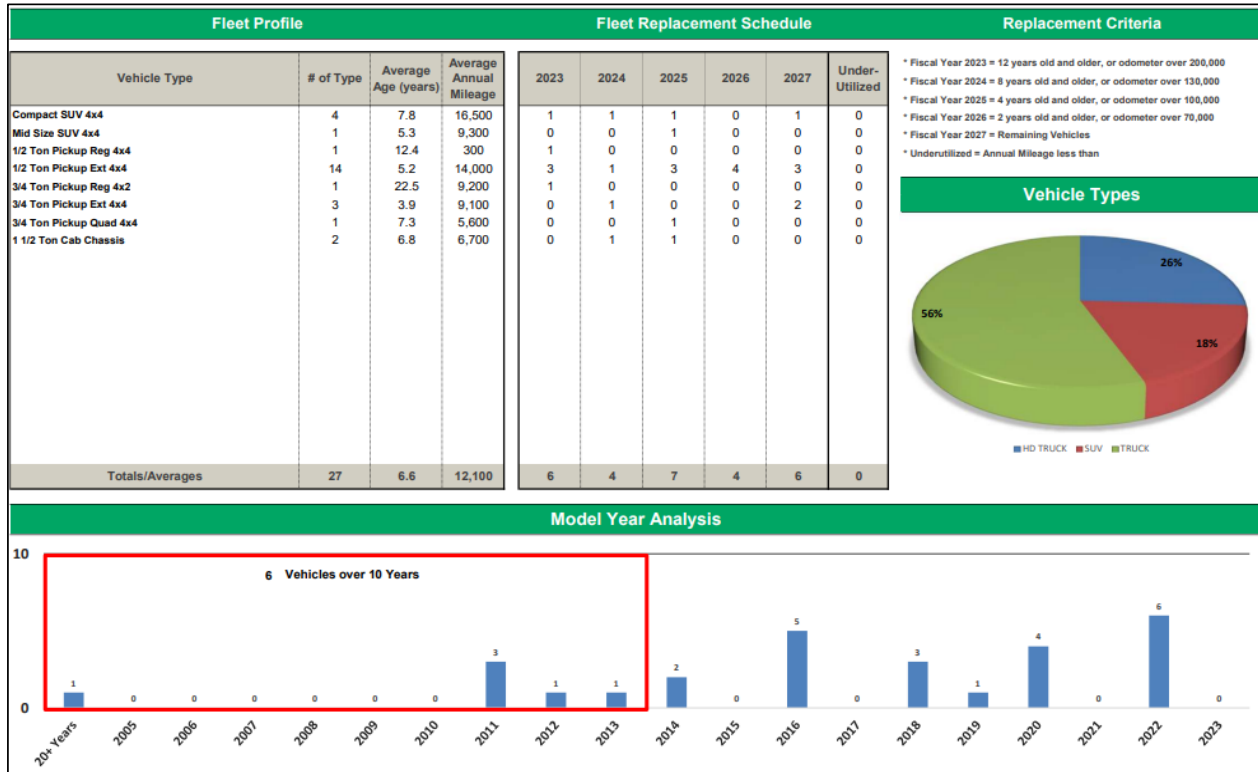
- Access to all fleet management services as applicable to the needs of the municipality
- Supports the municipality's need for fleet evaluation on a quarterly basis assessing costs and reviewing best practices

## THE RESULTS

By partnering with Enterprise Fleet Management, Grey Highlands will be able to lower the total cost of ownership on its fleet of vehicles and cycle its fleet more efficiently. Leveraging an open-end lease maximizes cash flow, will provide the county the ability to “do more with less,” and recognizes equity from vehicles sold reducing the cost of future replacements. Furthermore, Grey Highlands will leverage Enterprise Fleet Management's ability to sell vehicles through a public process at an average of 109% above Black Book value. By shifting from reactively replacing inoperable vehicles to proactively planning vehicle purchases, Grey Highlands will be able to replace all its vehicles over the course of 5 years at or below the current estimated fleet budget. Total estimated savings over a 10-year time frame is estimated at \$555,980.



# FLEET STATISTICS | GREY HIGHLANDS

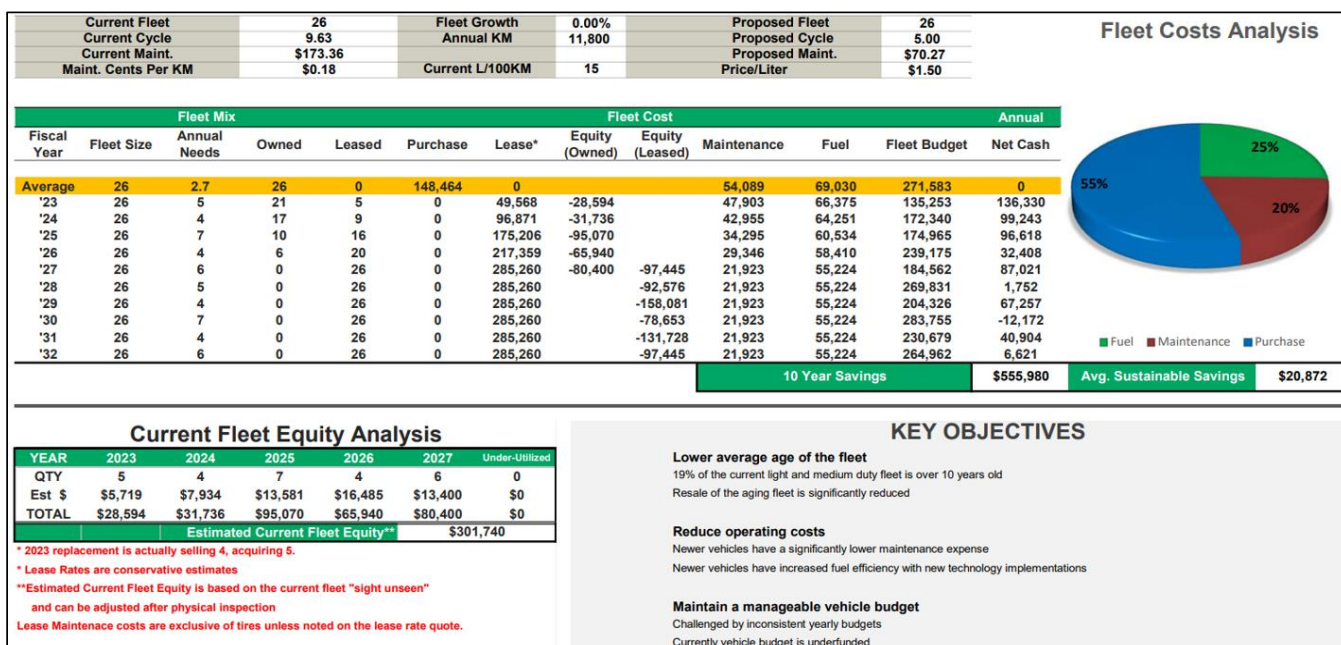


## 10 YEAR ANALYSIS – GREY HIGHLANDS

Enterprise conducted a very conservative proof of concept 10-year analysis across all 26 light duty vehicles in fleet and is estimating \$555,980 in projected savings.

By using Grey Highland's fleet data provided, Enterprise has benchmarked that Grey Highlands will spend approximately \$271,583 annually on vehicle purchases, maintenance, and fuel across 26 light duty vehicles in fleet.

If the municipality was to adopt a 5-year replacement strategy to transition the fleet, we can improve cash flow by \$555,980 over the next 10 years. Please remember that this does NOT include any soft dollar savings such the impact of reduced downtime, administrative / procurement time back in the day, as well as improved safety & reliability of the fleet for employee staff to feel comfortable driving.



## PROGRAM RESOURCES | GREY HIGHLANDS

### SAFETY

- 15% of all vehicles are older than 10 years of age and may not contain the most up to date safety features, such as electronic stability control, airbag standardization and anti-lock brake control.

### ACCOUNT MANAGEMENT

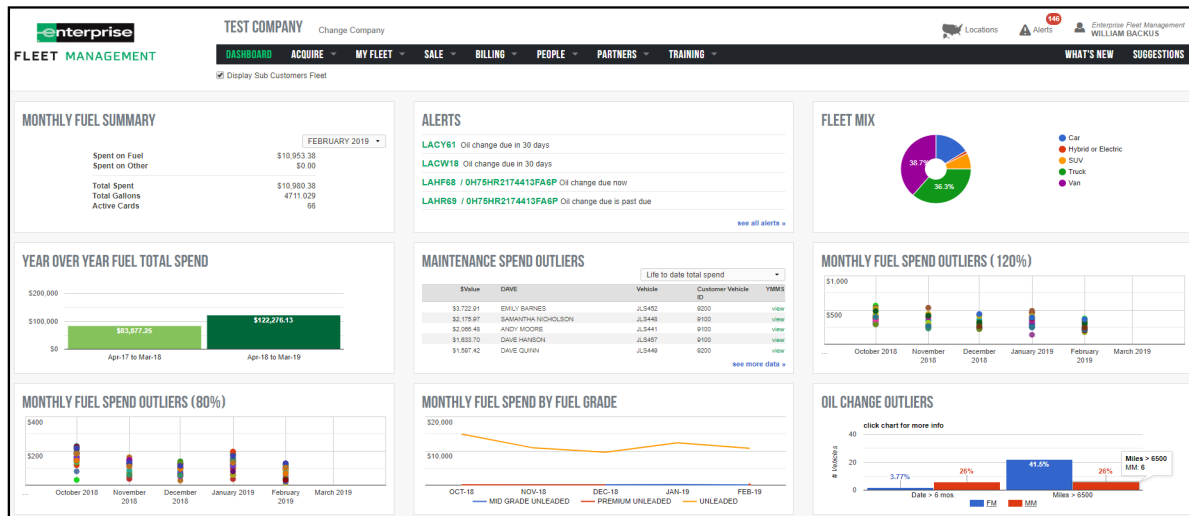
Grey Highlands will have a dedicated, local account team to proactively manage and develop the fleet plan with your municipality staff while delivering the highest level of customer service to facilitate your day-to-day needs.

- Your dedicated Account Manager meets with you 3-4 times a year for both financial and strategic planning.
- Your Account Manager will provide on-going analysis – this will include analyzing the most cost-effective vehicle makes/models, cents per km, total cost of ownership, and replacement analysis

## TECHNOLOGY

Enterprise Fleet Management's website provides vehicle tracking and reporting. Our website can be customized to view a wide range of data so that you have a comprehensive and detailed look at all aspects of your fleet and the services provided.

- **Consolidated Invoices** - Includes lease, maintenance, and any additional ancillaries
- **Maintenance Utilization** - Review the life-to-date maintenance per vehicle
- **Recall Information** - See which units have open recalls
- **License & Registration** - See which plate renewals are being processed by Enterprise and view status
- **Alerts** - Set customizable alerts for oil changes, lease renewals, license renewals, and billing data
- **Lifecycle Analysis** - See data regarding all transactions for the lifecycle of the entire fleet, with drill-down capability to any specific lease or transaction



## REFERENCES | GREY HIGHLANDS

### REFERENCES:

Below is a list of at least two (2) client references including company name, contact person, and telephone number.

1. City: **Municipality of Meaford**  
Business Phone #: (519) 379-4694  
Contact Person: Jessica Wiley – Director, Infrastructure Services
2. City: **Town of Blue Mountains**  
Business Phone #: (705) 351-2182  
Contact Person: Phil Pesek, Manager – Fleet & Facilities

# CLIENT TESTIMONIAL | GREY HIGHLANDS



## Clearview Township replaces vehicles and saves \$200,000 on acquisition costs.

Stayner, ON, Canada • Government | Township • 39 vehicles

### THE CHALLENGE

Clearview Township needed to improve the management of their aging fleet vehicles and reduce costs. The pandemic presented budgeting constraints impacting the township's ability to replace vehicles.

### THE SOLUTION

Clearview Township partnered with Enterprise Fleet Management, which was referred by an affinity program with the LAS and the Canoe Procurement Group. The Enterprise team presented a proactive vehicle replacement plan to build fleet equity, also incorporating a vehicle maintenance program to reduce administrative strain on the township.

### KEY RESULTS

Average fleet age improved by  
**7 YEARS**

OVER  
**\$125K**  
VEHICLE RESALE VALUE

OVER  
**\$200K**  
IN ACQUISITION SAVINGS



When the Enterprise Fleet Management program was introduced to the Township of Clearview, there was some skepticism on my part. *'how can we turn our entire light duty fleet over in just 1 year?'* Our Enterprise team has strategically demonstrated how the fleet program works and its impact to the township. Faced with vehicles at various ages and high mileage, this was an easy way to modernize our fleet and lower maintenance and capital costs. The township now has a long-term plan to continually modernize the fleet to provide excellent service to our community."

— Dan Perreault, Dep. Director of Public Works



### THE RESULTS

Through the Enterprise Fleet Management plan, Clearview Township was able to recognize over \$200,000 in acquisition savings while also unlocking over \$120,000 in vehicle resale equity. Because vehicles are replaced more frequently, the average age of the fleet has improved by 7 model years, and the average odometer reading improved by 90%. Enterprise's proactive strategy long-term will help the township improve cash flow and provide peace of mind for their employees and vehicles through the effective management of maintenance, fuel, and depreciation costs.

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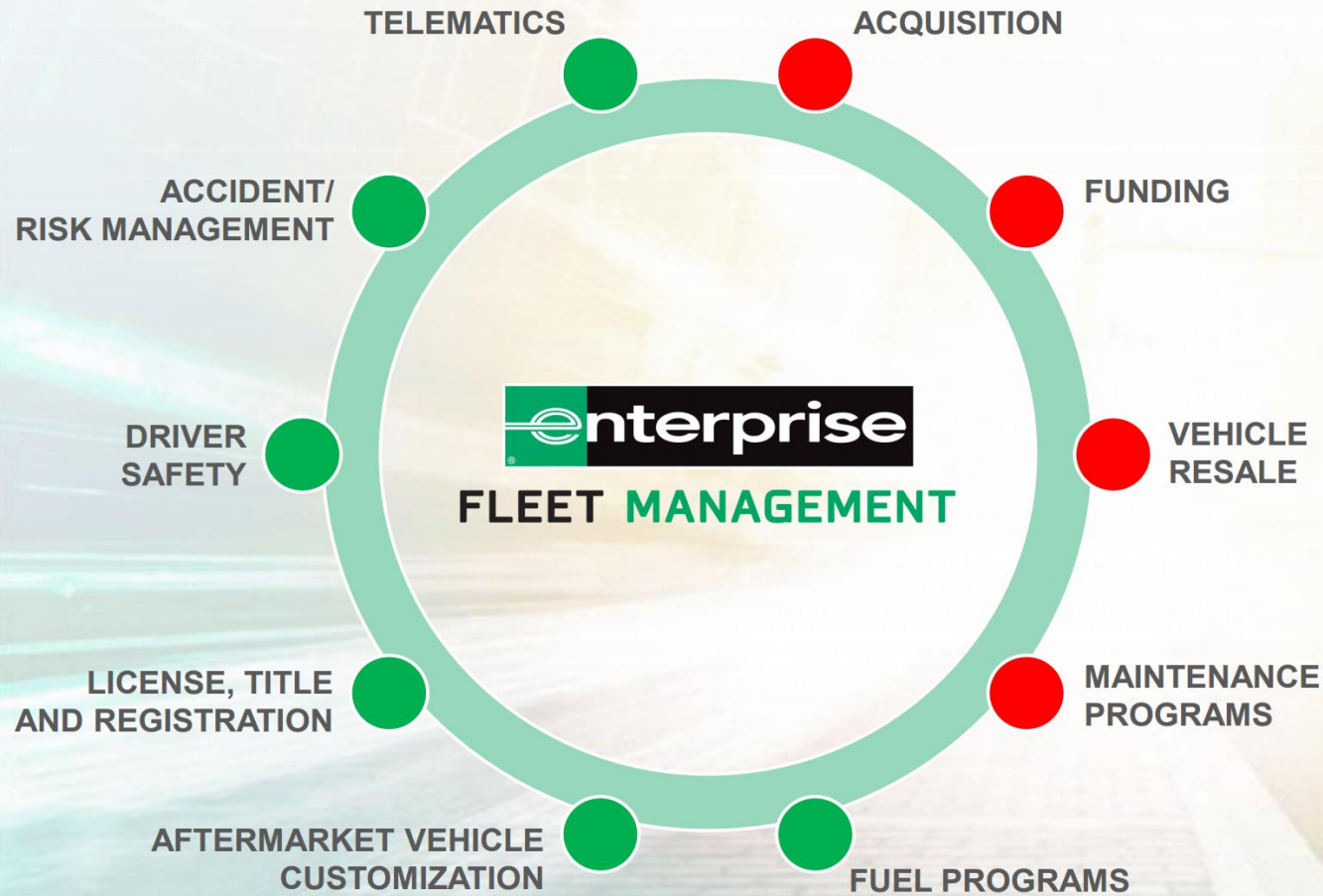
ENTERPRISE HOLDINGS

enterprise

Discount  
Car and Truck Rentals

Alamo

National



2.3  
Million  
Worldwide

VEHICLES

\$26.4  
Billion in Revenue

101,000

EMPLOYEES

Ranked by

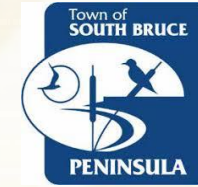
**Forbes**

As one of America's Largest  
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## Government References

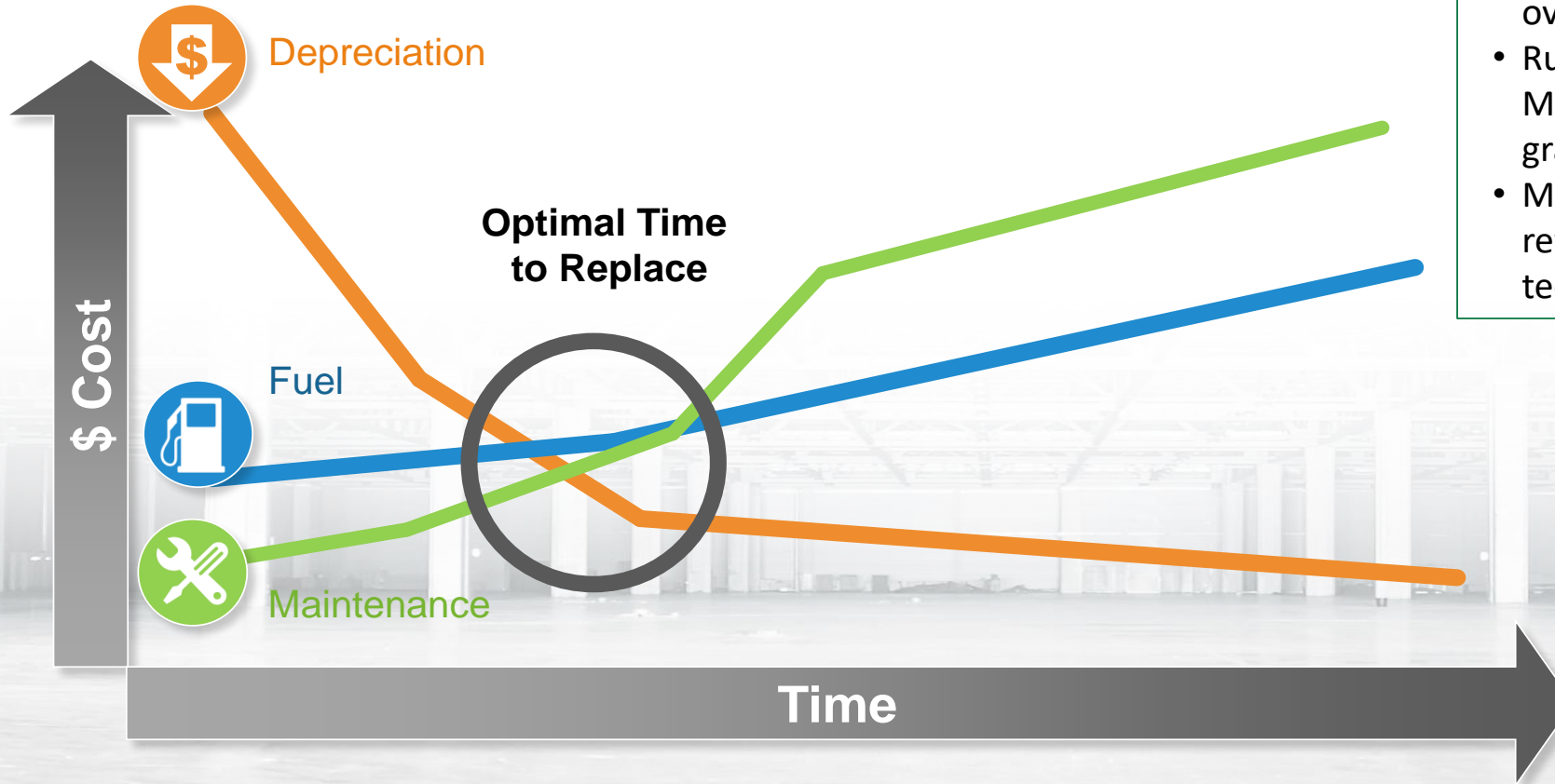


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# EFFECTIVE VEHICLE LIFECYCLE



## Key Observations

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



## FUNDING OPTIONS

# \$50,000 Pickup Truck

**1**  
Option

Pay-Cash

\$50,000 in Year 1



2 Vehicles

**2**  
Option

Finance

\$10,000 in Each Year



10 Vehicles

**3**  
Option

Market-Value Finance

8,000 in Each Year



12 Vehicles

If you had a \$100,000 annual fleet budget, how many vehicles could you acquire?



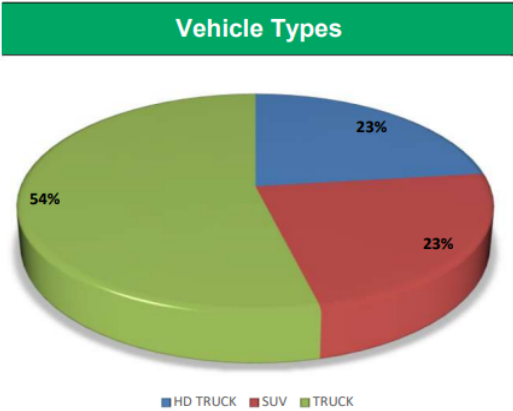
Fleet Profile

Fleet Replacement Schedule

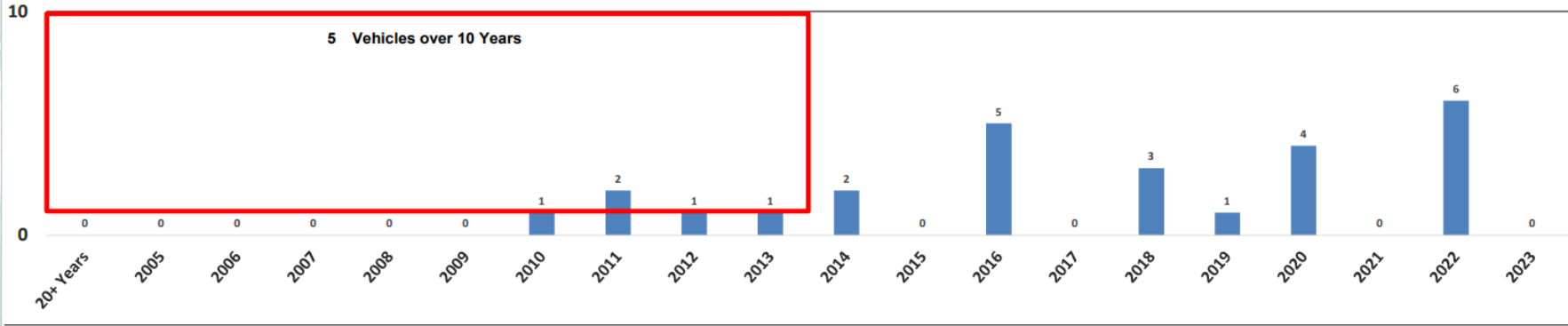
Replacement Criteria

Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage	2023	2024	2025	2026	2027	Under-Utilized
Compact SUV 4x4	4	7.8	16,500	1	1	1	0	1	0
Mid Size SUV 4x4	2	9.3	10,000	1	0	1	0	0	0
1/2 Ton Pickup Reg 4x4	1	12.4	300	1	0	0	0	0	0
1/2 Ton Pickup Ext 4x4	13	4.7	13,400	2	1	3	4	3	0
3/4 Ton Pickup Ext 4x4	3	3.9	9,100	0	1	0	0	2	0
3/4 Ton Pickup Quad 4x4	1	7.3	5,600	0	0	1	0	0	0
1 1/2 Ton Cab Chassis	2	6.8	6,700	0	1	1	0	0	0
Totals/Averages	26	6.0	11,800	5	4	7	4	6	0

- \* Fiscal Year 2023 = 12 years old and older, or odometer over 200,000
- \* Fiscal Year 2024 = 8 years old and older, or odometer over 130,000
- \* Fiscal Year 2025 = 4 years old and older, or odometer over 100,000
- \* Fiscal Year 2026 = 2 years old and older, or odometer over 70,000
- \* Fiscal Year 2027 = Remaining Vehicles
- \* Underutilized = Annual Mileage less than

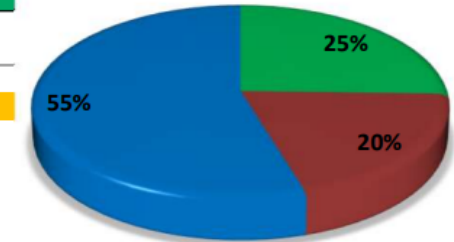


Model Year Analysis



Current Fleet	26	Fleet Growth	0.00%	Proposed Fleet	26
Current Cycle	9.63	Annual KM	11,800	Proposed Cycle	5.00
Current Maint.	\$173.36			Proposed Maint.	\$70.27
Maint. Cents Per KM	\$0.18	Current L/100KM	15	Price/Liter	\$1.50

## Fleet Costs Analysis



■ Fuel ■ Maintenance ■ Purchase

		Fleet Mix					Fleet Cost			Annual		
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
Average	26	2.7	26	0	148,464	0			54,089	69,030	271,583	0
'23	26	5	21	5	0	49,568	-28,594		47,903	66,375	135,253	136,330
'24	26	4	17	9	0	96,871	-31,736		42,955	64,251	172,340	99,243
'25	26	7	10	16	0	175,206	-95,070		34,295	60,534	174,965	96,618
'26	26	4	6	20	0	217,359	-65,940		29,346	58,410	239,175	32,408
'27	26	6	0	26	0	285,260	-80,400	-97,445	21,923	55,224	184,562	87,021
'28	26	5	0	26	0	285,260		-92,576	21,923	55,224	269,831	1,752
'29	26	4	0	26	0	285,260		-158,081	21,923	55,224	204,326	67,257
'30	26	7	0	26	0	285,260		-78,653	21,923	55,224	283,755	-12,172
'31	26	4	0	26	0	285,260		-131,728	21,923	55,224	230,679	40,904
'32	26	6	0	26	0	285,260		-97,445	21,923	55,224	264,962	6,621

10 Year Savings

\$555,980

Avg. Sustainable Savings

\$20,872

## Current Fleet Equity Analysis

YEAR	2023	2024	2025	2026	2027	Under-Utilized
QTY	5	4	7	4	6	0
Est \$	\$5,719	\$7,934	\$13,581	\$16,485	\$13,400	\$0
TOTAL	\$28,594	\$31,736	\$95,070	\$65,940	\$80,400	\$0
Estimated Current Fleet Equity**					\$301,740	

\* 2023 replacement is actually selling 4, acquiring 5.

\* 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

19% 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

# Replacement Worksheet

Vehicle #	Department	Year	Make	Model	Current Odometer	Assigned Category	Recommended Replacement Year	New Replacement Category
93640	Facilities/Parks	2011	Ford	F-150	3,000	1/2 Ton Pickup Reg 4x4	2023	1/2 Ton Pickup Reg 4x4
93600	Facilities/Parks	2011	Ford	Escape	227,610	Compact SUV 4x4	2023	Compact SUV 4x4
92190	Transportation	2016	Ford	F-150	200,551	1/2 Ton Pickup Ext 4x4	2023	1/2 Ton Pickup Ext 4x4
92185	Transportation	2016	Ford	F-150	200,900	1/2 Ton Pickup Ext 4x4	2023	1/2 Ton Pickup Ext 4x4
TBD	Building Services	2023	SUV	SUV	0	Compact SUV 4x4	2023	Compact SUV 4x4
92240	Transportation	2012	Ford	F-150	181,629	1/2 Ton Pickup Ext 4x4	2024	1/2 Ton Pickup Ext 4x4
94020	Facilities/Parks	2013	Ford	Escape	163,064	Compact SUV 4x4	2024	Compact SUV 4x4
93150	Fire Services	2014	Ford	F-550 Chassis	50,000	1 1/2 Ton Cab Chassis	2024	1 1/2 Ton Cab Chassis
92585	Env	2014	Ford	F-250	47,228	3/4 Ton Pickup Ext 4x4	2024	3/4 Ton Pickup Ext 4x4
95550	Public Utilities	2016	Ford	F-150	87,044	1/2 Ton Pickup Ext 4x4	2025	1/2 Ton Pickup Ext 4x4
93120	Fire Services	2016	Ford	F-250	36,000	3/4 Ton Pickup Quad 4x4	2025	3/4 Ton Pickup Quad 4x4
94030	Building Services	2016	Ford	Escape	116,196	Compact SUV 4x4	2025	Compact SUV 4x4
95555	Public Utilities	2018	Ford	F-150	61,388	1/2 Ton Pickup Ext 4x4	2025	1/2 Ton Pickup Ext 4x4
92195	Transportation	2018	Ford	F-150	105,080	1/2 Ton Pickup Ext 4x4	2025	1/2 Ton Pickup Ext 4x4
94040	Building Services	2018	Kia	Sorento	40,862	Mid Size SUV 4x4	2025	Mid Size SUV 4x4
92210	Transportation	2019	Ford	F-550 Chassis	25,173	1 1/2 Ton Cab Chassis	2025	1 1/2 Ton Cab Chassis
93620	Facilities/Parks	2020	Chevrolet	Silverado 1500	3,256	1/2 Ton Pickup Ext 4x4	2026	1/2 Ton Pickup Ext 4x4
95560	Public Utilities	2020	Chevrolet	Silverado 1500	3,498	1/2 Ton Pickup Ext 4x4	2026	1/2 Ton Pickup Ext 4x4
92230	Transportation	2020	Chevrolet	Silverado 1500	8,000	1/2 Ton Pickup Ext 4x4	2026	1/2 Ton Pickup Ext 4x4
92220	Transportation	2020	Chevrolet	Silverado 1500	9,136	1/2 Ton Pickup Ext 4x4	2026	1/2 Ton Pickup Ext 4x4
92105	Transportation	2022	Dodge	Ram 1500	1,000	1/2 Ton Pickup Ext 4x4	2027	1/2 Ton Pickup Ext 4x4
93115	Fire Services	2022	Dodge	Ram 1500	1,000	1/2 Ton Pickup Ext 4x4	2027	1/2 Ton Pickup Ext 4x4
94055	Building Services	2022	Ford	Escape	1,000	Compact SUV 4x4	2027	Compact SUV 4x4
95520	Public Utilities	2022	Ford	F250	1,000	3/4 Ton Pickup Ext 4x4	2027	3/4 Ton Pickup Ext 4x4
92115	Transportation	2022	Ford	F150	1,000	1/2 Ton Pickup Ext 4x4	2027	1/2 Ton Pickup Ext 4x4
93135	Fire Services	2022	Chevrolet	Silverado 2500	1,000	3/4 Ton Pickup Ext 4x4	2027	3/4 Ton Pickup Ext 4x4

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# ACQUISITION



Factory Ordering



Infrastructure On Stock



Incentive Strategy



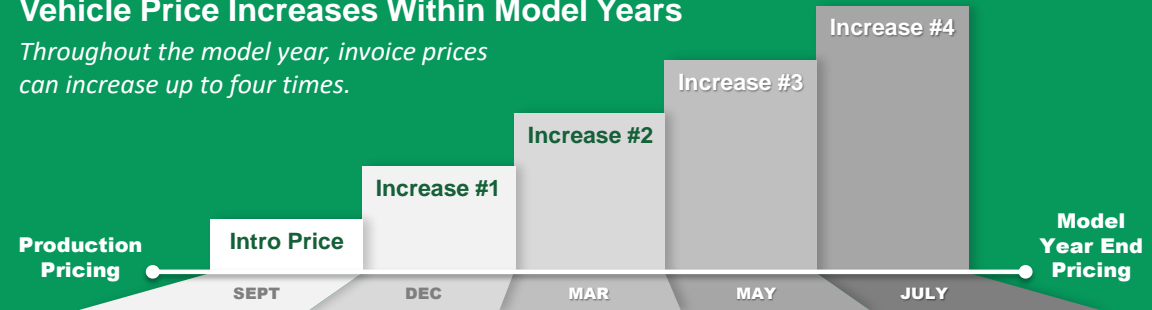
Order Timing



Aftermarket Process & Logistics

## Vehicle Price Increases Within Model Years

*Throughout the model year, invoice prices can increase up to four times.*



LAST YEAR ALONE,  
ENTERPRISE FLEET MANAGEMENT  
COLLECTED

**\$55 MILLION**

IN MANUFACTURER  
INCENTIVES FOR CLIENTS.



# VEHICLE DISPOSAL

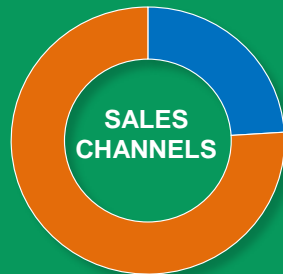
**700** DEDICATED  
REMARKETING EMPLOYEES



**150** REMARKETING  
LOTS IN NORTH AMERICA

IN 2019, ENTERPRISE  
**SOLD OVER**  
**1,100,000**  
VEHICLES.

COMMERCIAL SALES  
EXCEEDED AT AN  
AVERAGE OF  
**108.4%**  
**OVER**  
**BLACK BOOK (CVI).**



■ AUCTION **15%**  
■ DIRECT  
TO  
DEALER **85%**

**19,000+**  
UNIQUE BUYERS





## OPERATING EXPENSES

### Maintenance



#### Full Maintenance

- Fixed monthly rate & inflation proof for entire lease term up to 160,000km
- Takes customer out of managing maintenance entirely
- 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

- 275 Employees with over 1,100+ total ASE certifications
- 450,000+ vehicles under management on this program
- \$40.8 million in customer savings in 2019
- \$3.5 million in post warranty/goodwill refunded to our customers in 2019



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## RESOURCES – New Driver Mobile App



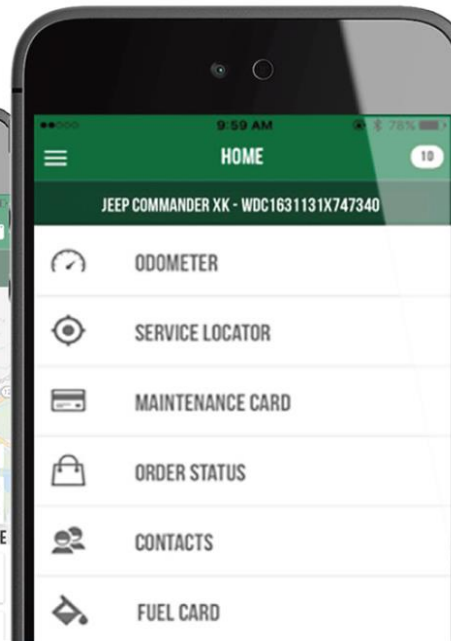
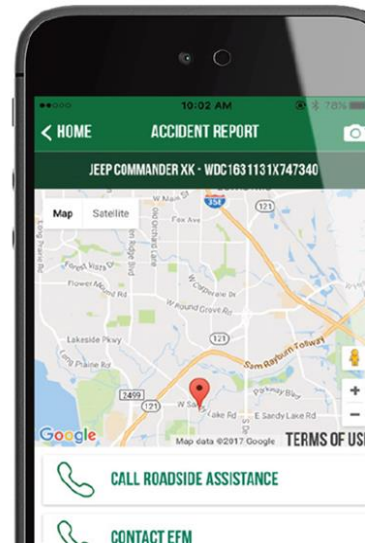
### Mobile App Features

- Maintenance Locator
- Accident Reports
- Order Status
- Roadside Assistance
- Reminders
- Vehicle Information
- Contact Information



Most Innovative Company of the Year

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



management, Inc.

# RESOURCES

## Fleet Technology



### Customer Website

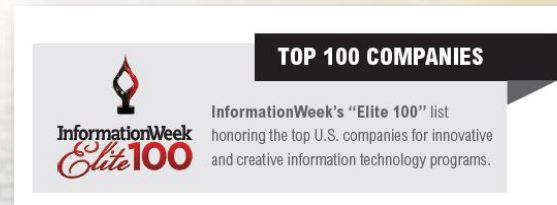
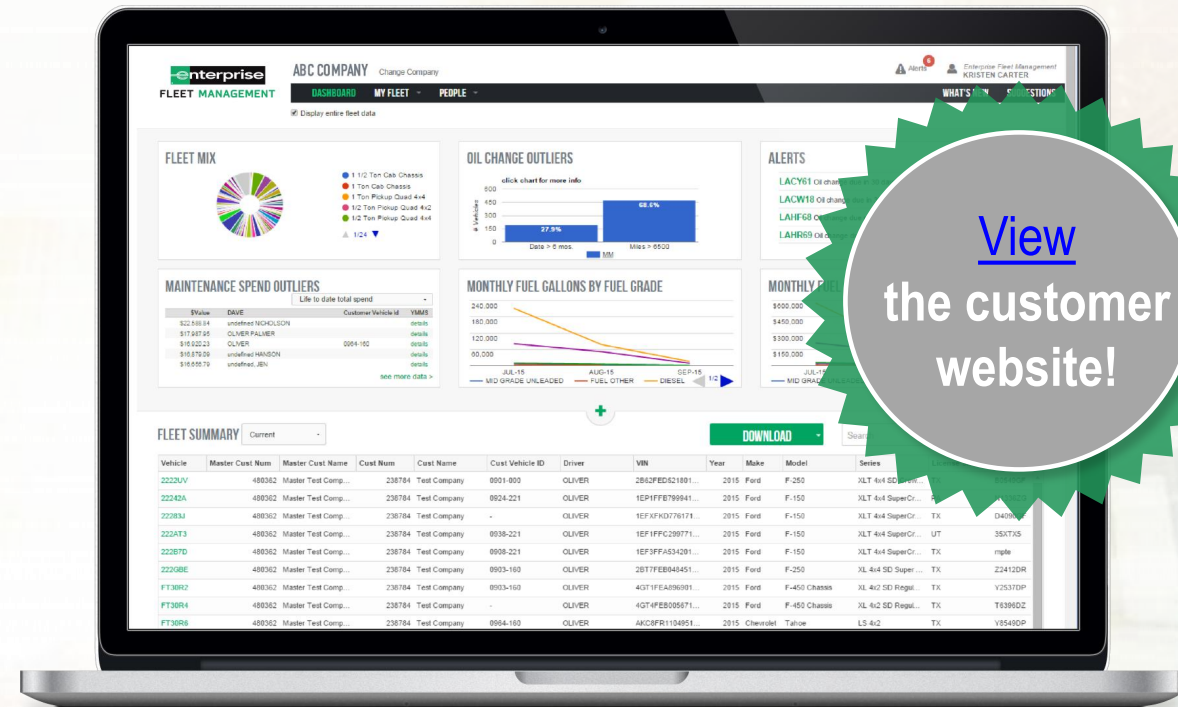
- Visibility and tracking of vehicle data
- Customized dashboards with reporting
- Real-time alerts
- Simplify accounting processes with vehicle descriptors

### Fleet Planning Tool Kit

- EFM compares vehicles side-by-side
- Purchase the right vehicle at the right price
- Total cost analysis

### Annual Client Review

- Web based solution to evaluate the prior year's performance
- Analyze all fleet costs
- Develop future strategies



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***Thank you***

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