Fleet Analysis Meeting

City of Elliot Lake

July 2023

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Government References

canoe procurement group of canada

LAS AMO Business Services

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STRATHROY-CARADOC URBAN OPPORTUNITY - RURAL HOSPITALITY

HAWKESBURY

SMITHS FALLS

Municipality of Meaford

CLEARVIEW

Town of Lincoln

Orangeville

TOWN OF THE BLUE MOUNTAINS

Greater Grand Sudbury

Tillsonburg

Grand Falls-Windsor

KINGSTON

Loyalist TOWNSHIP

TOWN OF Parry Sound

TOWN OF SOUTH BRUCE PENINSULA

Enterprise Fleet Management is partnered with over 1,700 government organizations across North America

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ENTERPRISE HOLDINGS

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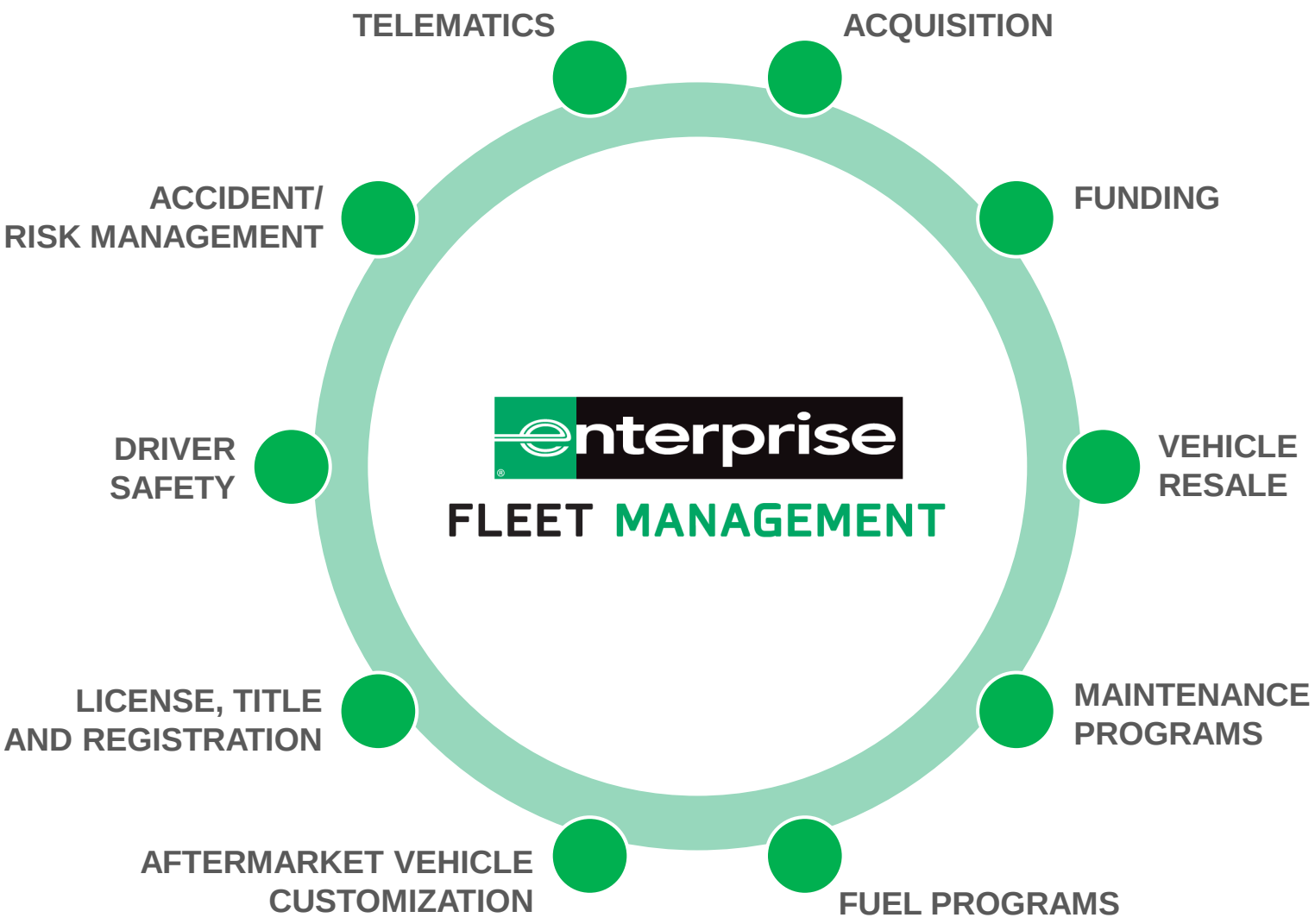

2.3 Million Worldwide	101,000
VEHICLES	EMPLOYEES
$26.4 Billion in Revenue	Ranked by Forbes As one of America's Largest Private Companies

Executive Summary

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Initial Meeting Recap

- **Our Understanding:** The City of Elliot Lake has transformed from a historic mining town to a popular tourist, recreational destination, and retirement community. Like many Ontario Municipalities, Elliot Lake finds itself in a unique position with aging infrastructure, large capital projects underway or needing to be scheduled (pool, arena etc.) and the supply chain challenges and price increases impacting their budgeting. Recent tax increases of 6.5% have helped, but more is needed to fund the necessary projects as well as begin to rebuild reserves. They currently operate a fleet of approximately 30 vehicles to help carry out municipal functions.

- **Acquisition:** The Municipality uses the Bids and Tenders process to procure vehicles currently. Last few years some bids went unfulfilled or were delayed. Are open to various manufacturers, however locally in town have Ford, GM, and Chrysler dealership currently.

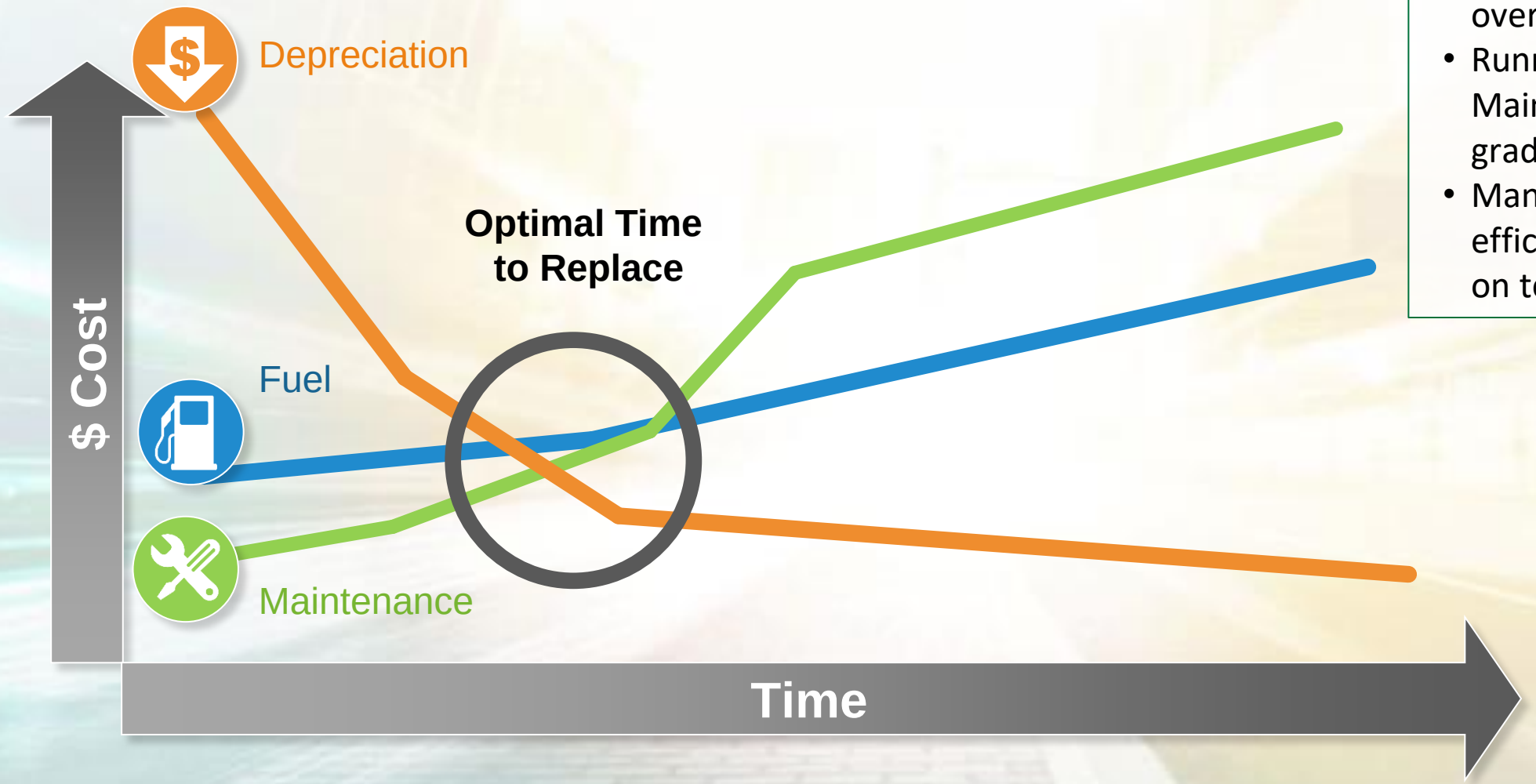
- **Funding:** All light duty vehicles are purchased out right based on annual budget allowances. Capital Budget approval will dictate the allowance for new vehicle purchases. No current financing or leasing strategies being utilized, however, would be open to these alternatives if it saved money.

- **Maintenance:** Maintenance of the light duty fleet can be handled on-site through the two mechanics on staff. Options for offsite service exist at local dealerships or service centers. Currently do not use any telematics devices in the fleet but would be open to learning more about this.

- **Resale**: Currently using Gov Deals for resale. Have held vehicles longer recently due to budget restrictions and supply chain challenges so little value remains at re-sale currently.

- **Cycle Philosophy:** Current not using a consistent cycle strategy for vehicle replacement. Units can be held as long as 10-12 years depending on the unit and the department using it. Council approval of capital budget will dictate if units can be added or replaced to the fleet.

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

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Your Current Fleet Synopsis

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Corporation of the City of Elliot Lake

VIN	Year	Make	Model	Series	Odometer	Annual Expected Mileage	Estimated Odometer 1 Yr.
1FDLF47F2VEC79115	1997	*Ford	*F-350	*XL 4X4	108659	4179	112838
1FDXE45F1YHA61130	2000	Ford	E-450 Cutaway	Standard SD Chassis 158 in. WB DRW	91624	3983	95607
1FDXE45P28DA43865	2008	Ford	E-450 Cutaway	Base SD Chassis 158 in. WB DRW	111065	7404	118469
3D7KS28D18G226308	2008	Dodge	Ram 2500	ST/SXT 4x4 Quad Cab 6.25 ft. box 140.5 in. WB	94695	6313	101008
3D7KR26D68G226710	2008	Dodge	Ram 2500	ST/SXT 4x2 Regular Cab 8 ft. box 140.5 in. WB	190139	12675	202814
3D6WG46L59G552062	2009	Dodge	Ram 3500 HD Chassi	ST/SLT 4x2 Regular Cab 143.5 in. WB	125863	8990	134853
3D6WF4CL8BG580533	2011	Dodge	Ram 3500 HD Chassi	ST/SLT/Laramie 4x2 Crew Cab 172.4 in. WB	188974	15747	204721
1GCWGFCA1B1102322	2011	Chevrolet	Express 2500	Work Van Rear-Wheel Drive Cargo Van	82190	7000	89190
3C6JD6DP1CG206793	2012	RAM	1500	ST 4x2 Regular Cab 8 ft. box 140 in. WB	134840	12258	147098
1FTNF1CF1DKE53824	2013	Ford	F-150	XL 4x2 Regular Cab Styleside 6.5 ft. box 126 in. WB	128528	12852	141380
1FTNF1CF3DKE53825	2013	Ford	F-150	XL 4x2 Regular Cab Styleside 6.5 ft. box 126 in. WB	192802	19280	212082
1FTNF1CF0EKE35283	2014	Ford	F-150	XL 4x2 Regular Cab Styleside 6.5 ft. box 126 in. WB	257178	28575	285753
1FTNF1CF6EKE28659	2014	Ford	F-150	XL 4x2 Regular Cab Styleside 6.5 ft. box 126 in. WB	115798	12866	128664
1FDUF4GY4HEF01647	2017	Ford	F-450 Chassis	XL 4x2 SD Regular Cab 145 in. WB DRW	62543	10423	72966
1FTMF1C52JKE99399	2018	Ford	F-150	XL 4x2 Regular Cab Styleside 6.5 ft. box 122 in. WB	33802	6760	40562
1FTMF1C50JKE99398	2018	Ford	F-150	XL 4x2 Regular Cab Styleside 6.5 ft. box 122 in. WB	42147	8429	50576
3C63R3CJ9KG680589	2019	RAM	3500	Tradesman 4x4 Crew Cab 149.5 in. WB SRW	52235	13058	65293
1FTMF1EB9KKE53301	2019	Ford	F-150	XL 4x4 Regular Cab Styleside 6.5 ft. box 122 in. WB	49443	13000	62443
2C4RDGBG0KR697242	2019	Dodge	Grand Caravan	SE Front-Wheel Drive Passenger Van	31232	7808	39040
1FTFW1E58LFA02616	2020	Ford	F-150	XL 4x4 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB	40386	13462	53848
1FTFW1E5XLFA02617	2020	Ford	F-150	XL 4x4 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB	76224	25408	101632
7GZ67UCG0LN009507	2020	GMC	Savana Cutaway 450	4500 Van Chassis 159 in. WB DRW	9347	3115	12462
1FTFW1E56MFB83667	2021	Ford	F-150	XL 4x4 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB	29881	15000	44881
1FTFW1E5XMFC11471	2021	Ford	F-150	XL 4x4 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB	31014	15507	46521
1FTFW1E58MFB83668	2021	Ford	F-150	XL 4x4 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB	34144	17072	51216
1FTFW1E5XMFB83669	2021	Ford	F-150	XL 4x4 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB	55395	27697	83092
1FTMF1EB8MKD42483	2021	Ford	F-150	XL 4x4 Regular Cab Styleside 6.5 ft. box 122 in. WB	49443	12360	61803
1FTFW1E53MKE51307	2021	Ford	F-150	XL 4x4 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB	9317	6000	15317
1FT7W2B65NEF70063	2022	Ford	F-250	XL 4x4 SD Crew Cab 6.75 ft. box 160 in. WB SRW	3941	3941	7882
1FT7W2B62NEC53163	2022	Ford	F-250	XL 4x4 SD Crew Cab 6.75 ft. box 160 in. WB SRW	22346	22346	44692
1FD8W3GNXPEC01756	2023	Ford	F-350 Chassis	XL 4x2 SD Crew Cab 179 in. WB DRW	1563	5000	6563

Avg Current Model Year: 2015

Average Current Odometer: 78,720

10 Vehicles over 100K currently.
* 4 over 160K

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Acquisition

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- 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.

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VEHICLE COST COMPARISON

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	2022 Chevrolet Silverado 1500 LTD LT 4x4 Double Cab 6.6 ft. box 147.4 in. WB CK18753	2022 Ford F-150 XLT 4x4 SuperCab 6.5 ft. box 145 in. WB X1E	2022 RAM 1500 Big Horn 4x4 Quad Cab 140.5 in. WB DT6H41
Vehicle Type	1/2 Ton Pickup	1/2 Ton Pickup	1/2 Ton Pickup
Engine	2.7L Turbo	3.3L V6 PFDI	3.6L Pentastar VVT V6 w/eTorque
L/100 km City	14	13	14
L/100 km Highway	14	13	14
Acquisition Cost	$43,813	$46,327	$53,796
Total Actual Depreciation	$12,053	$9,757	$17,076
Total Fuel Cost	$22,502	$20,687	$22,502
Total Maintenance Cost	$3,446	$3,390	$3,458
Lease Term	36 Months	36 Months	36 Months
Holding Period	3 Years	3 Years	3 Years
Annual Kilometers	40,000	40,000	40,000
Cost per km	$0.39	$0.36	$0.44
RBV at Term	$14,634	$15,473	$17,968
Expected Sales Price at Holding End	$31,760	$36,570	$36,720
Estimated Equity at Term	$17,126	$21,097	$18,752

The Right Holding Period

Monthly Cost Analysis

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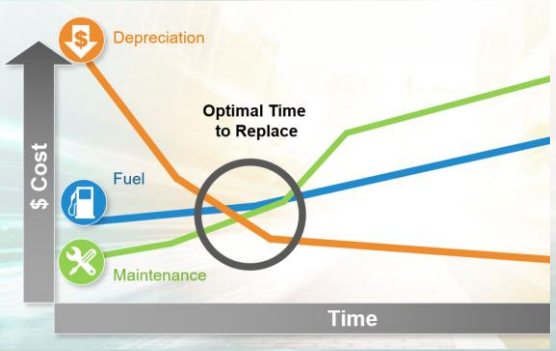
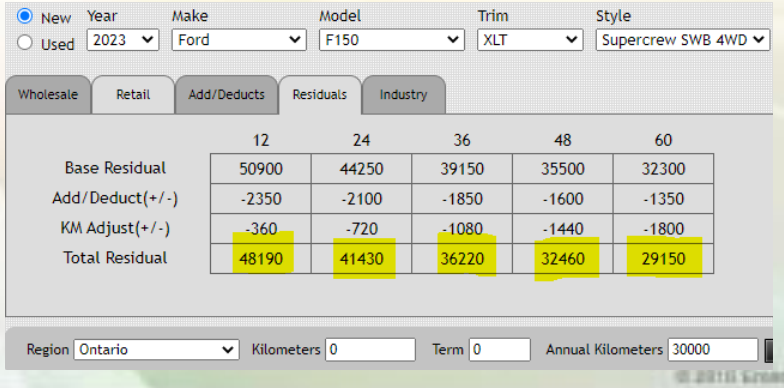
2023 F-150 XLT 4x4 SuperCrew Cab 5.5 ft. box 145 in. WB

30,000 KMs/Year

Vehicle Age (months)	Total KMs	Est. Market Value	Avg. Monthly Depr.	Avg. Monthly Maint.	Avg. Monthly Fuel	Avg. Monthly Downtime	Avg. Monthly Cost	Rolling Avg. Monthly Cost	Recommended Cycle Indicator
0	0	$55,329							
12	30,000	$38,552	$1,398.08	$33.75	$435.00	$16.00	$1,882.83	$1,882.83	
24	60,000	$33,144	$450.67	$223.83	$446.00	$106.00	$1,226.50	$1,554.67	
36	90,000	$28,796	$362.33	$101.00	$457.25	$47.83	$968.42	$1,359.25	
48	120,000	$25,968	$235.67	$334.92	$470.00	$158.58	$1,199.17	$1,319.23	
60	150,000	$23,320	$220.67	$130.33	$483.00	$61.67	$895.67	$1,234.52	lowest TCO cycle point
72	180,000	$16,324	$583.00	$399.42	$497.67	$189.17	$1,669.25	$1,306.97	
84	210,000	$13,059	$272.08	$299.75	$513.92	$141.92	$1,227.67	$1,295.64	
96	240,000	$11,277	$148.50	$440.00	$532.42	$208.33	$1,329.25	$1,299.84	

All components of this Monthly Cost Analysis including, but not limited to, vehicle price, applicable taxes, and interest rates are based on estimates and current market conditions.





* Built in $1000 in AME to acquisition cost

FUNDING OPTIONS

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$40,000 Pickup Truck

1 Option — Pay-Cash

$40,000 in Year 1

1	2	3	4	5

3 Vehicles

2 Option — Finance

$8,000 in Each Year

1	2	3	4	5

15 Vehicles

3 Option — Market-Value Finance

5,000 in Each Year

1	2	3	4	5

24 Vehicles

If you had a $120,000 annual fleet budget, how many vehicles could you acquire?

Corporation of the City of Elliot Lake - Fleet Profile

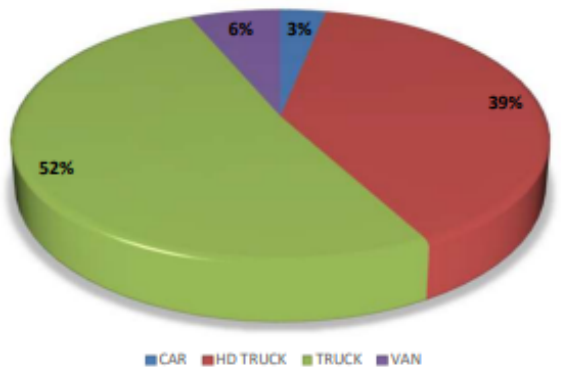
Fleet Profile / Fleet Replacement Schedule

Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage	2024	2025	2026	2027	2028	Under-Utilized
Full-size Sedan	1	3.5	3,100	0	0	0	1	0	0
Minivan-Passenger	1	4.5	7,800	0	0	0	1	0	0
3/4 Ton Van Cargo	1	12.6	7,000	1	0	0	0	0	0
1/2 Ton Pickup Reg 4x2	7	9.0	14,400	3	2	2	0	0	0
1/2 Ton Pickup Reg 4x4	2	3.5	6,800	0	0	0	1	1	0
1/2 Ton Pickup Quad 4x4	7	2.7	17,200	0	0	0	2	5	0
3/4 Ton Pickup Reg 4x2	1	15.7	12,700	1	0	0	0	0	0
3/4 Ton Pickup Quad 4x4	3	6.2	10,900	1	0	0	0	2	0
1 Ton Pickup Reg 4x4	1	26.8	4,200	1	0	0	0	0	0
1 Ton Pickup Quad 4x4	1	4.5	13,100	0	0	0	1	0	0
1 Ton Cab Chassis	4	13.0	8,400	3	0	0	0	1	0
1 1/2 Ton Cab Chassis	2	11.1	8,900	1	1	0	0	0	0
Totals/Averages	31	8.0	11,800	11	3	2	6	9	0

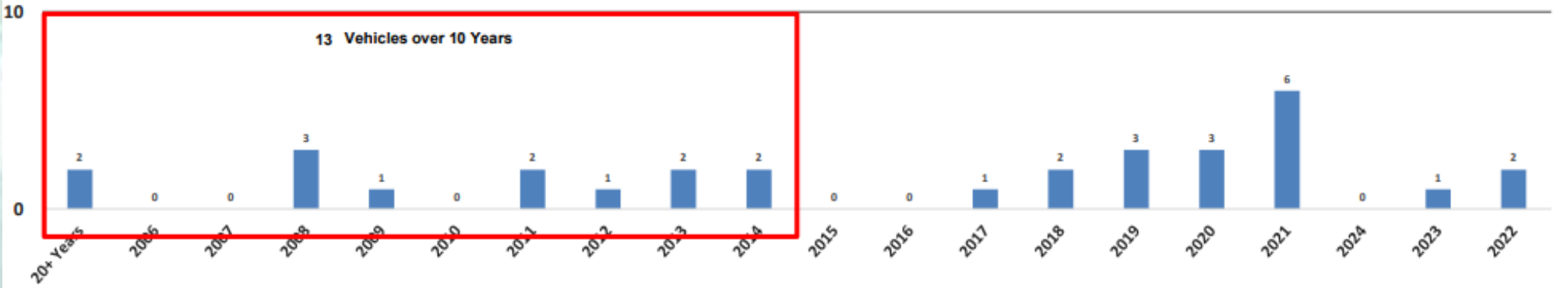
Replacement Criteria

* Fiscal Year 2024 = 12 years old and older, or odometer over 160,000
* Fiscal Year 2025 = 7 years old and older, or odometer over 130,000
* Fiscal Year 2026 = 6 years old and older, or odometer over 100,000
* Fiscal Year 2027 = 4 years old and older, or odometer over 70,000
* Fiscal Year 2028 = Remaining Vehicles
* Underutilized = Annual Mileage less than

Vehicle Types



Model Year Analysis



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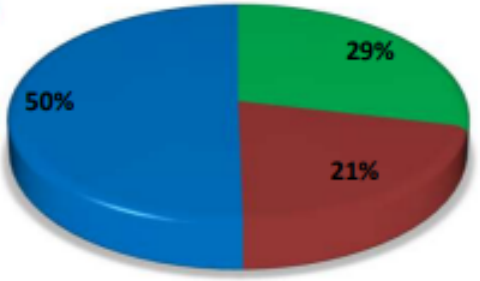
Corporation of the City of Elliot Lake - Fleet Planning Analysis

Current Fleet	31	Fleet Growth	0.00%	Proposed Fleet	31
Current Cycle	8.86	Annual KM	12,500	Proposed Cycle	5.00
Current Maint.	$183.65			Proposed Maint.	$69.59
Maint. Cents Per KM	$0.18	Current L/100KM	17.5	Price/Liter	$1.45

Fleet Costs Analysis

	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	31	3.5	31	0	163,100	0			68,316	92,822	324,238	0
'24	31	11	20	11	0	137,657	-36,535		53,261	85,221	239,603	84,635
'25	31	3	17	14	0	171,855	-22,388		49,155	83,148	281,771	42,468
'26	31	2	15	16	0	186,919	-20,700		46,417	81,766	294,402	29,836
'27	31	6	9	22	0	248,435	-132,163		38,205	77,620	232,098	92,140
'28	31	9	0	31	0	347,718	-227,550	-259,087	25,887	71,401	-41,631	365,869
'29	31	11	0	31	0	347,718		-69,503	25,887	71,401	375,503	-51,265
'30	31	3	0	31	0	347,718		-32,973	25,887	71,401	412,033	-87,795
'31	31	2	0	31	0	347,718		-120,714	25,887	71,401	324,292	-54
'32	31	6	0	31	0	347,718		-196,032	25,887	71,401	248,974	75,264
'33	31	9	0	31	0	347,718		-259,087	25,887	71,401	185,919	138,318
									10 Year Savings			$689,416
									Avg. Sustainable Savings			$14,894



Current Fleet Equity Analysis

YEAR	2024	2025	2026	2027	2028	Under-Utilized
QTY	11	3	2	6	9	0
Est $	$3,321	$7,463	$10,350	$22,027	$25,283	$0
TOTAL	$36,535	$22,388	$20,700	$132,163	$227,550	$0
		Estimated Current Fleet Equity**			$439,335	

* 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 Maintenace costs are exclusive of tires unless noted on the lease rate quote.

KEY OBJECTIVES

Lower average age of the fleet

42% 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

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Operating Expenses – Maintenance

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Full Maintenance

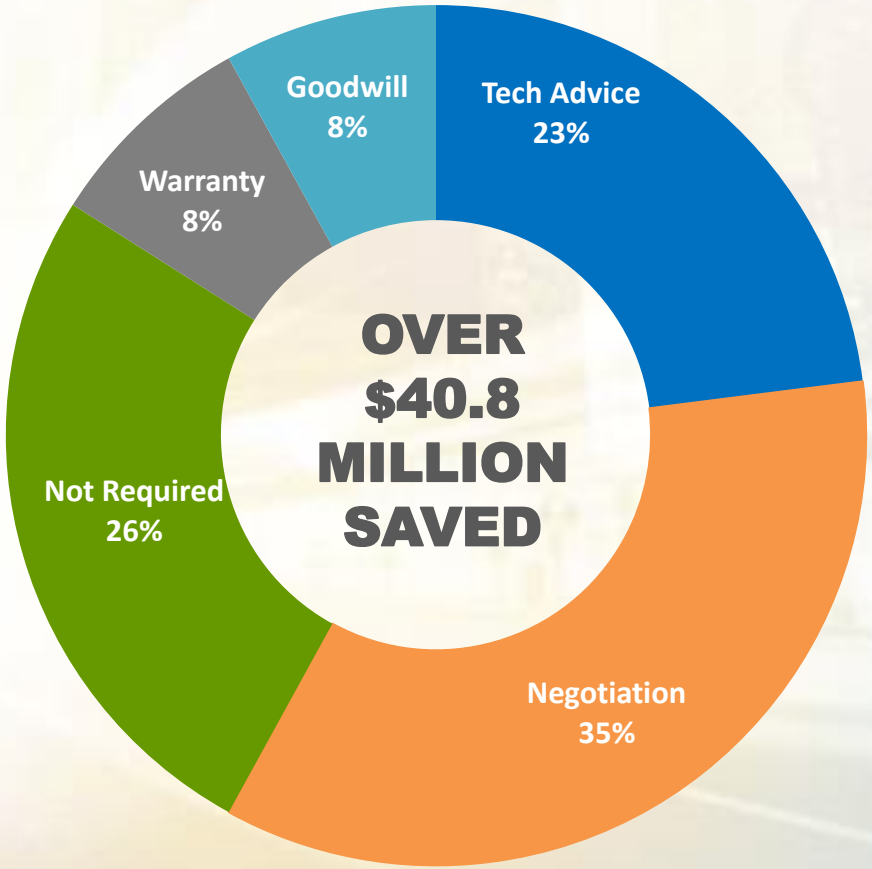
- Fixed monthly rate & inflation proof for entire lease term up to 160,000km
- Takes customer out of managing maintenance entirely
- Includes: 24/7 Roadside, all major and minor repairs

Maintenance Management

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

Enterprise National Service Department

- 200 Employees with over 1,100+ total ASE certifications
- 400,000+ vehicles under management on this program
- $40.8 million in customer savings in 2021
- $3.5 million in post warranty/goodwill refunded to our customers in 2021



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RESOURCES

Fleet Technology

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Customer Website

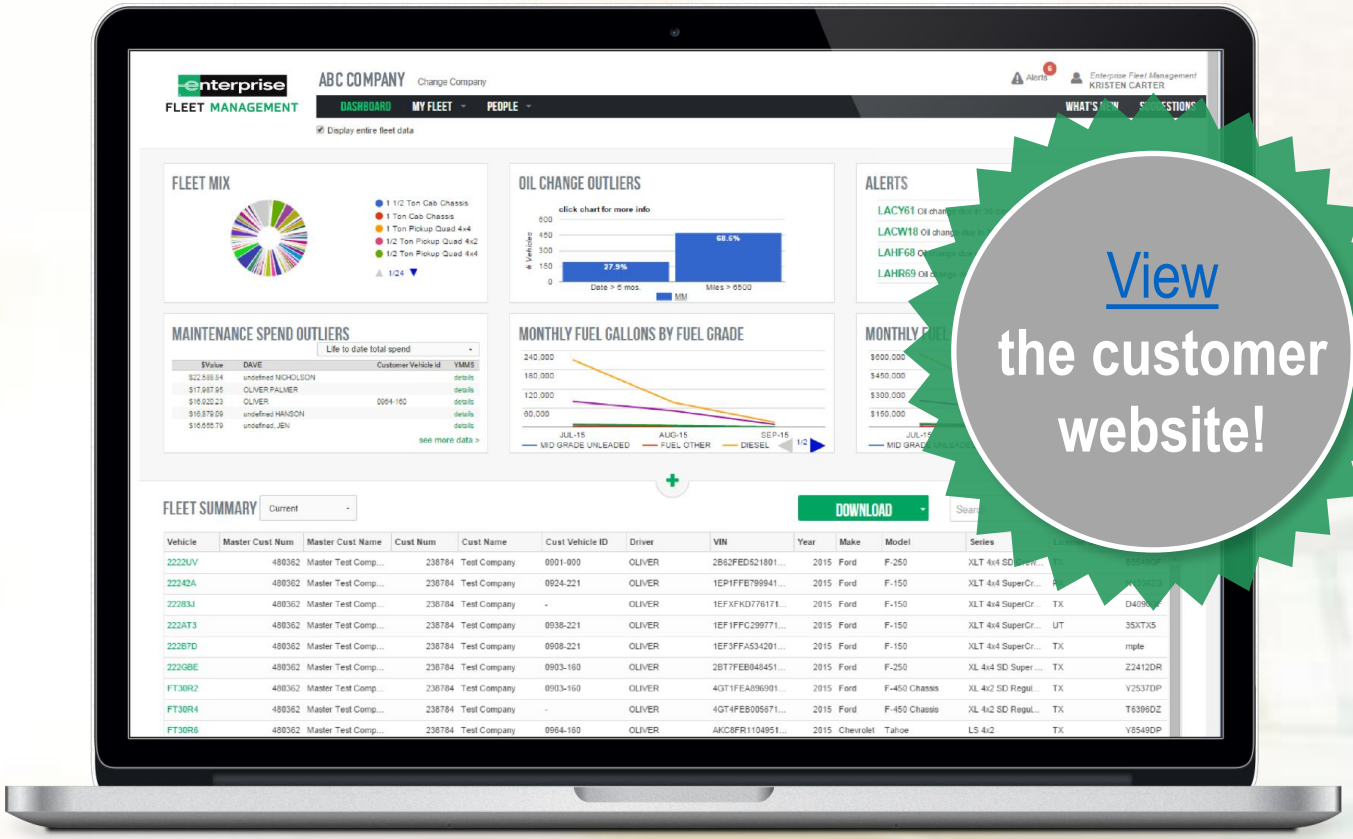
- Visibility and tracking of vehicle data
- Customized dashboards with reporting
- Real-time alerts
- Simplify accounting processes with vehicle descriptors

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



View the customer website!

TOP 100 COMPANIES

InformationWeek's "Elite 100" list honoring the top U.S. companies for innovative and creative information technology programs.

2016 GOLD STEVIE WINNER AMERICAN BUSINESS AWARDS

Most Innovative Company of the Year

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RESOURCES – New Driver Mobile App

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Mobile App Features

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

2016 GOLD STEVIE® WINNER AMERICAN BUSINESS AWARDS

Most Innovative Company of the Year

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

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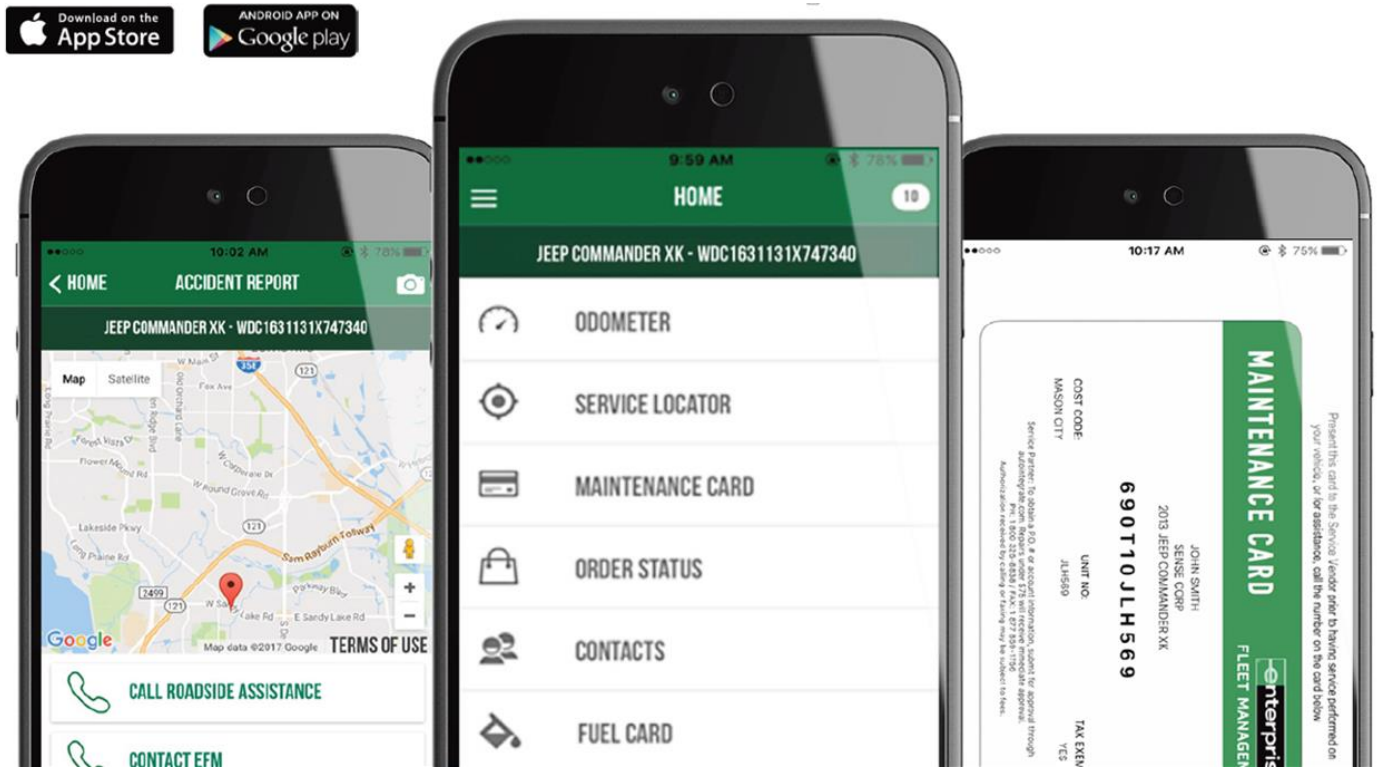
ANDROID APP ON Google play



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