

Implementing a managed vehicle program has saved about \$100,000 for the City of Westminster per year.

Client's Situational Analysis

- Fleet of 200 vehicles
- The City traditionally purchases vehicles using 100% cash
- Vehicle replacement activities were staggered to keep uniform expenditures of funds from year to year

Key Strategic Client Objectives

- Leasing allows the City to pay only for the term in which the vehicle is used, typically three years
- Reduce maintenance expenses common in older vehicles
- With increasing fuel prices, newer vehicles will get better miles per gallon and reduce expenditure

Plan Delivered To Achieve Desired Strategy

- Open-ended, Equity Lease is structured so that the City pays about 40% of the value of the vehicle over the three year term
- By leasing the light duty fleet, the City has freed up capital to acquire Police patrol vehicles
- Maintenance on lease vehicles will be reduced because warranty will hold for the term



Client Background

Location:	Westminster, CA
Industry:	Municipality
Founded:	1957
Fleet Size:	200 vehicles

Key Results

- **Leasing reduces the impact of capital needs, and helps the City's cash flow**
- **A yearly savings of about \$100,000, including replacement costs, maintenance, and fuel consumption**
- **Newer vehicles have a more fuel efficient system, resulting in a savings of approximately 5,000 gallons annually**
- **Using the resale proceeds of the current fleet to lower the monthly lease payments**



FLEET MANAGEMENT

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Historically, the City of Westminster has purchased vehicles cash to build our fleet. This required 100% cash payment at the time of purchases. The "Vehicle Replacement Fund" is structured in a way to allow for the payment of such purchases in a timely manner. Vehicle replacement activities were staggered, as much as possible, to keep uniform expenditures of funds from year to year.

In continuing our commitment to reduce costs and improve efficiency of our Fleet, staff has researched the option of leasing versus buying City vehicles. The advantages of the leasing program include paying for only 40% of the value of the vehicles over the three year term and reduced impact to capital needs. Also, new vehicles will decrease maintenance expenses since vehicles will be under warranty for the term, and have more efficient fuel system. Staff recommends going with the leasing option which would replace applicable City cars in a period of four to six months.

Enterprise Fleet Management provided the most economical solution for the City. Enterprise is a nationwide company with higher buying power and greater volume discounts than the City could achieve on its own. The Open-ended, Equity Lease allows the City to only pay for the use of the vehicles over the three year period without mileage restrictions or abnormal wear and tear. Enterprise sold all of our current vehicles and applied the value to lower our monthly lease payment.

The City benefits from a yearly savings of about \$100,000, including replacement costs, maintenance, and fuel consumption. Enterprise's Account Team has been instrumental in working with the City to contain costs, streamline our budget process, and make recommendations on fleet efficiency.

Kevin Beach
Fleet Superintendent
City of Westminster

Additional Enterprise Fleet Management Benefits

A dedication to customer service unsurpassed in the vehicle management industry.

Local locations nationwide – hometown people, hometown service.

You will be able to leverage our scale – with more than 1M vehicles owned and managed by all the divisions of Enterprise.

You get the best value for your used vehicles – due to 800 Enterprise remarketing experts selling more than 650,000 vehicles per year.

Specialized in managing mid-sized fleets of vehicles.

Full suite of products and services – including a budgeted maintenance program and insurance.

Integrated transportation solutions provided via our short-term rental, truck and fleet management groups.

We help you save money and improve cash flow when you tap into our line of credit for your fleet vehicle needs.



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