

MOTOR VEHICLE REVIEW COMMITTEE

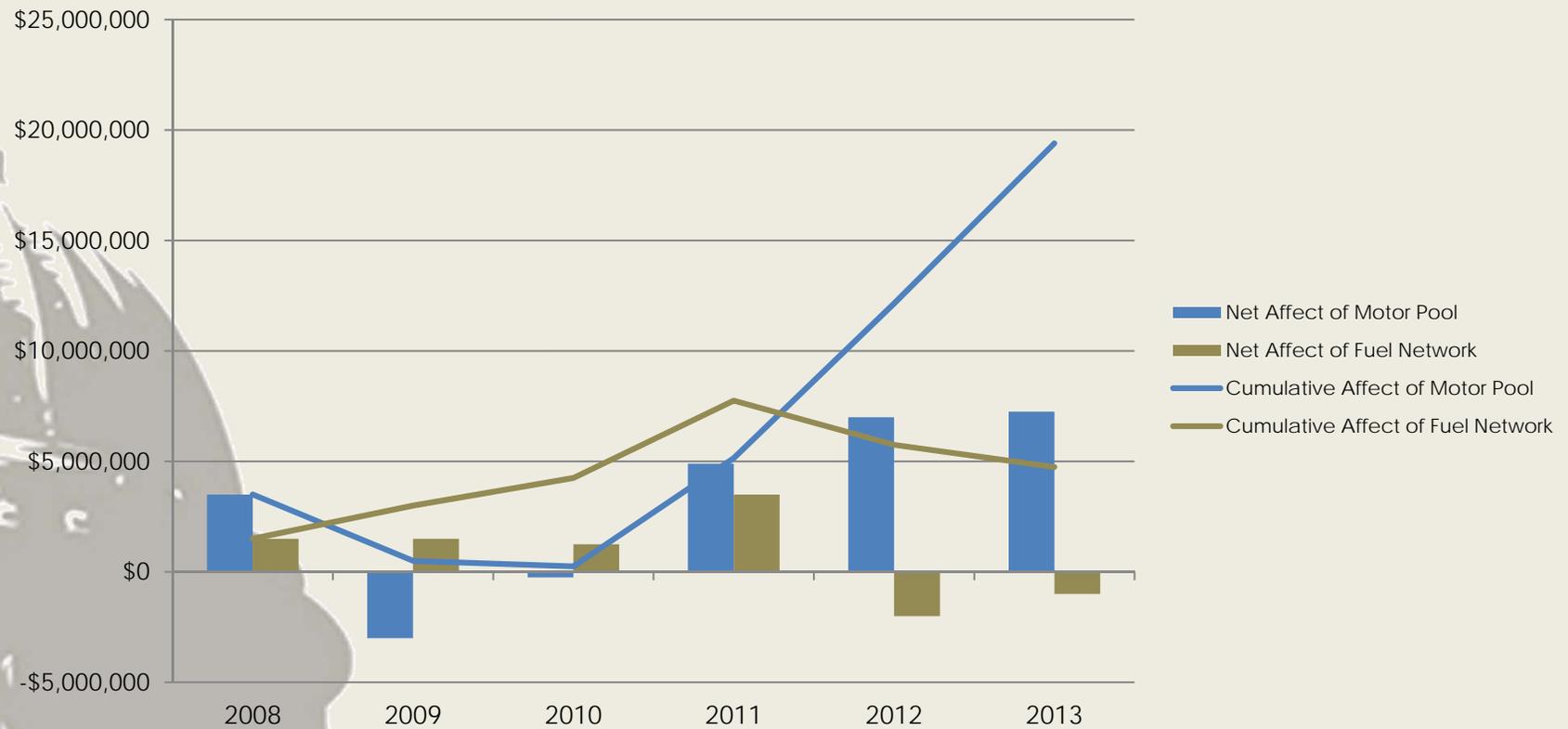
March 31, 2015

Perlinski Report

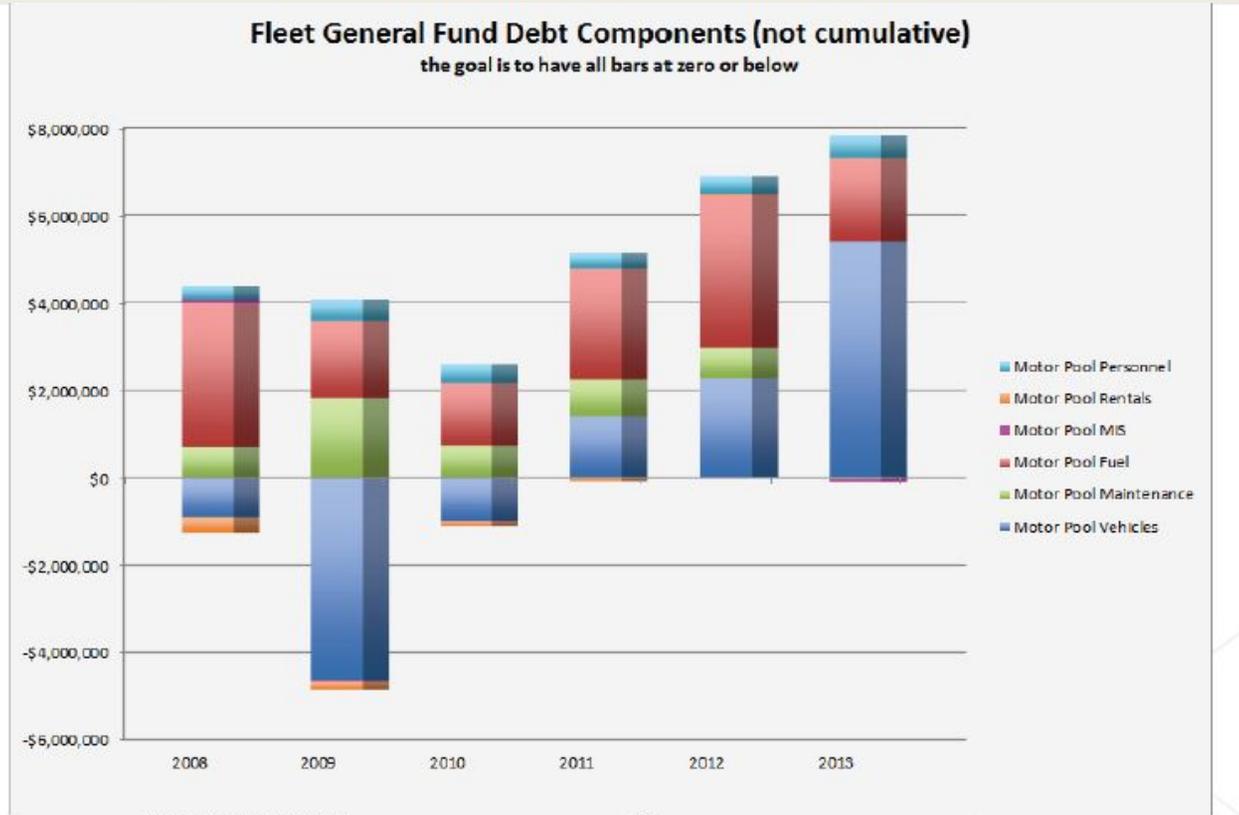
General Fund Debt Analysis

General Fund Debt Component Trends

Net and Cumulative Affects by Service Area



Motor Pool General Fund Debt Analysis



Perlnski & Company
 listen • plan • execute

CONFIDENTIAL

Four Key Strategies for FY 2015

Cost Centers

Direct fuel pass through

RFI/RFP

Enterprise/DNR pilots

New Fleet Cost Centers

Depreciation

Purchase
Monthly Depreciation
Surplus Recovery

Maintenance

Service Call Center
Regular Maintenance
Accident Repair

Fuel

Direct Pass Through

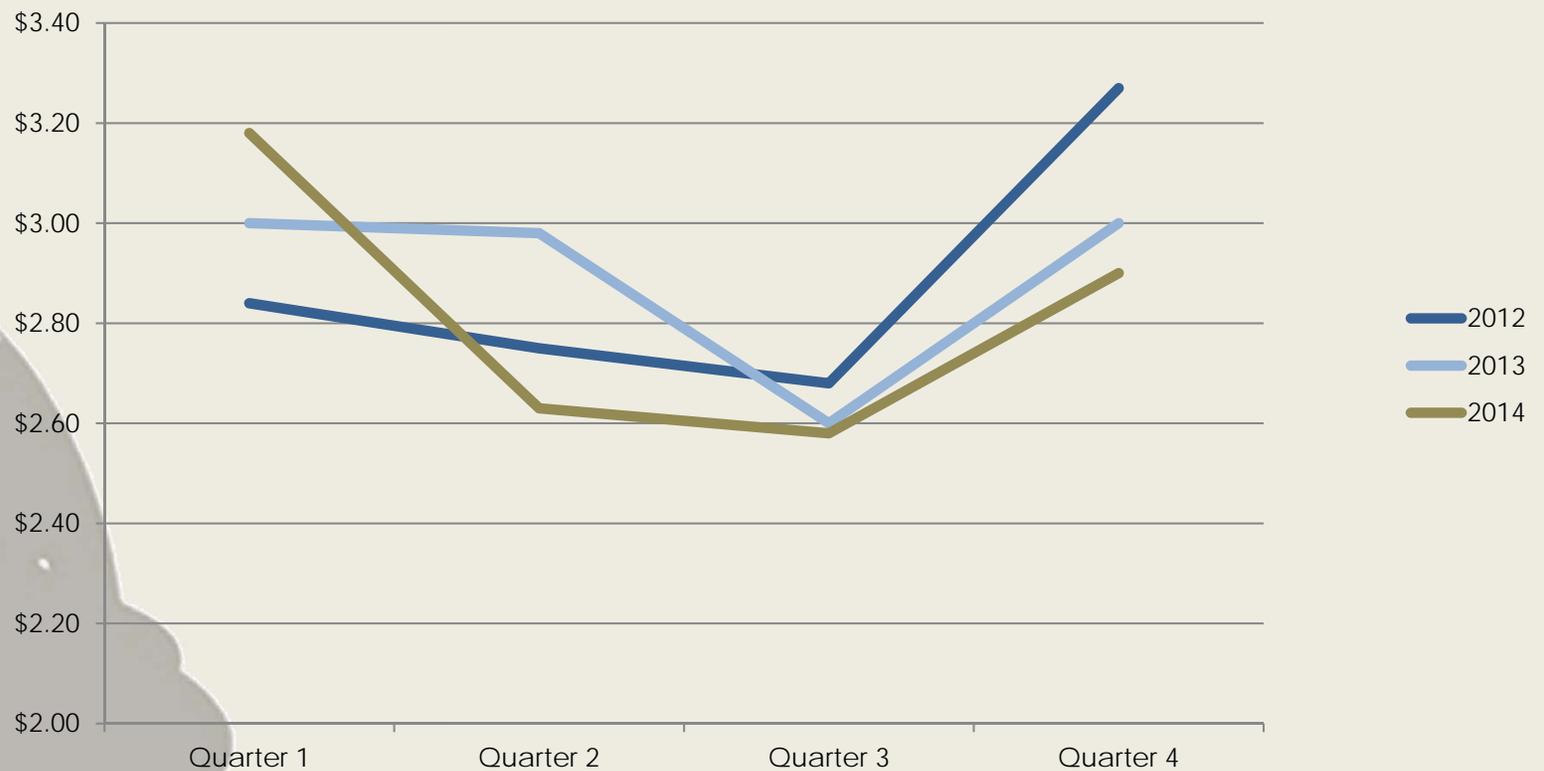
Overhead

IT Costs
Personnel
Supplies

All revenues and expenses will be tracked and reconciled within cost centers allowing for greater transparency, accountability, and comparability.

Fuel Direct Pass Through

Fuel Prices by Quarter



RFI/RFP



Enterprise Pilot

PRE-PILOT:

63

VEHICLES
& 49,499 MILES

PILOT: 24 & 49,499
VEHICLES MILES



Enterprise Pilot: Benefits

Depreciation

Becomes a non-issue. Focus is on utilization.

Maintenance

Becomes a non-issue.

Fuel

No change

Overhead

State overhead reduced.
Pollution reduced.

Burden of utilization shifted from the state to Enterprise. From a state perspective, vehicles are 100% utilized.

Enterprise Pilot

ENTERPRISE HOLDINGS™

Alamo®

enterprise

National®

DNR Pilot

Demand

For Fiscal Year 2014 DNR traveled 10,338,613 miles
(Enough to travel around the world 416 times)

Fuel

\$2.3MM FY 2014

Lease

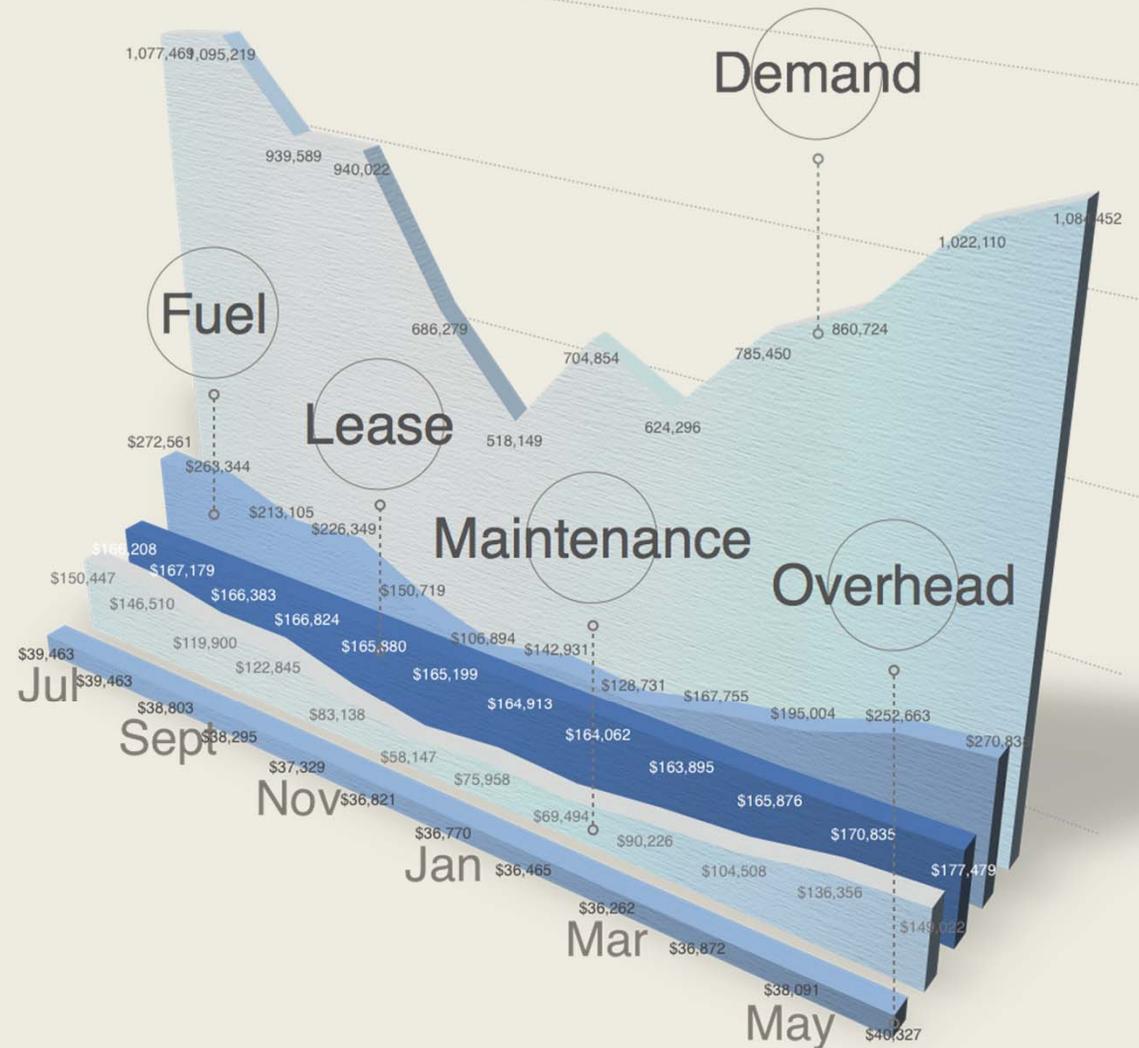
\$2.0MM paid out in Fiscal Year 2014 in depreciation costs

Maintenance

\$1.3MM collected; \$1.2MM performed
FY 2014

Overhead

\$455K: \$48.51 per vehicle per month
FY 2014



DNR Pilot: Reducing Costs

Depreciation

Straight Line over
3 years

Maintenance

Pass through costs.
Eliminate per mile
charges

Fuel

Direct Pass Through

Overhead

Move overhead
to a per mile
charge

For 32 vehicles; Savings of \$41K / yr or \$124K over three years. Estimated residual value of \$586K Current DFO services remain unchanged.

Driver's Eligibility Board