

MEMORANDUM

TO: Department Heads **FROM:** Anya Sharma, Chief Financial Officer **DATE:** October 1, 2024 **SUBJECT:** FY2025-2030 Capital Budget Guidance for Fleet Renewal

This memo provides guidance for the upcoming five-year capital planning cycle. While we support the city's long-term strategic goals, we must operate within a framework of fiscal responsibility.

For the Metropolis Transit Authority, the capital budget for fleet asset renewal is capped at \$15 million for FY2025 and \$20 million for FY2026. Proposed expenditures beyond these limits will face extreme scrutiny and are unlikely to be approved.

For FY2027-2030, budget forecasts are more flexible but will be contingent on demonstrated ROI from initial investments. All proposals, particularly those involving higher-cost assets like electric vehicles, must include a rigorous cost-benefit analysis and a phased implementation plan. We expect a data-driven approach that balances initial outlay with long-term operational savings and risk reduction. Your proposals should clearly articulate the financial case for your recommended strategy.