



**OFFICE OF THE
CHIEF FINANCIAL OFFICER
OFFICE OF BUDGET**

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To: Legislative and Oversight Agency Directors
From: Steven Watson, Budget Director & Deputy CFO
Date: September 26, 2023
Re: **Fiscal Year 2024-2025 Budget Development**

The Office of Budget is responsible for all aspects of the City's annual budget and four-year financial plan, under the leadership of the Mayor and the Chief Financial Officer. This fall, we began development of the Fiscal Year 2024-2025 ("FY25") Budget and FY25-FY28 Four-Year Financial Plan.

As reported at our September Revenue Estimating Conference, the City's revenue outlook continues to improve, thanks to the strength of our income tax and our continuing efforts driving economic opportunity and growth for Detroiters. However, that revenue growth is needed to cover current services cost drivers, such as wage and fixed cost growth. Thus, our ability to fund Supplemental Requests will be constrained.

We are using a preliminary baseline for your agency's budget equal to your recurring FY24 Adopted Budget amount (i.e., excludes one-time FY24 budget adds), plus wage growth and fringe benefit cost adjustments. The final proposed FY25 budget for your agency may differ. For your reference, your agency's baseline amount is outlined in the Summary tab of your Detail Sheet. Your Baseline Budget should reflect all current services at FY24 levels. You may submit any cost increases over FY24 associated with current services, as well as new initiatives, as Supplemental Requests. All Supplemental Requests should be summarized and justified at the Initiative level.

All departments are responsible for working with their Agency CFOs from the Office of Departmental Financial Services (ODFS) to prepare and submit their budget requests via PBCS (the budget system of record) and our [Smartsheet Form](#) no later than **November 3, 2023**. We have attached detailed technical budget instructions for both ODFS and your staff.

After we have reviewed your budget request, we invite you to join us for an optional Budget Director's Hearing with you in November or December. Please confirm your interest in scheduling a hearing with your Budget Analyst and Janice Butler (butlerj@detroitmi.gov). Please also work closely with our team members assigned to your agency as they follow up with you on details and open issues related to the City budget. The Mayor will deliver his proposed budget to the City Council on or before March 7, 2024. Then, the City Council will hold public budget hearings during March and April as they consider the Mayor's proposed budget. As in past years, we expect the City Council will schedule a hearing specifically for your agency.

Thank you for your continued support as we develop a balanced budget that makes targeted investments that improve the quality of life for Detroiters and ensures fiscal sustainability. We look forward to working with you to accomplish these goals.

Att: FY25 Budget Calendar
FY25 Budget Kickoff Presentation

To: Executive Branch
Group Executives and Department Directors
Re: Fiscal Year 2024-2025 Budget Development

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Cc: Jay B. Rising, Chief Financial Officer
Tanya Stoudemire, Chief Deputy CFO / Policy & Administration Director
John Naglick, Jr., Chief Deputy CFO / Finance Director
Janani Ramachandran Yates, Deputy Budget Director
Office of Budget Management
Office of Budget Staff
Regina Greear, Deputy CFO/Office of Departmental Financial Services
Agency CFOs