To: Hon. Detroit City Council Member-Mary Waters

From: Denise Starr, Director   Human Resources Department

Date: 3/23/23

Re: Responses to FY 2023-2024 Budget Analysis – CM Waters

Please find below responses to your questions sent on xx/xx/xx, regarding the proposed Fiscal Year 2024 Proposed Budget for Department of Human Resources

1. **Please explain why the Classification and Compensation expenses under Workforce Management increase nearly $400,000 YoY and what the average compensation is for each of the three new hires planned**

   The expenses represent $95K for access to benchmark and market data through various data sources like PayScale, Mercer, and CompAnalyst. These tools, systems and surveys provide real time compensation information for various industries and jobs. The Class Compensation Team currently only has access to two surveys to compare current market rates to the City, determine compa-ratio's and evaluate equity to determine if an increase in salaries/pay-rate is required.

   The additional $305K represents salary and benefits for 3 additional staff that will be needed to perform the above analyses by having access to qualified data and tools to assist in responding departments/employees in a timely and supportive manner, redesign compensation structures that support consistency and pay equity, administer general wage increases for FY24 and projected merit increases, perform broad pay analyses to ensure equity and appropriateness across departments, responds to requests with quality-informed data for decision-making, provide our employees in Class Compensation with tools they need in order to perform their jobs successfully.

2. **Please explain the duties of Classification and Compensation staff and illustrate the value and efficiencies that hiring three new people would bring to the City of Detroit**

   The City of Detroit's Classification and Compensation department supports all city-wide compensation activities, for approximately 10,000 regular employees. This includes compensation administration and consulting, merit administration, job titles and leveling, job description development and management, data management, customer service and classification support, for areas to include General City, Fire, civilian Police and the Legislative Branch, ie, City Council, Auditor General, etc.

   Additional staff with support the large volume of job survey requests and market study surveys needed to ensure that the City of Detroit provides competitive wages.

   This team will also perform critical market and labor analyses needed to support Labor Relations in the renegotiation of 25 labor contracts set to expire between FY23 and FY24.

3. **How is the capacity of the OIG office expanding? Does this budget enable the office to conduct investigations to the quality expected? How does the capacity of the office to conduct investigations compare to the volume of investigation requests that come in?**

The Human Resources Department does not have sufficient information or access to information to respond to this question.