

**BUDGET, FINANCE AND PERSONNEL COMMITTEE**  
**DECEMBER 7, 2010**  
**4:45 P.M.**

Councilwoman Berz, Chairwoman, called the meeting of the Budget, Finance, and Personnel Committee to order with Councilpersons Ladd, Rico, Scott, Benson, Murphy, Gilbert, Robinson, and McGary present. City Attorney Michael McMahan and Shirley Crowover, Assistant Clerk to the Council, were also present.

Others present included Vickie Haley, Daisy Madison, Donna Kelley, Susan DuBose, Jean Smith, Dan Johnson, Randy Ray, Fredia Kitchen, Madeline Green, Richard Beeland, and Jana Lowery.

Chairwoman Berz noted that Donna Kelley was present for this meeting. The first issue was the On-site Pharmacy service, designed to save the city money and a program that is lauded all over the country. The second issue was a brief educational session relative to employee appraisals.

Ms. Kelley noted that On-Site RX did a report last year on the savings and the overall acceptance, and we had asked them to do another presentation this year.

A representative of On-Site RX noted that in 2008 they came before the Council and asked for their blessing; that the prime mover was the opportunity for savings with a wholesale level of prescription drugs; that the savings had been achieved; that today we would look at the progress of the Pharmacy and that it should not take too long. He noted that this was a summary up to the third quarter of this year; that in the last six months, it had taken a hike in filling prescriptions; that the cost on average is \$30.00 less and savings are going up, averaging 240 prescriptions per day; there were 5,000 prescriptions for September. He noted that this was a phenomenal savings for On-the-Job injuries—that the City is saving \$61.00 per claim and getting \$50,000 worth of savings on these claims, averaging \$100,000 per quarter. He went over several other figures, noting that there was an increase of 8% to 10% for BC-BS, but the City is holding flat and going down.

He went on to mention that in October they did a random survey of city users; that the overall impression was that they were doing a good job; the main concern was the hours of operation, with some employees wanting the Pharmacy to be open longer and on Saturday; that they were evaluating the feasibility of meeting the needs of city employees.

Councilwoman Robinson noted that it was a given that they would be closed on Christmas day; however they were essentially “shut down” the entire Thanksgiving weekend. She stated that they might look at that.

The representative stated that their goal was to look at the utilization that they would get; that there were 4800 prescriptions in November; that most of the folks think the Pharmacy has

served them well; that they would look at other days but generally they went with the City's schedule.

Chairwoman Berz questioned being open during the City's hours of operation, asking if they would look at several hours later in the day, which could be more convenient.

The representative responded that one could make the argument that employees might be more likely to go to Walgreens, etc. for pharmaceuticals after hours; however the cost would be higher; that they wanted to administer this Pharmacy and achieve utilization with expediency; that they were not opposed to looking at longer hours; however there could be a greater labor cost.

Councilman Murphy asked, other than the hours, if there were other incentives to drive up employee utilization; that with higher utilization, the more we will save.

The representative responded that lower co-pay is the biggest driver; that another piece is a gift card give-away.

Councilman Murphy suggested something like if an employee fills three more prescriptions a month, they might get a bonus.

Councilman McGary mentioned that the representative had stated that they needed to stay above the rating of "4" and asked how this was accomplished. The representative noted that they had had discussions about the hours of operation—that the hours are optimal. He also mentioned that employees could get over-the-counter items at cost.

Madeline Green mentioned the possibility of mail order.

(At this point, Chairwoman Berz attempted to try to get the audience to stay focused on the speaker and let him finish his presentation).

He continued, speaking of productivity and how quickly prescriptions were being filled. He noted that the Pharmacy is located at a very convenient place and employees had learned how to use the Pharmacy and were getting their prescriptions filled in under ten minutes. He mentioned that the City's peer group was also going to open up a pharmacy.

Chairwoman Berz stated that we were very proud of the Pharmacy; that Donna Kelley had really kept her word; that this was a model.

Ms. Kelley added that this had been a tremendous efficiency for employees and a great savings.

**EDUCATIONAL SESSION CONCERNING EMPLOYEE APPRAISALS**

Ms. Kelley stated that her presentation would be brief; that getting started, one of the first things she had heard was the employee's Right of Appeal and Progressive Discipline. She presented the Charter Provision (Section 13.49) pertaining to any fireman or policeman who is discharged, suspended or laid off; that it was her position that we do a similar Ordinance for civilians. She stated that this provision sets the stage for Fire and Police and went over the particular language. She stated that she did not know if this was helpful or not.

She moved on to Progressive Discipline, stating that within the directions legislated to us, we have instructions with regards to managers, supervisors, and employees, ranging from oral and written reprimands. The Code also provides for other disciplinary actions which may include suspension, demotion and dismissal.

At this point, Councilman Benson stated that we should go into this with a positive attitude to help employees to grow with the proper evaluations; that managers should go about this in a positive way for better professional growth and evaluations should be honest.

Ms. Kelley responded that Administration does have a departmental policy with Standard Operating Procedures—that one shoe does not fit all; that Personnel does offer training to supervisors on progressive discipline best practices and Standard Operating Procedures; that Performance Appraisal is not a disciplinary tool; that once a behavior is noticed it is recorded on a Performance Plan, which precedes any form of discipline. She stated that this is a very effective tool.

She moved on to Performance Management Issues, which are challenging and controversial; that this is a proactive approach that emphasizes employee development rather than punishment; that 95% of the companies surveyed have adopted a Performance Management system, which coordinates with the City's overall goals. She went on to say that they had made a proposal to the Council in order to identify the best of the best and to put an RFP out; that this would require a staff to deploy; that we could get the cost down through our IS Department, and we still need a system; that what we have is old and dated and performance is too big to do manually; that they had heard from IS and would like for the Council to understand that this is a needed item—that an electronic format is a necessity.

Chairwoman Berz shared with the Council that they wanted more direction.

Councilman Gilbert stated that this presentation was "hit and miss" and too brief; that the Council needed more time to ask questions.

Chairwoman Berz asked if this presentation was sufficient and all the Council wanted to do was ask questions? Councilman Benson responded that it was not nearly sufficient.

Councilwoman Scott pointed out that we already have job descriptions, with Ms. Kelley adding that we also need performance standards.

Chairwoman Berz stated that a 2008 Plan was forwarded to the Council; that Segal did not finish this Plan. Councilman Gilbert stated that he would like to get this Plan, with Chairwoman Berz stating that the Council had copies. Councilwoman Scott indicated that she would like to see evaluation forms as samples. She went on to say the Performance Evaluation should meld with the job description; that people could get frustrated with an incorrect format; that it works best when people are oriented of expectations, and it should be more objective than subjective.

Ms. Kelley mentioned Piedmont Hospital in Atlanta, where they used the job description as a tool; that it worked quite well and was on her list of Best Practices.

Councilwoman Scott stated that one should know the management document when counseling is done; that a manager should sit down and talk with an employee and share with them what is being done; that verbal counsel should be documented, and she would encourage managers to do this.

Ms. Kelley stated that this had been done, but she always got questions from managers as to whether the employee had to sign this.

Councilwoman Scott noted that Performance Evaluation also includes attendance and punctuality, with Ms. Kelley adding also leave and mis-use of leave.

Councilwoman Ladd stated that this presentation gave her what she needed—that it says “here’s where we are now”, and “we need to move forward”.

Councilman Murphy asked why performance management issues were challenging and controversial if 95% of companies have adopted them? Ms. Kelley responded “because they don’t do it well”. Councilman Murphy stated that a Personnel Action Plan and Overall Performance Goals interested him more.

Ms. Kelley responded that all are in agreement on efficiency; that we hear random comments, and we need to be marching from the same message.

Chairwoman Berz summarized that as opposed to the Council micro-managing, Ms. Kelley wanted goals so that we can get reports. Ms. Kelley stated that it was very good for the Council to be interested, but it was up to management as to how to do this.

Chairwoman Berz stated that goals and objectives have changed and asked what would be helpful to the Council; that what we had gone over was far from sufficient. She wanted to know the Council's ideas and Ms. Kelley could share with Best Practices; that the Council should not be micro-managing. She stated that they designed this presentation today, this way and asked if ideas should be sent to Donna Kelley. Richard Beeland stated that Dan Johnson wanted the ideas. Chairwoman Berz stated that the Council should get actively involved instead of criticizing.

**On motion of Councilwoman Ladd, seconded by Councilwoman Robinson, the minutes of the previous meeting were approved as published.**

This meeting adjourned at 5:30 P.M.