

Prison Enterprises Board Meeting

October 20, 2015

Michael J. Moore
Michael J. Moore, Director
DATE 11/17/15

1. Chairman Charles Chatelain called the meeting to order at 9:59 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Attendance
 - 2.1 Members Present:
 - Charles Chatelain, Chairman
 - Joseph Ardoin
 - Eric Lane
 - Frank Strickland
 - 2.2 Prison Enterprises Staff Present:
 - Michael Moore, Director
 - Joe Buttross
 - Scot Floyd
 - Daniel Hoover
 - Todd Labatut
 - Vickii Melius
 - Michelle Montalbano
 - Kristie Sigrest
 - Misty Stagg
3. Chairman Charles Chatelain reported that Mr. Lane would be a few minutes late. Mr. Chatelain deferred approving the September board meeting minutes until Mr. Lane arrived.
4. Mr. Chatelain turned the meeting over to Director Moore.
5. Director Moore began the meeting with details of an Apprenticeship Program that PE has been researching. He explained this program could provide working offenders an opportunity to earn certification in numerous vocational trades and would help facilitate a successful transition back into society.
6. Next, Director Moore invited Board Members to the Department of Public Safety and Corrections (DPS&C) Employee Memorial Service and Annual Awards Ceremony at 10:00 AM, October 22, 2015. He announced that PE's CDC Supervisor Mike Ducote had been nominated for the DPS&C Supervisor of the Year Award and that former PE Director Jim Leslie would be remembered at the service. He added that a plaque honoring Mr. Leslie would be placed on the memorial wall.
7. Director Moore reported that PE's new website had received the final approval and would be launched by the end of the year.
8. Next, Director Moore provided an update on PE personnel. He announced that Brian Canerday was hired as one of the Winn Garment Plant's Supervisors and that Thomas Gore was hired to fill the vacant truck driver position. Adding that PE's Transportation Department was fully staffed. Director Moore reported that Brooke Farrar transferred to the PE Property Manager position from the Front Desk position. Lastly, he reiterated that the PE Supervisor (Sales Rep) position would be vacated on November 1st.

9. Director Moore then announced that PE's Dixon Correctional Institute (DCI) Chair and Embroidery Supervisor, Mary Reese was nominated for the South Central Correctional Industries Association (SCCIA) Regional Staff Award that will be selected in November. He explained that as a Regional Staff Award nominee, she becomes a member of the 2016 National Correctional Industries Association (NCIA) Honor Roll. He went on to explain that the winner of the SCCIA Regional Staff Award would then compete for the NCIA National Staff Award.
10. At 10:15 AM, Mr. Eric Lane joined the meeting.
11. Next, Director Moore reported that the new Chief Executive Officer for the Mississippi Prison Industries Corporation and several of his staff members toured various PE Industries during the month.
12. Continuing, Director Moore reported on PE's participation in the Louisiana Correctional Association Conference (LCA) held in Lake Charles. He congratulated PE's Sales and Marketing Manager, Vickii Melius for being elected to serve on the LCA Board.
13. Lastly, Director Moore explained that LSP was pursuing disaster recovery aid from the Federal Emergency Management Agency to assist with rebuilding roads and the ferry landing damaged by the effects of the 2015 flooding of the Red River and the Mississippi River. PE was waiting for the United States Department of Agriculture to determine if emergency funds would be available for agricultural cost incurred and revenue lost due to the inability to plant crops on Monkey Island.
14. Director Moore then asked Mr. Labatut for his comments.
15. Mr. Labatut discussed the additional three (3) month extension to PE's Janitorial Contract with the Department of Transportation and Development (DOTD). He reported that PE with the assistance of DCI Warden Vannoy and DOTD would continue monitoring and tracking the number of offenders working on the contract.
16. Mr. Labatut reported on the status of PE restoring the existing fence at DOC Headquarters. He noted that matching the decorative finial was more difficult than expected. He stated that the panels and the posts on the north side of the fence had been refurbished and painted. He explained that the LSP maintenance crew had begun cementing the posts back into the ground and would begin working on the south side of the fence, towards the end of the month.
17. Director Moore then asked Mr. Buttross for the administrative update.
18. Mr. Buttross began by providing an update on Building 10. He reported that ninety percent (90%) of the sheetrock had been installed and the crews should begin taping and floating it next week. He stated that the electrical power was turned on and that the heavy equipment was tested and functioning properly. He reported that the modular furniture was tentatively scheduled to be installed by the second (2nd) week of January. He noted that an office desk prototype could be seen in the adjoining showroom.
19. Then, Mr. Buttross reported that the construction of the new Canteen Packaging Program Warehouse was progressing.
20. Next, Mr. Buttross announced that CDC had received the last shipment of smoking tobacco. He stated that all DOC institutions were smoke free, except LSP and Winn and they were projected to be smoke free by January 1st.
21. Lastly, Mr. Buttross reported that the September 2015 job orders totaled \$343,000 as compared to September 2014 job orders of \$1,084,000. He noted that a large tag order

- was received in September 2014. He reported that the October orders to date were \$105,000, as compared to \$279,000 for all of October 2014.
22. Director Moore, then asked Mrs. Sigrest to provide the financial update.
 23. Mrs. Sigrest stated that the YTD sales for July 2015 were \$1.9 million as compared to last year's \$2.5 million, a decrease of \$581,000. Industries totaled \$875,000 this year as compared to \$1.3 million last year, a decrease of \$497,000. Agriculture totaled \$1,300 this year and \$200 last year, an increase of \$1,200. She stated Retail sales for July 2015 were \$1 million and \$1.1 million for July 2014 resulting in a decrease of \$85,000 for this year.
 24. Mrs. Sigrest reported that the Net Income YTD for July 2015 was a loss of \$167,000 as compared to \$186,000 profit in July 2014, a decrease of \$353,000. Industries net income was \$488 compared to \$323,000 in 2014, a decrease of \$322,000. Agriculture net income was a \$77,000 loss for July 2015 compared to a \$71,000 loss in July 2014, a decrease of \$5,800. Mrs. Sigrest stated Retail net income was \$925 as compared to last year's net income of \$24,000, a decrease of \$23,000.
 25. Next, Mrs. Sigrest reported the preliminary YTD sales for August 2015 was \$4.8 million as compared to \$5.4 million in August 2014, a decrease of \$670,000. Industries totaled \$1.8 million in August 2015 compared to \$2.3 million last August, a decrease in \$468,000. Agriculture sales were \$1 million for August 2015 and \$984,000 in August 2014, an increase of \$49,000. She stated that Retail Sales for August 2015 was \$1.9 million as compared to \$2.2 million August 2014, a decrease of \$252,000.
 26. Mrs. Sigrest reported the preliminary Net Income YTD for August 2015 was a loss of \$316,000 and for August 2014 it was \$278,576 profit, a decrease of \$595,000. Industries totaled \$92,000 net income in August 2015 and \$439,000 in August 2014, a decrease of \$347,000. Agriculture net income for August 2015 was \$208,000 loss as compared to a \$27,000 loss in August 2014, a decrease of \$180,000. She stated that Retail YTD net income for August 2015 was \$22,000 and for 2014 it was \$67,000, a decrease of \$45,000.
 27. Lastly, Mrs. Sigrest reported preliminary Sales YTD for September 2015 was \$8.1 compared to \$8.3 million for September 2014, a decrease of \$222,000. For September 2015, Industries YTD sales totaled \$2.9 million as compared to \$3 million September 2014, a decrease of \$75,000. The Agriculture preliminary YTD sales for September 2015 were \$2 million and September 2014 was \$1.8 million, an increase of \$226,000. She stated that September 2015 Retail sales were \$3 million and 2014 were \$3.4 million, a decrease of \$372,000.
 28. Director Moore, then asked Mrs. Melius for the marketing update.
 29. Mrs. Melius began by reporting that PE received two (2) DOC orders: an order from LSP for janitorial products and printing totaling \$13,082 and an order from EHCC for offender clothing totaling \$10,728.
 30. Continuing, Mrs. Melius announced that five (5) significant job orders were received. She reported an order from the Eastern Louisiana Mental Hospital for scrubs, sweatshirts and jackets totaling \$29,770, an order from the Tangipahoa Parish Jail for offender clothing totaling \$16,590, an order from Louisiana Municipal Employee Retirement System for furniture and chairs totaling \$13,524, a license plate order from Office of Motor Vehicles totaling \$13,160 and a Louisiana Workforce Livingston Parish Facility order for metal trash cans and lockers totaling \$ 5,100.

31. Lastly, Mrs. Melius reported that the Sales and Marketing staff attended the Louisiana Correctional Association conference October 12th – 14th in Lake Charles. She added they are scheduled to attend the National Institute of Governmental Purchasing October 20th – 21st in West Baton Rouge and the Louisiana Chiefs of Police Fall Conference October 21st – 22nd in Baton Rouge.
32. Director Moore, then asked Mr. Floyd to provide an Industries update.
33. Mr. Floyd began by providing updates on the LSP Industries. He reported that the Metal Fabrication Shop was shipping two (2) loads each with fifteen (15) triple bunks for Calcasieu Parish Sheriff's Office as well as diligently working on refurbishing DOC Headquarters fence. He reported that the bid opened for an innovative "computer to plate printer" for the Print Shop. He explained that the new printer would eliminate the need for a dark room. Mr. Floyd reported that an old broom-stitching machine was located nearby and purchased to use for machine parts. Mr. Floyd reiterated that the Transportation Department hired Thomas Gore to fill the vacant truck driver position. Lastly, he stated the Tag Plant was completing the Brown Pelican license plate order and had received a specialty plate order.
34. Lastly, Mr. Floyd reported that Brian Canerday was hired for one of the Winn Garment Plant Supervisor positions. He also noted that five (5) single head embroidery machines were installed and operational at the Embroidery Plant. He reported that the Furniture and Chair Plant completed and delivered the last of the Earnest Morial Convention Center's upholstered sofas and chairs.
35. Director Moore asked Mr. Hoover for the agriculture update.
36. Mr. Hoover announced that all the cattle had been worked and it was done in record time. He stated that using the new catchpen allowed them to work 1,000 cows in one day including shipping.
37. Next, Mr. Hoover reported that two hundred ten (210) steers from David Wade Correctional Center would be sold in November and that LSP would possibly have one (1) load of steers to sell in December.
38. Continuing, Mr. Hoover reported that twenty-five acres of soybeans were left to be harvested. He stated that the soybeans were averaging forty (40) bushels per acre and that 5,000 bushels had been booked at \$9.77 with a basis at \$0.70. He noted the basis had dropped to \$0.58.
39. Lastly, Mr. Hoover reported that the milo averaged one hundred four (104) bushels per acre and that the cotton harvest did well. He said it took three and a half (3 ½) days to harvest it all. He stated that the average yield 2.29 bales per acre.
40. Mr. Charles Chatelain asked for a motion to approve the minutes of the September meeting. Mr. Ardoin made a motion that the minutes be approved as written. Mr. Lane seconded the motion and it passed unanimously.
41. Mr. Chatelain announced the next board meeting would be held at 10:00 AM on Tuesday, November 17, 2015 at PE Headquarters. At 10:57 AM, Mr. Chatelain adjourned the meeting.