

Prison Enterprises Board Meeting

November 17, 2015

APPROVED
Michael G. Moore
Michael G. Moore, Director
DATE 12/17/15

1. Chairman Charles Chatelain called the meeting to order at 9:58 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Attendance
 - 2.1 Members Present:
 - Charles Chatelain, Chairman
 - Joseph Ardoin
 - Harvey Honore
 - Eric Lane
 - 2.2 Prison Enterprises Staff Present:
 - Michael Moore, Director
 - Joe Buttross
 - Scot Floyd
 - Kacie Henderson
 - Daniel Hoover
 - Todd Labatut
 - Vickii Melius
 - Michelle Montalbano
 - Kristie Sigrest
 - Misty Stagg
3. Chairman Charles Chatelain deferred approving the October board meeting minutes until Mr. Lane arrived.
4. Mr. Chatelain turned the meeting over to Director Moore.
5. Director Moore began the meeting with personnel changes. He stated that the Front Desk position was vacant and that Mary Adamchik was hired to fill the recently vacated Sales position.
6. At 10:02 AM, Mr. Eric Lane joined the meeting.
7. Next, Director Moore reported that the new PE Website was successfully launched on November 4, 2015. He referenced the website address listed on the Board Meeting Agenda and invited everyone to visit the site.
8. Lastly, Director Moore reported that the state announced a \$500 million budget shortfall. He discussed the effects that this fiscal year's expected budget cuts will have to PE's customers and future sales.
9. Director Moore then asked Mr. Labatut for his comments.
10. Mr. Labatut reported that PE had reviewed several product specification questions involving products received from PE's Wakefield Meat Plant. He stated that all of the products in question were shipped correctly, according to the specifications in the bid. In an effort to ensure customer satisfaction, Director Moore consulted with Department of Corrections (DOC) Headquarters and established a committee to review, revise, and update the meat and poultry bid specifications as needed to correspond with the customer's preference.

11. Director Moore then asked Mr. Buttross for the administrative update.
12. Mr. Buttross began by providing an update on Building 10. He reported that the existing bay door in the warehouse was repaired and in good working condition. Adding that a second bay door was needed and would be installed soon. He stated that the new windows were still on target for an early December delivery. He reported that the modular office furniture vendor was scheduled to view the building this week. He went on to explain that funds were received to make the necessary repairs to the roof and dormers.
13. Then, Mr. Buttross reported that the work on the building pad site for the Canteen Packaging Program Warehouse had started and would continue as the weather permits. He announced that the Canteen Packaging Program RFP question and answer phase was in the progress. He explained the process and noted that PE received thirty (30) questions from vendors and would respond by the December 3rd deadline.
14. Next, Mr. Buttross stated that the PE equipment purchases included two (2) new vans from Louisiana Property Assistance Agency for PE's janitorial crews and two (2) used vans from the federal surplus would go to CDC at LSP. He noted that a tractor and bush hog was purchased for DCI Rangeherd and a used truck was purchased to replace an inoperable truck in the Transportation Department.
15. Lastly, Mr. Buttross reported that the October 2015 job orders totaled \$260,000 as compared to October 2014 job orders of \$590,000 of which included a large Ernest Morial Convention Center order. He reported that the orders up to November 12, 2015 were \$77,000, and were likely to surpass October 2014 total of \$106,000.
16. Next, Director Moore stated that Mrs. Sigrest would provide the financial update. He explained that the financial statements for August 2015 were finalized. He stated that Mrs. Sigrest would address only changes from the preliminary statements provided last month to the "finalized" August statements unless there are other questions. She will also present the preliminary sales and net income for September along with the preliminary sales for October.
17. Mrs. Sigrest began by stating that she previously reported the August preliminary YTD Net Income was a \$316,000 loss. During the review process, adjustments were necessary and YTD Net Income changed to a loss of \$312,000 for August 2015.
18. Continuing, Mrs. Sigrest reported that preliminary YTD sales for September 2015 were \$8.1 million as compared to last year's \$8.3 million, a decrease of \$180,000. Industries totaled \$3 million this year as compared to \$3 million last year, a decrease of \$60,000. Agriculture totaled \$2 million this year and \$1.8 million last year, an increase of \$230,000. She stated Retail sales for September 2015 were \$3 million and \$3.4 million for September 2014 resulting in a decrease of \$335,000 for this year.
19. Mrs. Sigrest reported that the preliminary YTD net income for September 2015 was a loss of \$302,000 as compared to \$431,000 profit in September 2014, a decrease of \$734,000. Industries net income was \$261,000 compared to \$427,000 in 2014, a decrease of \$166,000. Agriculture net income was a \$298,000 loss for September 2015 compared to a \$165,000 profit in September 2014, a decrease of \$463,000. Mrs. Sigrest stated Retail net income was \$51,000 as compared to last year's net income of \$125,000, a decrease of \$74,000.
20. Next, Mrs. Sigrest reported the preliminary YTD sales for October 2015 was \$10.9 million as compared to \$11.2 million in October 2014, a decrease of \$296,000. Industries

totaled \$4 million in October 2015 compared to \$3.6 million last October, an increase of \$418,000. Agriculture sales were \$2.5 million for October 2015 and \$2.7 million in October 2014, a decrease of \$191,000. She stated that Retail Sales for October 2015 was \$4.4 million as compared to \$4.9 million October 2014, a decrease of \$522,000.

21. Director Moore, then asked Mrs. Melius for the marketing update.
22. Mrs. Melius began by reporting that PE received three (3) DOC orders: an order from DWCC for mattresses, offender clothing and janitorial products totaling \$27,690, an order from LSP for janitorial products totaling \$14,464, and an order from DCI for mattress covers totaling \$12,500.
23. Continuing, Mrs. Melius announced that four (4) significant job orders and one (1) notable quote were received. She reported an significant job order from the Office of Juvenile Justice Bridge City was received for embroidered polo shirts, washcloths, towels, and pillows totaling \$28,750, an order from the Office of Motor Vehicles for license plates totaling \$20,702, an order from Calcasieu Parish Sheriff's Office for mattresses totaling \$11,000, and an order from Ernest Morial Convention Center for parking tickets printing totaling \$6,630. Additionally, Mrs. Melius stated that a purchase order was received from Bayou Segnette State Park for furniture totaling \$203,744 and that a furniture quote was given to Kappa Sigma Fraternity for almost \$150,450.
24. Lastly, Mrs. Melius reported that PE received numerous handmade Christmas Cards designed by EHCC, LCIW and LSP offenders during the PE Christmas Card Contest. She announced that a winning card was selected from the LSP Tag Plant and will be used as PE's 2015 Holiday Card.
25. Director Moore, then asked Mr. Floyd to provide an Industries update.
26. Mr. Floyd began by providing updates on the LSP Industries. He reported that the Metal Fabrication Shop was busy working on an order for bunk beds, stools, chairs, and tables to furnish sixteen (16) cabins at Bayou Segnette State Park along with a large order of triple bunk beds, trashcans, and benches for Livingston Parish Work Release. He stated that the Mattress Factory was working on the Livingston Parish Work Release order of mattresses and duffle bags. Next, Mr. Floyd announced that the Print Shop bid for the computer to plate system was awarded and they were coordinating with the vendor on the installation and training. He reported that the Tag Plant had adequately prepared and for a large license plate order from OMV. Lastly, he reported that LSP's Silkscreen Shop was busy working on numerous orders of election signs for the Secretary of State's office.
27. Then Mr. Floyd reported on the Garment Plants. He reported that the LCIW Plant had increased its roster to almost one hundred (100) working offenders and that despite the decrease in the number of working offenders at the EHCC Garment plant; they managed to successfully complete the orders by the deadline dates.
28. Next, Mr. Floyd discussed the various orders the Embroidery Plant, Chair Plant, and Allen Furniture were busy working to complete.
29. Lastly, Mr. Floyd announced that the new Soap Press was in transit and would arrive soon.
30. Director Moore asked Mr. Hoover for the agriculture update.
31. Mr. Hoover announced that the cows were calving. He stated that DWCC had two hundred twenty (220) steers remaining and LSP had one load of steers left. He reported

that all ryegrass had been planted and the cattle could be ryegrass grazing by early December.

32. Continuing, Mr. Hoover stated that some fieldwork and drainage rows had been done. He reported that the crop yields were as follows: Soybeans, thirty-nine (39) bushels per acre, Corn, one hundred seventy-three (173) bushels per acre, Milo, one hundred twelve (112) bushels per acre, and lastly Cotton yielded 2.29 bales per acre.
33. Mr. Charles Chatelain asked for a motion to approve the minutes of the October meeting. Mr. Ardoin made a motion that the minutes be approved as written. Mr. Lane seconded the motion and it passed unanimously.
34. Mr. Chatelain announced the next board meeting would be held at 10:00 AM on Tuesday, December 15, 2015 at PE Headquarters. At 11:41 AM, Mr. Chatelain adjourned the meeting.