

Prison Enterprises Board Meeting

April 19, 2016


Michael J. Moore, Director
5/24/16

1. Chairman Charles Chatelain called the meeting to order at 10:01 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:
 - Joe Buttross
 - Kacie Henderson
 - Daniel Hoover
 - Todd Labatut
 - Vickii Melius
 - Michelle Montalbano
 - Kristie Sigrest
 - Misty Stagg
3. Chairman Charles Chatelain asked for a motion to approve the minutes of the March 15, 2016 meeting. Mr. Lane made a motion that the minutes be approved as written. Mr. Ardoin seconded the motion and it passed unanimously.
4. Mr. Chatelain turned the meeting over to Deputy Director Todd Labatut.
5. Deputy Director Labatut began by reporting that Director Moore was in Pittsburgh, Pennsylvania attending the National (NCIA) Conference. PE Industries Manager Scot Floyd, PE Quality Assurance Coordinator Kenny Juneau, and PE's Marketing Representative Hillary Simpson were also attending the conference and participating in several training workshops and roundtable discussions relevant to PE.
6. Next, Deputy Director Labatut invited board members to PE's Annual Awards and Training Conference on Thursday, May 5, 2016.
7. Deputy Director Labatut provided an update on the Bayou Segnette job and recounted the proposed delivery and installation schedule. He commended PE's staff for their professionalism and the collaborated efforts needed to ensure the project was a success.
8. Continuing, Deputy Director Labatut introduced a slideshow presentation highlighting PE's industries and agricultural operations during the year.
9. Deputy Director Labatut asked Mr. Buttross for the administrative update.
10. Mr. Buttross provided an update on the progress of Building 10. He discussed several solutions that have been presented for securing the entire perimeter of the Department of Corrections (DOC) complex.

11. Then Mr. Buttross reported on the status of the Request for Proposal for the Canteen Packaging Program. He explained that the contract was awarded and that the vendor could operate the packaging portion of the program offsite until PE's Canteen Packaging Warehouse was constructed. He estimated that the slab for the new warehouse would be poured between July and August.
12. Continuing, Mr. Buttross reported that PE purchased a used, twenty-eight foot (28') box truck to be used at PE headquarters.
13. Lastly, Mr. Buttross announced that the March 2016 job orders were \$261,000, a significant decrease from March 2015 job orders of \$400,000. Next, he reported that the April 2016 orders to date were \$85,300 while April 2016 total job orders were \$323,000.
14. Deputy Director Labatut asked Mrs. Sigrest to provide the financial update.
15. Mrs. Sigrest began by reporting that February 2016 final YTD sales were \$18.8 million as compared to February 2015 of \$21.9 million, a decrease of \$3 million. Industries totaled \$6.8 million this year as compared to \$7.7 million last year, a decrease of \$918,000. Agriculture totaled \$3.1 million this year and \$4.2 million last year, a decrease of \$1 million. She stated Retail sales for February 2016 were \$8.8 million and \$9.9 million for February 2015 resulting in a decrease of \$1.1 million this year.
16. Mrs. Sigrest reported that the final YTD net income for February 2016 was a loss of \$1.1 million as compared to \$1.6 million profit in February 2015, a decrease of \$2.7 million. Industries net income was \$114,000 compared to \$775,000 in 2015, a decrease of \$660,000. Agriculture net income was a loss of \$713,000 for February 2016 compared to \$1.1 million profit in February 2015, a decrease of \$1.8 million. Mrs. Sigrest stated Retail net income was \$317,000 as compared to last year's net income of \$489,000, a decrease of \$172,000.
17. Next, Mrs. Sigrest reported the preliminary YTD sales for March 2016 was \$21.1 million as compared to \$24.1 million in March 2015, a decrease of \$3 million. Industries totaled \$7.5 million in March 2016 compared to \$8.5 million last March, a decrease of \$925,000. Agriculture sales were \$3.2 million for March 2016 and \$4.2 million in March 2015, a decrease of \$1 million. She stated that Retail Sales for March 2016 was \$10.3 million as compared to \$11.4 million March 2015, a decrease of \$1.1 million.
18. Mrs. Sigrest reported the preliminary YTD net income for March 2016 was a loss of \$1.2 as compared to \$1.5 million profit in March 2015, a decrease of \$2.8 million. Industries net income was \$4,800 compared to \$720,000 in 2015, a decrease of \$715,000. Agriculture net income was a loss of \$763,000 compared to \$1 million profit in March 2015, a decrease of \$1.8 million. Retail net income for March 2016 was \$382,000 as compared to last year's profit of \$584,000, a decrease of \$202,000.
19. Deputy Director Labatut, then asked Mrs. Melius to provide the marketing update.
20. Mrs. Melius began by reporting that PE received three (3) significant DOC orders: an order from David Wade Correctional Center (DWCC) for offender clothing, janitorial products, and linens totaling \$23,739, and order from Avoyelles Correctional Center for janitorial products and officer uniforms totaling \$22,939, and an order from Elayn Hunt Correctional Center (EHCC) for single beds, lockers, and offender clothing totaling \$17,935.
21. Continuing, Mrs. Melius announced that three (3) other significant job orders were received: an order from Tangipahoa Parish Sheriff's Office for mattresses totaling

- \$31,680, an order from Southern University for stools and janitorial supplies totaling \$18,933 and an order from Richwood Correctional Center for mattresses totaling \$8,633.
22. Next, Mrs. Melius reported that the sales presentation PE made to BREC staff was beneficial and well received by all that attended.
 23. Lastly, Mrs. Melius stated that Sales and Marketing staff attended the Correctional Education Conference in Marksville, Louisiana from March 21st – 23rd and the Louisiana Association of Municipal Secretaries and Assistants in Covington, Louisiana from April 6th – 8th. The Sales and Marketing staff are scheduled to attend two conferences in Lake Charles, Louisiana. On April 26th and 27th they will participate in the Louisiana Recreation Park Association Conference and from May 15th – 18th the Louisiana Sheriff's Associations Warden & Jail Training Conference.
 24. Deputy Director Labatut, then asked Mrs. Stagg to provide an Industries update in Mr. Floyd's absence.
 25. Mrs. Stagg began with the update on PE's industries at Louisiana State Penitentiary (LSP). She reported that the Print Shop had successfully completed converting all of the plates to the "new" Epson Computer to Plate system that was implemented to enhance print quality. The Silk Screen shop was busy with producing a new front gate sign for LSP, in addition to prepping artwork for a large BREC shirt order. Continuing, Mrs. Stagg reported that the Canteen Distribution Center truck loading area was re-surfaced with two loads of gravel. She announced that the Tag Plant's 120,000-pound aluminum bid was awarded and the remaining Pelican plates for the Office of Motor Vehicle's had been completed. Lastly, she stated that delivery of the Bayou Segnette order began April 19th and she estimated that it would take at least six (6) working days to complete. Crews from PE Headquarters, LSP, EHCC, and possibly Rayburn Correctional Center (RCC) crews would be recruited to assist with the delivery and installation of the project.
 26. Continuing, Mrs. Stagg reported on the Garment Plants, stating that the Louisiana Correctional Institute for Women (LCIW) plant was steadily building inventory levels. She reiterated that the Garment Plant Supervisor at Winn Correctional Center, Becky Dougan was scheduled to return from medical leave on May 4th and that EHCC Garment Plant Assistant Supervisor Connie Tillman was scheduled to return from medical leave on June 2nd.
 27. Next, Mrs. Stagg provided the updates for the Furniture and Chair Plants. She reported that the Allen Correctional Center Furniture Plant had completed two (2) projects for the Governor's Mansion while steadily working on cabinetry and desks for Building 10. She also stated that (7) new job orders totaling nearly \$20,000 had been received for the Dixon Correctional Center (DCI) Chair Plant.
 28. Lastly, Mrs. Stagg announced that the Soap Press machine produced 90,000 bars of soap in March. She discussed the challenges the Soap Plant was experiencing in obtaining one of the raw material products needed to produce HSP disinfectant.
 29. Deputy Director Labatut asked Mr. Hoover for the agriculture update.
 30. Mr. Hoover announced that the Mississippi River was below flood stage and was projected to remain that way for a while. He added that the pastures behind the levees would be available for grazing soon.
 31. Next, Mr. Hoover stated that most of the cows and calves had been worked, and LSP only had a few waiting to be worked. He reported that DCI would sell two (2) loads of heifers (at an average weight of eight hundred twenty (820) pounds) on Superior Video

Auction, Friday April 22nd. He noted that DWCC would have a load to sell in May's Superior Auction.

32. Continuing, Mr. Hoover stated that crop conditions were good. He explained that although, fifty (50) acres of the three hundred ten (310) acres of corn had to be replanted it all looked good. He reported that two hundred (200) acres of milo was up and looked good. Mr. Hoover noted that the soybeans were ready to plant and would be as the weather permitted. He revealed that soybean prices were rising and some were booked at \$10.00.
33. Mr. Lane suggested that we consider marketing PE's janitorial program to more areas of the state. Deputy Director Labatut agreed with Mr. Lane and further discussed the decreased availability of qualified trustee's.
34. Chatelain announced that the next board meeting would be held at 10:00 AM on Tuesday, May 24, 2016 at PE Headquarters. At 10:45 AM, Mr. Chatelain adjourned the meeting.