

Central Falls Detention Facility Corporation Meeting Minutes
Tuesday, December 13, 2011
Donald W. Wyatt Detention Facility Training Building
935 High Street
Central Falls, RI 02863
6:00 P.M.
TDD/TTY 401-727-7450

A meeting of the Central Falls Detention Facility Corporation was held on the above date; in the Training Building at 6:00p.m.

- 1) Call to order / Roll Call
Members present: Frank Tillinghast, Phil St. Pierre, Al Romanowicz, and Chairman Hartford
Absent: Director Adamo (arrived at 6:50 p.m.)

- 2) Approval of minutes 11/15/11
Motion made by Director St. Pierre to approve the minutes from 11/15/11; seconded by Director Tillinghast. All were in favor. Motion passed.

- 3) New Business –
 - A) Fiscal '12 Budget –

Michael Fair, CEO, stated that he received an e-mail today indicating that the finance sub-committee would be presenting the budget. He had the opportunity to review just the changes in the budget.

Director Tillinghast noted that the sub-committee's budget was similar to the last revision of the budget presented by Management at the last meeting with the finance sub-committee, with minor modifications.

Attorney Lynch-Gadaleta pointed out that budget, as distributed, noted that it was "preliminary and confidential". Director St. Pierre said that this was simply an oversight and could be struck from the document.

Director St. Pierre noted the following proposed modifications:

- Inmate care – educational programs, reduced budgeted amount by \$7,000
- ADP – used a number of 680, as agreed to at second finance sub-committee meeting
- Food service – reduced proposed increase from approximately \$26,000 to \$14,000, leaving some monies for negotiating new contract
- Direct and Administrative expense – charitable contributions reduced from \$3,600 to \$1,000
- Travel and airfare – reduced budgeted amount for airfare from \$10,000 to \$5,000 and lodging budget from \$4,000 to \$2,000; recommended that Management limit attendance to ACA Conference to two individuals covered under contract and two out-of-pocket attendees
- Legal fees – reduced budgeted amount from \$375,000 to \$280,000
 - Principal counsel (Lynch-Gadaleta & Fracassa) budgeted at \$85,000 each
 - Labor Attorney, Ragosta budgeted at \$60,000
 - Bond-counsel budgeted at \$50,000

- Building & utilities – increased budgeted amount by \$250,000, for a total budget line of \$550,000, to include some items previously budgeted as capital expenses
- City Impact fees – increased to \$300,000
- Fink taxes – listed as a potential liability in Management’s budget, included the whole dollar amount in sub-committee’s budget as an expense

Director Tillinghast pointed out that Counsel would address this item further in Executive session. Attorney Fracassa concurred.

- Potential Liabilities - Debt-serve reserve replenishment increased from \$197,000 to \$200,000 (rounded), leaving \$361,943.11 for capital expenses
- This budget will balance to zero, so no additional deficits for 2012 are projected. This budget does not contemplate repayment of any of the other reserve funds.

Director Tillinghast asked for Mr. Fair’s feedback. Mr. Fair said that he hadn’t had a chance to digest the information so he was hesitant to comment, and wasn’t sure if he should comment on staffing in this forum.

Director Tillinghast said that he’d like to look at the staffing to determine the correlation between the ADP and the number of staff on-board. He pointed out that the facility has a deficit that needs to be addressed and that labor is the one area that had not been examined.

Director Romanowicz stated that he had a staffing analysis that the Board had completed by an independent third party while negotiating with Cornell. He offered to share this information with Management and the Board. The Chairman asked him to do so.

Warden Murphy commented that he was hired to run a safe, secure, and humane facility and that, with Mr. Fair’s and his own experiences, they were able to determine what constituted adequate staffing. Both he and Mr. Fair are very familiar with ACA Standards and the National Correctional Institute’s Standards.

Mr. Fair added that the biggest determinate of staffing needs is architecture. The facility was able to limit staffing due to the effective use of cameras, but in some areas, bodies were needed.

Mr. Fair asked that he have the ability to come back to the Board to ask for change as the year progressed. With this understanding, he recommended that the Board approve the presented budget in order to facilitate good relations with the Trustee and the Bondholders.

Chairman Hartford said that he was comfortable with this budget because it makes a statement that the Board is prepared to resume payments to the City, who, in his opinion, is the principal stake-holder in the facility. He hopes to establish a dialog with the bondholders in which we can work together to reach a mutual agreement. By finding ways to improve efficiencies and/or increase revenues, we’ll be able to taper off depleting monies from the reserve funds and resume our primary responsibility of getting monies to our primary stakeholder, the City.

Motion made by Director St. Pierre to approve the budget presented by the finance sub-committee; seconded by Director Tillinghast. All were in favor. Motion passed.

Chairman Hartford instructed Director St. Pierre to forward a final budget to Management for his signature and ultimate submission to the bondholders.

B) FOP Representation of Sergeants, Lieutenants, and Captains – deferred to Executive Session

4) Old Business

A) Fink property tax bill - deferred to Executive session

5) Reports of the CEO and/or Legal Counsel (as necessary)

Michael Fair, CEO, presented the current Cash Report to the Board

He stated that the facility has the money to meet its payroll and pay some payables, but we have not yet received the revised December budgeted amount. Attorney Fracassa stated that he continued to work with the bondholders to resolve this. We continue to increase the deficit in the reserve funds with these operational draws. Last year, prior to the change in trustee, the bondholders were amenable to a change to the grace period for repayment of these monies. He will attempt to negotiate a similar agreement with them.

6) Executive Session pursuant to R.I. General Laws § 42-46-5 for the following purposes:

A) Section 42-46-5(a)(2) and Section 42-46-5(a)(4) for the purpose of reviewing issues regarding FOP representation of supervisory staff and litigation concerning the Wayne Salisbury matter.

B) Section 42-46-5(a)(3) for the purpose of receiving an operational report from the CEO

Motion made by Director St. Pierre to seal the minutes of the Executive session; seconded by Director Tillinghast. All were in favor. Motion passed.

7) Next meeting: Tuesday, January 17, 2012, 6:00 p.m., @ Central Falls City Hall

8) Adjournment