

Central Falls Detention Facility Corporation Meeting Minutes
Thursday, July 16, 2015
Wyatt Detention Facility Training Building
935 High Street
Central Falls, RI 02863
5:30 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 5:30p.m.

1) Call to order/Roll call

Present: Chairman Gallant
Director Gonsalves
Director Gardner

Absent: Director Dinerman
Director Silva

2) Pledge of Allegiance

3) Public Comment
No public comment.

4) Approval of 6/8/15 minutes

Motion by Director Gonsalves to approve the minutes of the 6/8/15 meeting; seconded by Director Gardner. All were in favor. Motion passed.

5) New Business

A. Report of the CFO

The following is a brief summary of the financial results for Central Falls Detention Facility Corp. for the period ended May 31, 2015.

REVENUE

Total revenue for the month was approximately \$1.5 MM.

Revenue for the month was unfavorable to budget by \$154k. The budgeted ADP was 500 for the month compared to the actual of 440.

YTD Revenue is \$7.2 MM, \$849k unfavorable to budget.

OPERATING EXPENSES

Total operating expenses for the month were approximately \$1.6MM.

Total operating expenses for the month were \$69k unfavorable to the budget.

Salaries and Fringe

Total salaries and fringe were approximately \$1MM, \$30k favorable to budget attributable to lower than expected wages of \$15K and lower than expected insurance costs of \$15k.

Inmate Care Expenses

Total inmate care expenses were approximately \$133k, \$4k unfavorable to budget. This was attributable to higher than expected kitchen supplies expenses of \$2K, and inmate clothing expenses of \$2k.

Direct & Administrative Expenses

Total direct and administrative expenses were approximately \$269k, and were \$106k unfavorable to budget due to lower than expected bondholder legal fees of \$82k, vehicle fuel \$3k, security supplies \$3k. Higher than expected in house legal fees of 154k*, Forbearance agreement payment of \$ 25k, consulting fees of \$12k, safety supplies \$1k, and recruiting fees of \$3k.

*These legal expenses are for former counsel that was in place prior to the current Board of Directors' appointments. These fees are under review by the Board of Directors and current legal counsel (PLDW).

Insurance Expense

Total insurance expenses were approximately \$55k, \$3k unfavorable to budget due to additional auto premiums received.

Building & Utility Expenses

Total building and utility expenses were approximately \$142k, \$15k favorable to budget. This was due to lower than expected heating and electrical costs of \$25k and increased repairs and maintenance of the facility for \$10k.

OPERATING INCOME

Operating income for the month was a loss of \$132k, \$223k unfavorable to budget. The decrease is the primary result of the shortfall in revenue related to the lower than anticipated ADP and additional operating expense.

NON-OPERATING REVENUE/EXPENSE

Non-Operating Expenses for the month were \$791k, \$6k favorable to budget. The variance is due to how I calculated the interest when preparing the budget and lower than anticipated depreciation expense.

CHANGE IN NET ASSETS

Change in net assets for the month was a decrease of \$923k compared to a budgeted decrease of \$706k.

CASH

The following are the cash balances in the trustee accounts as of May 31, 2015:

US BANK

General Revenue Fund	\$ 1,447,437
Debt Service Fund	\$ 0
Debt Service Reserve Fund	\$ 122,407
Capital Improvement Fund	\$ 4
Operations & Maintenance Fund	\$ 634,228
Fees & Expenses Fund	\$ 177,833
Bondholder Account	\$ 2,270,652

BANK OF AMERICA

Operations & Maintenance	\$ 25,477
Vendor Payments	\$ 228,862
Payroll	\$ 12,122

Chairman Gallant asked what the amount in excess of \$12K in consulting fees was attributable to. CFO Cuzzupe said that this was because we backfill in our IT Department with additional labor from an outside firm. Some of this expense is because of the server project.

Chairman Gallant asked what would consume the \$600K+ in the Maintenance fund for the remainder of the year. CFO Cuzzupe explained that this is fund that the Trustee transfers from when the facility requests money.

Motion by Director Gardner to accept the CFO's report; seconded by Director Silva. All were in favor. Motion passed.

Chairman Gallant asked CFO Cuzzupe to work on a forecast of cash flow given the insurance payment pending and the payment that was recently made to Central Falls and how that will impact cash flow. CFO Cuzzupe said that he would have the information ready by next week. Chairman Gallant asked Warden Martin to stay on top of this so that he could communicate the information to PLDW and come up with a plan for cash flow.

Chairman Gallant asked when the insurance payment was due. CFO Cuzzupe said that the worker's compensation policy renews on July 29th and the rest of the insurances renew on August 1st.

C. Report of the Warden

Warden Martin presented the following information:

- The detainee count today is 487 with an expected end of day count of 486. The average ADP in June was 450. The average ADP year-to-date is 444. The average ADP in 2014 was 504.
- In June, we had 146 admissions with 110 releases for a positive variance of 36 additional detainees.
- Suicide hours for 2015 year-to-date is 2458 hours for a cost of approximately \$55,305.
- FTE (staffing) was 167.1. We currently have 14 employees on leave.
- We have 133 Correctional Officer positions authorized; 109 positions are filled; 98 Officers are active with 11 on some type of leave; 24 positions are vacant.
- For Sergeants, we have 20 authorized positions; 12 positions are filled; 8 positions are vacant. For Lieutenants, we have 5 authorized positions; 3 positions are filled; 2 positions are vacant. For Captains, we have 5 authorized positions; 4 positions are filled and one position is vacant.
- Class 36 – We graduated 14 candidates on July 10th. As part of the training process, these candidates received their FTO-training during the Academy, so they were able to go on the floor immediately after graduating. Our Correctional Officers who have been working excessive amounts of overtime were appreciative of this.
- Class 37 – There are 33 candidates remaining in the process after the completion of testing and interviews. We are now in the process of doing background checks of those candidates. Chairman Gardner asked how long the background checks would take. Warden Martin responded that it usually takes about two weeks.
- Warden Martin said that there have been 17 Correctional Officers that have left employment since the graduation of Class 35 on August 17, 2014. We gained 14 Officers with the graduation of Class 36. Although this has helped, we are still behind in our count. Chairman Gallant asked what the next steps in the process were for Class 37 candidates. Warden Martin explained that, once the backgrounds are completed, we will schedule psychological testing and physicals and drug-screenings for this group. Our goal is to start the Academy with a group of 20-25 cadets. Chairman Gallant asked, based on history, how many we expect to graduate given a group of this size. Warden Martin said that we usually end up with 14-16 graduates for a class this size.

Director Gonsalves asked how many spots were left to fill. CFO Cuzzupe responded that there were 24 vacancies. Director Gonsalves pointed out that, even with this group, we'll still be short. Warden Martin said that we can run a few bodies down without significant impact, but it's more difficult when you're down 20-something Officers.

Director Gardner asked if we'd looked at what causes the trainees to fall out of the process. Is there any training area that causes a significant number to drop out? Warden Martin explained that, in the last process, we lost one candidate because he decided the job wasn't for him. We lost one other candidate because he was unable to meet the academic standards of the Academy.

Director Gardner asked about the steps leading up to the Academy. He added that he was present for a portion of the physical fitness process. He asked how many fell out from the interview process forward. Chief St. Pierre said that there were ten (10) candidates dropped after interviews. Director Gardner stated that this appeared to be the point of large loss in the process.

- Warden Martin said that a maintenance vacancy had been filled with an internal candidate. The individual selected has been a Correctional Officer for the last few years, but he has a maintenance background.
- We have currently posted externally for the HR Assistant and for the Director of the Professional Standards Unit.
- There were eight detainee incidents or physical altercations in the last month with only minor injuries. There was one incident on July 8th that involved two detainees with a weapon. Only minor injuries were incurred. Adjustments were made to the operations of that unit which he will discuss during Executive Session.
- Community Outreach –
 - Ten local youths from the SerJobs program began working at the facility on July 14th. They will be utilized for sanitation, clerical work, and perimeter clean-up.
 - The blood drive netted a total of 23 pints of blood for the RI Blood Bank.
- Capital Projects –
 - The server upgrade is in-progress with a tentative completion date at the end of September.
 - We are ready to proceed with ballistic vests that have been purchased.
 - Pending at this time, we have the CERT equipment, a security cage for the Receiving and Discharge area, and metal detectors for various areas on the floor to monitor and control contraband.
- Marketing – Warden Martin stated that he spoke briefly with Sean Gallagher from ICE. It was a positive conversation in the context that he is very familiar with the professional staff at Wyatt. He indicated however, that he was not sure in what capacity ICE will need us, but he will keep us in mind.

Chairman Gallant commended Training Director Caruso and the Warden and his staff on the recent graduation. He said that it was extremely well done and well-presented. All did the families and the Facility proud.

Motion to accept the Warden's Report made by Director Gardner; seconded by Director Gonsalves. All were in favor. Motion passed.

Chairman Gallant asked for a motion to make a permanent selection for the Warden's position vacated by Warden Murphy.

Motion by Director Gardner to appoint present acting Warden Martin as the new permanent Warden of the facility; seconded by Director Gonsalves. All were in favor. Motion passed.

Chairman Gallant said that corporation was fortunate enough to have many qualified candidates who applied for the Warden's position. He tried to include the various stakeholders in making the decision.

He spoke with the Executive staff, the supervisory staff, the Union and their counsel, and the bond holders' consultant. Our legal team evaluated the candidates. They were able to narrow the pool down to three candidates, any one of them who would have been a fine selection. The Board settled on Dan (Martin) for his experience in Connecticut. Having run a female facility was unique to the candidates. In the short time that Chairman Gallant had to deal with him, he has been professional. He was placed in precarious positions and he's handled them at every step like a true professional. He's extremely even-tempered, fair, and consistent. He doesn't think this is a show. It is a true testament to the man himself. The Board will give him the true autonomy to run the facility because they have complete confidence in him and his team to do so.

- 6) To consider potential agenda items for the next Central Falls Detention Facility Corporation Board Meeting scheduled.

No discussion.

Chairman Gallant asked for a motion to go into Executive Session pursuant to R.I.G.L. § 42-46-5(a)(2) for the purpose of discussing pending contract negotiations and budget planning for the same; pending arbitrations regarding disciplinary matters and disciplinary rules and regulations for staff; and to receive an update on the Inmate Phone RFP and R.I.G.L. § 42-46-5(a)(3) for the purpose of receiving an operational report from the Warden to discuss the internal review of recent inmate assault, security procedures review, and open positions throughout the facility

Motion made by Director Gardner to go into Executive session; seconded by Director Gonsalves. Directors Gardner and Gonsalves, and Chairman Gallant voted affirmatively to go into Executive session. Motion passed.

- 7) Executive Session pursuant to RIGL § 42-46-5 for the following purposes:

- A. RIGL § 42-46-5(a)(1) Personnel for purposes of discussing Interim Warden and Warden search process.
- B. R.I.G.L. § 42-46-5(a)(2) for the purpose of discussing pending contract negotiations and budget planning for the same; pending arbitrations regarding disciplinary matters and disciplinary rules and regulations for staff; and to receive an update on the Inmate Phone RFP by PLDW.
- C. R.I.G.L. § 42-46-5(a)(3) for the purpose of receiving an operational report from the Warden to discuss the internal review of recent inmate assault, security procedures review, and open positions throughout the facility.

Motion to seal the minutes of Executive Session made by Director Gardner; seconded by Director Gonsalves. Director Gardner, Director Gonsalves, and Chairman Gallant voted affirmatively to seal the minutes. Motion passed.

- 9) Adjournment

Motion to adjourn made by Director Gonsalves; seconded by Director Gardner. All were in favor. Motion passed.