

NEW RIVER VALLEY REGIONAL JAIL AUTHORITY
September 21, 2018
Held at the New River Valley Regional Jail

A. CALL TO ORDER:

The meeting of the New River Valley Regional Jail Authority was called to order at 10:02 a.m. by Chairman Mark Armentrout with nine (9) members and two (2) alternates present.

MEMBERS PRESENT:	Bland County:	Sheriff Roseberry; Mr. Workman
	Carroll County:	Sheriff Gardner; Ms. Cannon
	Giles County:	Sheriff Millirons
	Pulaski County:	Sheriff Worrell; Mr. McCready
	Radford City:	Sheriff Armentrout; Ms. Cumberland

ALTERNATES PRESENT:	Wythe County:	Mr. Bear; Ch. Dep. Foster
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STAFF & GUESTS PRESENT:	Superintendent Gregory Winston
	Steve Durbin - Sands Anderson PC
	Officer Bob Sumner-NRVRJ
	Robert Lyons-Citizen
	Kevin Rotty-PFM Asset Management
	Kathleen Bowe-PFM Asset Management

B. ROLL CALL:

Mrs. Akers called the roll and reported a quorum present.

Chairman Armentrout made a few announcements. Pulaski County has appointed Capt. Daniel Johnson as an alternate for Sheriff Worrell. Also, Mr. Gary Young an alternate for Radford City has stepped down. Mr. Young is one of our founding members of the Authority and the jail has purchased a plaque thanking him for his many years of dedicated service which will be delivered to him. Radford City will be appointing a new alternate in the coming weeks.

C. APPROVAL OF JULY 2018 MINUTES:

Copies of the Minutes from the July meeting were mailed to each member. Chairman Armentrout asked if there were any additions or corrections to the Minutes as presented.

Motion: Sheriff Millirons moved that the July Minutes be approved as presented. Ms. Cannon seconded the motion.

Action: The motion passed unanimously.

D. OLD BUSINESS:

None.

E. COMMITTEE REPORTS:

Finance Committee:

Copies of the monthly financials through August 2018 were distributed and Ms. Cannon reviewed them with the group.

Motion: On behalf of the Finance Committee, Ms. Cannon recommended the Financial Report for approval.

Action: Following a roll call vote, the motion passed unanimously.

Mr. Kevin Rotty and Ms. Kathleen Bowe of PFM Asset Management were in attendance to discuss investment ideas regarding our reserve fund. We've been receiving interest on our debt reserve account. In 2016, Mr. Rotty said that interest rates were projected to rise and he would come back to us when he saw an opportunity to increase our rate of return.

Ms. Kathleen Bowe handles the investment side of our account with PFM and gave that portion of the presentation. The key is to find the right level of risk when investing. The process at PFM is to create a variety of different samples of investment strategies and to stress test them. That pin points that right level of risk to help you achieve the objective of earning the higher rate of return while assuring these important funds are kept safe.

Mr. Rotty added that when we're talking about risks, we're governed by what we can do. We can't invest in the stock market or corporate bonds so when we're talking about risk it's really interest rate risk.

Ms. Bowe said the recommendation is to invest this portfolio in a Treasury Security which matures in one year. The impact of moving it from where it's invested today in a Government money market fund earning about 1.8%. The recommendation is to move into this one year Treasury earning about 2.5%. The presentation was put together a few weeks ago and interest rates have already increased further. If we were to buy this today we would be looking at about a 2.65 % yield. That would result in interest earnings of about \$95,000. Not only are we increasing our interest earnings but also locking into this yield for one year. That would help with budget and provide the Authority with some certainty with what our earnings would be. This is an approach that's still quite conservative which we want to be since interest rates are still rising. We don't want to lock into an investment yield today when we think that interest rates are going

to continue to rise. This is a bond that's going to be around for a long period of time. A year from now the security will mature and we'll be looking to place another investment. What we recommend at that time will depend on where interest rates are where we think they're going. When we have a sense that rates have reached a high point that's when we'll want to lock in those yields and invest out two, three or more years to really benefit from higher interest rates. We'll continue to revisit this over time.

Mr. McCready asked if there was a penalty if we had to get out of it. Ms. Bowe said there was no penalty and if we needed to sell it, we could. The one consideration they would make is the value of the security might move. It may go up or down between now and when it matures. We would be subject to whatever the market was at that time.

He also asked about IRS and arbitrage. If asked if part of the management structure was to keep us as close as possible so we don't have any IRS issues. Ms. Bowe said that yes they would track our arbitrage balance and make sure we don't go above. She added that the likelihood that interest rates would get so high that we would be able to earn that is pretty low but yes it would be tracked.

Mr. McCready asked how much we would be paying for this service. Ms. Bowe said that fee is \$5,000 per transaction which is defined as anytime we make a portfolio investment.

Motion: On behalf of the Finance Committee, Ms. Cannon made the motion to approve adopting the recommended strategy for the portfolio transaction.

Action: Following a roll call vote, the motion passed unanimously.

Design and Construction Committee:

Design & Construction did not meet today.

F. SUPERINTENDENT'S REPORT:

Superintendent Winston announced the promotion of Sgt. Christopher Conner to the position of Lieutenant and congratulated him on this new shift assignment.

He also announced the appointments of the new Master Jail Officers: Justin Moore, Mollie Richardson, Shawn Mulgrew, Candice Johnson, Carl Akers, Ernie Alley, Sonya Porter, Lisa Lambert, Caleb Waller, Veronica Loop, Shane Anders, Travis Hamilton, Preston Gray and Emily Celozzi. These appointments were effective September 16, 2018. Congratulations!

Officer Tiffany Payne was nominated and selected as the Officer of the Year for the Western Regional Jail Association for her efforts here on August 3, 2018. Officer Payne was working in a female housing unit when she noticed an inmate choking on her food. The choking continued

to the point that the inmate was unable to breathe. Officer Payne performed the Heimlich maneuver and was able to resuscitate her which saved her life. We recognize Officer Payne and congratulate her on this much deserved award.

EAC & Supervisors Meeting:

Both meetings were held each month.

Academy:

We currently have a basic academy going on. One of our officers suffered a severe medical problem on the first day of the academy. We wish him well and hope to have him back to work soon.

Operations:

- Headcount today 870
- Total days served 27,665
- Average daily population 892
- Average Daily Population for male prisoners 749
- Average Daily Population for female prisoners 143
- Number of commitments 591
- Number of releases 582
- The Average Daily Commitments 19 per day
- The Average Daily Releases 18.7 per day

Prisoner Issues:

Inmates continue to be brought in with severe medical issues. We just received one particular inmate with MS on a medication that is \$9,000 a month. We're working on trying to get some assistance from the drug company to help cover the cost.

Policy & Procedures:

We continue to make changes to our policies and procedures.

The most recent change is to our FMLA policy in regards to military veterans and their ability to access FMLA.

HR/Personnel:

We continue to deal with vacancies and at this time we currently have 41. We have lost four in the last two weeks to Volvo and the majority of them didn't give any notice. Correctional officer testing continues every other week. We have hired some civilian control room officers that aren't quite 21 years old. Our hopes are to get them on board, get them some experience and then send them to the academy in a year or so. Some part-time people have been brought in and we're considering a hiring bounty to employees to reward our officers for bringing people in. Our attorney is reviewing a possible two year contract for new employees in an effort to re-coop our investment in their training.

These vacancies are not just a NRVJR problem. Superintendent Winston spoke of attending the NIC-Large Jail Network meeting in Colorado and discussing this with some colleagues. They are

dealing with the same issues and statistics show that it's all economy driven. We're doing everything we can to see that the staff we have in place is treated fairly in regards to their vacations/time off. There's a cost to that such as overtime which we tracking very closely in accordance with our budget. We're not in a mandatory overtime situation since we have people that want to work some overtime on their days off.

He continues to be flexible to new ideas for recruiting and thinking outside the box. He's put together a multi-disciplinary team to look some things we can do internally to be flexible to support our workforce.

Mr. McCready said that in his own company he's found that people are willing to trade pay for flexibility due to childcare problems. He said it may seem radical but possibly having a childcare center may be an idea.

The Superintendent said he's looking into creating flexible scheduling and a "safe zone" where employees can go to take a quick break and also check phones/social media.

IT:

In August we were held ransom by a company somewhere in the eastern block of Europe. This group took control of our internet server and encrypted all of our financial data/inmate medical records. They ransomed it for 1 bit coin and dropped a text note in our system of how we could pay them to get it back. We worked with our vendor and they were able to find back-up instances of our data and restore our servers. We've cleaned it up, re-installed everything and fortunately we didn't lose any data. There was no data breach, they just encrypted it. There had been a problem with the backup that had been being done by our vendor but that has since been corrected.

Steps have been taken to tighten up our security. We've made some investments in equipment and are considering some additional investments in terms of cloud based backup in the future.

Maintenance:

Both of our roll up doors on Sally Port broke at the same time and cost approximately \$9,000 to fix.

Solar Water Heating System:

The solar system piping from the panels into the jail ruptured and had to be replaced. When that happened all of the heat tracing insulation had to be replaced at a cost of \$18,000.

Roof:

We completed 1/3 of the most critical portion of the roof at the cost of \$32,000. That money was budgeted for last year and we encumbered those funds into this fiscal year.

Kitchen Floor:

The drain replacement in the kitchen has been approved by the health department and we're waiting on the contractor to give us a date for repair. We will be working closely with our food service vendor to coordinate inmate meals during this time.

Dishwasher:

The dishwasher has been bought and will be picked up from Western State Hospital to be refurbished. We were able to purchase it for \$40,000 however it would have been \$135,000 had it been bought new. Money from inmate commissary will pay for this repair as it does benefit the inmates directly.

Payroll Change:

We met with all of the staff to discuss the change in payroll from semi-monthly to bi-weekly. Every accommodation possible was made to make it easier for employees during this transition. The first bi-weekly payroll will begin on October 12th. Employees will receive their last semi-monthly check on Sept. 28th as well as the check for the difference of their annual salary for the final three months of the year.

NIC-National Institute of Corrections:

In this past year the Federal Government has included in budget language and some re-entry initiatives for federal prisoners the abolition of the Nation Institute of Corrections. It currently falls under the Department of Justice with one bill being defeated in May of this year. Once again it appears in a budget bill in the Senate where they are asking abolish this \$15 million program. He asked the Authority members involved in the Sheriff's Association to make mention of this. Please ask our senators to vote no to that language from that bill to see that the NIC is fully funded and fully staffed.

G. NEW BUSINESS:

H. CITIZEN'S COMMENTS:

I. OTHER BUSINESS OR INFORMATIONAL ITEMS:

Chairman Armentrout said there was need for an executive session and asked for a motion from the floor.

Motion: Mr. McCready made the motion to go into executive session for consultation with legal counsel pursuant to §2.2-3711.A.7 of the Code of Virginia. Ms. Cannon seconded the motion.

Action: Following roll call, the motion passed unanimously.

The purpose of the executive closed session is:

Consultation with legal counsel, §2.2-3711.A.7 of the Code of Virginia, (consultation with legal counsel and briefings by staff members and consultants about actual or probable and public discussion would adversely affect the negotiating or litigating posture of the County or Town – OR- consultation with legal counsel regarding specific legal matters that require legal advice).

After a lengthy discussion, the motion was made that the Authority Board come out of closed session.

Motion: Mr. Workman made the motion that the board come out of closed session. Sheriff Roseberry seconded the motion.

Action: Following roll call, the motion passed unanimously.

Chairman Armentrout asked for a motion to certify that only matters permitted under §2.2-3711.A.7 of the Code of Virginia was discussed.

Motion: Mr. McCready moved to certify the closed session discussion. Mr. Bear seconded the motion.

Action: Following roll call, the motion passed unanimously.

J. ADJOURNMENT:

Motion: Mr. Workman made the motion to adjourn the meeting. Mr. McCready seconded the motion.

Action: Following roll call, the motion passed unanimously.

There being no further business to come before the Authority, Chairman Armentrout adjourned the meeting at 11:09 a.m.

Chairman Mark A. Armentrout