



**TEMPLE HEALTH AND BIOSCIENCE
ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS MEETING
WEDNESDAY, June 28th, 2017**

Minutes from the Board of Directors Meeting held on Wednesday, May 24th, 2017

The Temple Health and Bioscience Economic Development District Board of Directors conducted their regularly scheduled board meeting on Wednesday, May 24th, 2017, 5:00 pm in the Main Conference Room of the Temple Health and Bioscience District Facility located at 1802 South 1st Street, Temple, Texas.

Members Present:

Thomas Baird, Chair
Doug Streater, Secretary/Treasurer
Gregg Strasburger
Wendell Williams
John Kiella
Brian Reinhardt

Members Absent:

Michael Norman, Vice Chair

The agenda for this meeting was posted on the bulletin board of the Temple Health and Bioscience Economic Development District Facility in compliance with the Open Meetings Law.

The following is a summary of the proceedings of this meeting. It is not intended to be a verbatim translation.

1. Approve the minutes of the April 19th, 2017 board meeting.

Motion by Mr. Williams, second by Mr. Strasburger to approve the minutes from the April 19th, 2017 board meeting. Motion carried unanimously.

2. Approve the financial report for the seven-month period ending April 30th, 2017.



Mr. Streater gave a brief overview of the financial report. There are total assets of \$6,301,203 with the bulk representing \$4,192,686 in cash and deposit accounts. THBD also has a property tax receivable of \$39,394 and a \$109,196 Note Receivable. There are Fixed Assets of \$1,950,329 and total current liabilities of \$9,780 with the majority being Accrued Vacation and Sick leave and Customer Security Deposits. This yields a net equity of \$6,266,639. On the Profit and Loss Budget versus actual, THBD has collected \$998,872 in Property Tax Revenue. Including Lab and Rental Income the total revenue is \$1,047,282. Total Expenses were \$418,381 with Ordinary Income of \$628,901. In addition, there was interest income of \$13,816, yielding a net income of \$642,610. THBD has collected 89.8% of the Property Tax owed. There were no outgoing payments in the check register that were unexpected. Mr. Williams wanted to know what Live out Loud was and Mr. Hart replied that it was our PR Company.

Motion by Mr. Streater, second by Mr. Kiella to approve the financial report for the seven-month period ending April 30th, 2017. Motion carried unanimously.

3. Consider approval of \$17,000 for Temple Foundation 2017 Scholarships.

Mr. Baird stated that this is a scholarship that THBD had sponsored last year for \$15,000. It was brought to Mr. Baird's attention that the Foundation needed another \$2,000 to sponsor two additional students and Mr. Baird was in favor to authorize the increase. Mr. Hart stated that Ms. Graham gave a presentation at the previous board meeting that demonstrated how the \$15,000 was spent last year. In previous years the board had authorized \$10,000 for this scholarship but last year the board challenged Ms. Graham to get an additional \$5,000 sponsored and THBD would match the additional \$5,000. Ms. Graham met the challenge and THBD matched the \$5,000 bringing the total to \$15,000. Ms. Graham has met the challenge again this year thereby bringing the total to be paid by THBD to \$15,000. Ms. Graham stated at the previous meeting that they have raised \$20,000 and they have accepted 22 students leaving a deficit of \$2,000.

Motion by Mr. Streater, second by Mr. Strasburger to approve \$17,000 for Temple Foundation 2017 Scholarships. Motion carried unanimously.

4. Consider Directors and Officers liability insurance.

Ms. Annable stated that the quote for the liability insurance is for \$1,792 and is \$1,000,000 per claim, and \$2,500 deductible.



Motion by Mr. Kiella, second by Mr. Streater to approve Directors and Officers liability insurance. Motion carried unanimously.

5. FY2017-2018 Budget work session.

Mr. Hart stated that no board member over the last month contacted him or Thomas with any changes. The property tax base has been adjusted based on notification from Tax Appraisal District of Bell County. The new tax base is \$5,320,944,400 which generated a shortfall of approximately \$15,653. To compensate for this change, Mr. Hart proposed these changes. Increase Delinquent AD Valorem Taxes by \$653, increase Building Revenue by \$5,000, and decrease Economic Development Initiative by \$10,000. Keeping the O&M rate the same at \$0.02/\$100 valuation, and the collection rate of 99%, this will yield a balanced budget of \$1,141,850. Mr. Williams wanted to know how long THBD has been collecting \$0.02? Mr. Hart stated we lowered it to this number last year. Two years ago the tax rate was 0.022. Mr. Baird noted that salaries and compensation still needs to be addressed as well as ideas for TMED. Mr. Williams wanted to know when do we actually adopt our budget? Ms. Annable stated that the preliminary budget is filed with Bell County at the end of June. Then the final budget is filed with the county at the end of August, after board approval. Mr. Williams asked when is the tax roll certified and Mr. Baird stated around the 17th of July. Mr. Baird stated that if there are any serious revisions to this budget it needs to happen by the next board meeting. Mr. Reinhardt noted that the money for TMED is just a placeholder, there is no plans currently for this money. Mr. Baird concurred. Mr. Kiella asked about social media and Ms. Annable responded by stating Ms. Schlosser (Live out Loud PR) has been hired to manage our social media. In addition, Ms. Schlosser helps Ms. Annable manage all that is involved with attending conventions. For example, the next convention in June, has over 4,000 companies that Ms. Annable could contact to set up meetings. Ms. Schlosser has created an email invitation for Ms. Annable to send to prospective companies and will help to schedule the meetings. The advertising line item in the 2016-2017 budget has been further broken down to reflect actual spending for the 2017-2018 budget. Mr. Kiella noted that our Web/Email Support went from \$4,000 to \$0. Ms. Annable explained that we have hired an IT support service and we are no longer using Woodward to support our email. Mr. Hart stated that we originally hired Gold Key Technologies, who have now been bought by Lighthouse IT led by Skip Carruth. Mr. Strasburger wanted to know why dues and subscriptions were doubled. Ms. Annable said she would run a report and send it to him. Ms. Annable discussed



why registrations have increased based on the current years conferences. Mr. Kiella asked about our landscaping and Ms. Annable answered that the landscaping is handled by H&H mowing. Mr. Strasburger would like to see an adjusted budget column from this year on the budget for the next workshop. Also Mr. Williams would like a plus/minus percentage added to the budget as well. Mr. Kiella noted that the budget for the scholarships had been reduced to \$15,000 whereas we just voted to give \$17,000 for this year. The board is already boxing themselves in not to be prepared next year in case the Temple College Foundation needs more money. Mr. Williams suggested that a separate workshop be held one morning prior to the next board meeting. All of the board was in favor of this and Mr. Baird asked Ms. Annable to set up a meeting. Also Mr. Kiella would like to see notes where changes have been made to the current budget. Ms. Annable stated that the profit and loss budget performance sheet reflects the adjusted budget. Mr. Strasburger noted that the board is interested in the percent change from this year's budget compared to next year's budget.

6. Presentation on TMED activities and progress.

Presentation was postponed for another board meeting in the future.

7. Receive activity report from Jack Hart, Executive Director.

Mr. Hart stated that the quarterly review documents have been received from the NanoString recipients. Mrs. Annable stated that Dr. Taube will begin to use the Nanostring late May or early June. Dr. Meng and Dr. Alpini will begin to use the equipment late June or July. Dr. DeMorrow will use the equipment in the Fall.

Regarding the distal femur pin configuration project update, the machining on the femur support device is complete and testing will begin soon. Dr. Hughes is very pleased with the outcome of the device. Colin Dodson (SiMMo3D) will be assisting with the femur testing on the Instron. This project will test how much stress the new pin device can handle compared to the old pin device. There are currently three projects ongoing with the Instron at this time.

Mr. Baird gave an overview of TRIO and the meeting that was held on May 15th, 2017. The TRIO representatives are trying to build a facility for transplant patients and families, to stay while they are going through their transplant process. Baylor Scott and White is hoping to bring in numerous specialists to be able to increase the amount of transplants currently being performed at the Temple Hospital. This facility will have bedrooms, common living area, and common kitchen all located within walking distance or shuttle distance to Baylor



Scott and White Hospital. TRIO is currently using a recreational vehicle parked in the parking lot at Baylor Scott and White. TRIO believes that it has a source of funding however it does not have a location for the intended facility. This was the focus of the meeting. TRIO would like to build a building that can expand as needed and be located within the TMED. Mr. Williams gave the analogy of Ronald McDonald house but for transplants. Currently Baylor Scott and White has the second largest pancreas and kidney transplant programs in the state. Dallas has the largest transplant program, Houston the second largest and Temple wants to be the third largest. Mr. Kiella said that he is currently working on a location for the TRIO. The land that he was envisioning has a water problem (partially submerged).

The Office and Laboratory Income Spreadsheet was presented. It is an increase of \$3,581 from last month. A total of \$27,600 has been collected from Lease Funds. The Stratasys 3-D Printer has generated a revenue of \$8,639 and the Leica Microscope generated \$5,288 yielding a total of \$41,526 total revenue for FY 2017. This is money that has been deposited into the THBD checking account.

Mr. Hart then discussed the Bio-International Conference that Ms. Annable will be attending in June. It is the premier biotech, bio-life sciences conference in the world. Thousands of people are attending. THBD will be sharing a booth with TEDC. Baylor Scott and White will also be attending. On the Bio International website, research organizations can post one page write-ups on intellectual property that they are trying to get licensed or funded or partnered. Baylor Scott and White has several projects featured on this website. Three of these projects are the prototypes that were designed and printed right here at THBD. Therefore our prototyping program with Baylor Scott and White is working. Ms. Annable passed around the three prototype fact sheets that Baylor Scott and White had posted on this website for the Board to review. Ms. Annable then stated that Baylor Scott and White has had trouble in the past getting their prototypes designed and printed. Therefore, not only were they able to get the designs developed and printed, they were able to get three designs in one year because of their affiliation with THBD. Mr. Williams wanted to know if Baylor Scott and White has acknowledged the success of the partnership with THBD? Mr. Hart stated the Baylor Scott and White Research Office headed by Ms. Jaime Walkowiak (who was also a speaker at our THBD symposium) really supports what THBD is doing. Ms. Walkowiak actually helped THBD spread the word regarding the symposium throughout Baylor Scott and White.

Mr. Baird asked Mr. Hart to recap the symposium. There were 71 total attendees, 25-30 were researchers, and 18 speakers. The agenda was sent up



chronologically from IP creation to commercialization. Our Keynote speaker was Mr. Bob Sawler from the RealTime Group (Contract Development Organization). Mr. Hart gave a presentation at the symposium as well as Mr. Charley Ayres (TEDC) and Mr. Daniel Spencer (Temple College). Mr. Tom Kowalski wrapped up the meeting with an overview of what is happening in the Texas legislature right now. Unfortunately funding is going to be cut for Bioscience programs and education. Ms. Annable stated that Ms. Ashley Schlosser (THBD's PR person) designed the program for the symposium. Mr. Williams wanted to know if Texas A&M had any eye opening advances and who Respiratory Research is? Mr. Hart stated that Mr. Holt from Texas A&M did not present information on his assigned topic (he talked about emergency response). Respirator Research is Rafi Baddour (a one man company who sells his medical device to research organizations). Mr. Williams wanted to know what kind of feedback THBD received from the attendees? Did THBD have a survey for them to fill out? Ms. Annable stated that THBD did not have a survey and Mr. Strasburger recommended Survey Monkey. Verbal feedback was very positive. Ms. Annable stated that she brought attendees from the symposium to THBD to give them a tour. In addition, Ms. Annable made contact with people from Baylor University. They have a LAUNCH Accelerator in Waco and Ms. Annable will be making a presentation in the future to them.

There being no further business, Mr. Baird adjourned the meeting at approximately 5:52pm.

Transcribed by:
Tami Annable, THBD Assistant Director