



**TEMPLE HEALTH AND BIOSCIENCE  
ECONOMIC DEVELOPMENT DISTRICT  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, May 24<sup>th</sup>, 2017**

***Minutes from the Board of Directors Meeting held on Wednesday, April 19<sup>th</sup>, 2017***

The Temple Health and Bioscience Economic Development District Board of Directors conducted their regularly scheduled board meeting on Wednesday, April 19<sup>th</sup>, 2017, 5:00 pm in the Main Conference Room of the Temple Health and Bioscience District Facility located at 1802 South 1<sup>st</sup> Street, Temple, Texas.

**Members Present:**

Thomas Baird, Chair  
Michael Norman, Vice Chair  
Gregg Strasburger  
Wendell Williams

**Members Absent:**

Doug Streater, Secretary/Treasurer  
John Kiella

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. Report from Jennifer Graham on Temple College Foundation Student Scholarship Activity.**

Ms. Graham gave an update on last year's summer intern program that THBD had funded. For the high school program (juniors and seniors taking college credits), 180 students were eligible, 35 students applied and 22 students were selected. For the college program, 9 students were eligible, 5 students applied and 2 students were selected. The research projects consisted of 20 Science Projects, 1 Technology Project, 2 Engineering Projects, and 1 Math Project. The students were located throughout the community; City of Killeen, TAMU HSC, TAMU CT, TAMU Agrilife, Baylor Scott and White, Center for Applied Health



Research, and UMHB. Ms. Graham reviewed some of the projects that the students participated in. This program also teaches accountability; the students have to fill out the application, they have to complete any prerequisites that the program requires, work for 6 weeks and then complete the program and present a poster of the work that they accomplished. Then the students receive their checks after everything is completed. The students for this year have been selected. There are 22 students that have been selected and the foundation only has funding for 20 students. The foundation needs another \$2,000 for these two additional students. Ms. Graham stated that THBD has made a 3 year commitment to sponsor this program at \$15,000. Last year was the first year of the three year commitment.

**2. Approve the minutes of the March 22<sup>nd</sup>, 2017 board meeting.**

Motion by Mr. Strasburger, second by Mr. Norman to approve the minutes from the March 22<sup>nd</sup>, 2017 board meeting. Motion carried unanimously.

**3. Approve the financial report for the six-month period ending March 31<sup>st</sup>, 2017.**

Mr. Williams gave a brief overview of the financial report. There are total assets of \$6,365,714 with the bulk representing \$4,224,576 in cash and deposit accounts. THBD also has a property tax receivable of \$39,567 and an \$110,160 Note Receivable. There are Fixed Assets of \$1,950,329 and total current liabilities of \$14,566 with the majority being Accrued Vacation and Sick leave and Customer Security Deposits. This yields a net equity of \$6,322,409. On the Profit and Loss Budget versus actual, THBD has collected \$998,534 in Property Tax Revenue. Including Lab and Rental Income the total revenue is \$1,043,653. Total Expenses were \$357,228 with Ordinary Income of \$686,425, in addition, there was interest income of \$12,062, yielding a net income of \$698,379. Mr. Williams noted that the revenue from the lab and office space totaled \$44,968 well over budget and doing very well. THBD has collected 89.3% of the Property Tax owed.

Motion by Mr. Williams, second by Mr. Strasburger to approve the financial report for the six-month period ending March 31<sup>st</sup>, 2017. Motion carried unanimously.

**4. Consider approval of budget line item transfers in FY 2016-2017 budget.**

Mr. Hart reviewed the line items in the budget that need to be increased and discussed which line items the money would be taken from. Paid Media needs to increase to \$5,000, Printing Copying and Props needs to increase to \$15,000,



Payroll Tax-State needs to increase to \$700, Access Control needs to increase to \$1,500, and Interior Design needs to increase to \$4,500. Property Tax-Building will decrease by \$12,000, Intra-governmental Expense will decrease by \$5,500, and Annual Audit will decrease by \$850 yielding a grand total of \$18,350 to be dispersed among the before mentioned accounts. Mr. Norman wanted clarification regarding moving the monies around in the budget. Mr. Baird, Mr. Williams, Mr. Strasburger and Ms. Annable all gave explanations why this needs to occur.

Motion by Mr. Williams, second by Mr. Norman to approve the budget line item transfers in FY 2016-2017 budget. Motion carried unanimously.

#### **5. FY2017-2018 Budget work session.**

Mr. Baird discussed the reasoning for moving money around in the budget. The goal for TMED is to make it a major influence in the community, therefore monies have been diverted into the TMED budget. The TMED budget in prior years has been \$75K whereas in the new budget it is increased to \$225,000. Mr. Hart stated that the Administrative and Accelerator Facility portion are operational numbers that really can't be changed. These budget items are based on empirical data. Mr. Strasburger asked why there were health insurance and life insurance zeroed out for this year's budget? Mr. Hart responded that the insurance costs was included in the salary last year. Mr. Strasburger also noted that salaries are going up as well as the two new line items for insurance. Mr. Hart stated that we have a third person on the payroll and hoping for salary increases as well. Mr. Williams requested a breakdown of the salaries as well as the insurance costs. Mr. Williams wanted to know why the registration fees have increased. Mr. Hart and Ms. Annable stated that THBD is now going to more conferences than last year. Mr. Norman wanted to know about TMED expenses. Mr. Baird stated that there have been discussions regarding signage, banners, events, sponsoring activities among the partners, possibility of a shuttle trolley type service, some of the partners need funding to market their programs (social media, print etc.), and co-marketing with TEDC to bring in Bioscience companies to the TMED. Mr. Baird reminded the board that THBD is having a TMED meeting every two months with the partners. Mr. Williams will give an overview of TMED during Mr. Hart's executive summary. Mr. Williams wanted to know what dates are scheduled for the budget workshop. Ms. Annable reviewed the calendar that was located in the binder with the board. Mr. Strasburger wanted to know if the \$150,000 increase to professional fees was a TMED expense. Mr. Baird stated it was a place holder. Mr. Hart recommended that the board review



the budget and send their comments to Mr. Baird or himself and then the board will review the budget again in May.

**6. Discussion of THBD employee benefits with possible action after Executive Session.**

No action was taken after Executive Session regarding THBD employee benefits.

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

Mr. Hart updated the Board Members on THBD's tenant companies. In regards to Electronic Prescriptions, THBD's prospective new tenant company, all lease issues have been resolved. Dr. Cakmak is now waiting for the establishment of an LLC prior to signing the lease and coming to Temple. The LLC should be established by early June. A new payment agreement to repay the note is in place with WashSense. The first installment payment has been received. With the support of the THBD seed funding, Neurofront Technology successfully completed the lab demo earlier this month, and reached the company milestones set for early 2017. With the promising data from the lab demo, one investor has already committed \$100K. Mr. Hart presented pictures of Neurofront's device as well as a project milestone table.

Mr. Hart then discussed the Cortical Screw Trajectory Project Update. A kickoff meeting with Dr. Chaput and Rebecca Lyon (Physician's Assistant) was held in early April. The initial design concept was presented to Dr. Chaput on April 17<sup>th</sup>. Mr. Baddour is currently incorporating feedback into the updated design to allow for smaller incision of cortical drill guide. A second review meeting is scheduled for next week.

The Medical Technology Symposium is scheduled for May 5<sup>th</sup>, 7:30am to 4:45pm at the Hilton Garden Inn. The RSVP breakdown to-date is as follows: 18-speakers, 25-Researchers, 7-Service Providers, and 5-Others which yields a total of 55 attendees. The Cities that are represented are: Austin, Belton, Boston, College Station, Dallas, Keller, Los Angeles, Plano, Rome, Italy, Sudbury Ontario, Temple, and Waco. Mr. Baird wanted to know whether Dr. Sandles (Director of the VA) contacted Ms. Annable to give her contact information for the VA. Ms. Annable stated that contact was made and the VA sent the flyer out internally. Mr. Hart had a sample of the symposium program for the board to see.

The Office and Laboratory Income Spreadsheet was presented. It is an increase of \$11,427 from last month. Mr. Hart stated that we are way over budget in



revenue. A total of \$26,550 has been collected from Lease Funds. The Stratasys 3-D Printer has generated a revenue of \$6,107 and the Leica Microscope generated \$5,288 yielding a total of \$37,945 total revenue for FY 2017. This is money that has been deposited into the THBD checking account. Mr. Baird wanted to know if THBD was still seeing continued usage of the core lab equipment and what is the status of the Nanostring Grants? Mr. Hart stated that the equipment is being used and the researchers are still in the preparation stage prior to using the Nanostring. It is a lengthy process and that is why the grant was for a year.

Mr. Williams gave an update of TMED. The second luncheon of the TMED partners occurred April 4<sup>th</sup> at the Hilton Garden Inn. Since the inaugural signing of the LOU for TMED there has been a lot of organizational changes within the sponsoring entities as well as expanding the TMED to include TISD and others. Topics discussed at this meeting were the marketing of the TMED, research into the TMED area, and also discussion of expansion of the TMED as well as housing within the TMED area. Mr. Williams suggested having the current map of the TMED as well as the expansion parameters of the TMED for the next meeting. If the board is in agreement, THBD could make a recommendation for the expansion of TMED to the City of Temple. Mr. Baird reiterated that the housing was the biggest issue and more exploration into the topic was needed. Ms. Gibbs wanted to know if THBD is not spearheading TMED or is it still the City of Temple? Mr. Williams stated that THBD is taking the lead on updating the agreement between the sponsoring entities. The City's role would be for zoning requirements, and looking at infrastructure. It is safe to say the THBD will be taking the lead in conjunction with the City of Temple for the TMED endeavor. Mr. Baird stated that we are trying to rekindle that partnership with all of the players. It will be easier for the City to rezone the TMED if all of the partners are on board with this decision. Mr. Williams and Mr. Baird recommended that Mr. Kiella present to the board the TMED presentation at the next board meeting.

There being no further business, Mr. Baird adjourned the meeting at approximately 6:09pm.

Transcribed by:  
Tami Annable, THBD Assistant Director