



**TEMPLE HEALTH AND BIOSCIENCE
ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS MEETING
WEDNESDAY, January 31st, 2017**

Minutes from the Board of Directors Meeting held on Wednesday, December 6th, 2017

The Temple Health and Bioscience Economic Development District Board of Directors conducted their regularly scheduled board meeting on Wednesday, December 6th, 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
Michael Norman, Vice Chair
Doug Streater, Secretary/Treasurer
Brian Reinhardt
Wendell Williams

Members Absent:

Gregg Strasburger
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. Approve the minutes of the November 1st, 2017 board meeting.

Motion by Mr. Williams, second by Mr. Streater to approve the minutes from the November 1st, 2017 board meeting. Motion carried unanimously.



2. Approve the financial report for the 1-month period ending October 31st, 2017.

Mr. Streater gave a brief overview of the financial report. There are Total Assets of \$6,760,506 with the bulk representing \$5,036,084 in cash and deposit accounts. THBD also has a Property Tax Receivable of \$849,014 and a \$105,348 Note Receivable. There are Fixed Assets of \$1,724,422 and Total Liabilities of \$783,655. This yields a Net Equity of \$5,976,851. On the Profit and Loss Budget versus Actual, THBD has collected \$264,154 in Property Tax Revenue. Including Lab and Rental Income the Total Revenue is \$274,470. Total Expenses were \$51,540 with Ordinary Income of \$222,930. In addition, there was Interest Income of \$2,453, yielding a Net Income of \$225,383. THBD has collected 25.98% of the Property Tax owed.

Motion by Mr. Streater, second by Mr. Norman to approve the financial report for the 1-month period ending October 31st, 2017. Motion carried unanimously.

3. Consider approving changes to the 2016-2017 FY Budget.

Due to a reclassification of \$19,976 (for Brain Health purchase) to Economic Development Initiative, the Economic Initiative needs to increase by \$17,566 to \$117,566. To accomplish this, decrease Research Grants by \$17,566 bringing the new line item to be \$47,434. In addition, due to an error in the spreadsheet (a cell was not included in the page summation), THBD is over budget by \$1,250 (Access Control) under Building Recurring Monthly. Therefore, this brings the Total Budget to \$1,076,850 instead of \$1,075,600. To balance the budget add \$1,250 to Building Revenue which will bring the Building Revenue to \$45,488. This, in turn, will balance the budget.

Motion by Mr. Streater, second by Mr. Reinhardt to approve the changes to the 2016-2017 FY Budget. Motion carried unanimously.

4. Consider approving changes to the Vacation/Sick Policy.

The Auditor recommends wording for the vacation policy to be changed as follows:

-Employees can be paid for up to twenty unused vacation days as a maximum payout upon termination.

In addition, the Auditor recommends that a Bereavement Policy be added to the Vacation Sick Policy as follows:



-Employees will receive up to three paid Bereavement days per occurrence (for immediate family).

Motion by Mr. Reinhardt, second by Mr. Streater to approve the changes to the Vacation/Sick Policy. Motion carried unanimously.

5. Audit Review for FY 2016-2017 by Brockway, Gersbach, Franklin, & Niemeier, PC.

Mr. Niemeier reviewed the final 2016-2017 audit with the board. Total revenue for the fiscal year was \$1,100,000. Total expenses for the year was \$754,000. Netting a surplus of \$355,000 for the year. THBD has a total fund balance of \$4,000,000 with \$3,900,000 in cash. There were two audit reports. One report stated the financial statements were accurate and complete. The other report stated that for the governmental findings all of the necessary controls were in place and there were no findings. Two management letters were also included. The first letter related to the property tax assessments. The second letter stated that it is important to have all salary and bonuses approved in the minutes, not through emails.

Motion by Mr. Streater, second by Mr. Williams to approve the audit by Brockway, Gersbach, Franklin, & Niemeier, PC for FY 2016-2017. Motion carried unanimously.

7. Receive activity report from Tami Annable, Interim Executive Director

Ms. Annable gave a tenant update. Dr. Huang (Neurofront Technology) has interviewed a potential employee from Temple for his start-up company. Dr. Huang will be sending out an offer letter in January 2018 with a potential February 2018 start date. Mr. Dahlberg (WashSense) has interviewed a potential employee from Temple for his start-up company. The current plan is to hire an employee during the first quarter of 2018.

Ms. Annable gave a potential tenant update. Ms. Marsha Schiller-Lunde has drafted a six month lease for Advanced Scanners. Mr. Levine and Mr. Bernstein have reviewed the lease and are in agreement with the lease terms. They are awaiting responses to their job posting prior to signing the lease. Mr. Dan Spencer (Temple College) has a student that is interested. In addition, Mr. Lars



Kuslich, (THBD's 2017 graduate intern) is also interested in the position. Mr. Kuslich just finished his internship with Dr. Dostal (VA). Ms. Annable recapped the report that Mr. Kuslich sent to Texas A&M.

Ms. Annable then gave a nanoString update. Dr. Sharron DeMorrow has a zero balance on her grant. She stated that the use of the nanoString nCounter instrument was essential to accomplish the goals of this proposal. In addition, the instrument was easy to use and allowed for fast and robust generation of data. Investigating over 50 genes in these samples gave us substantially more information than what would be generated with traditional qPCR assays. If we had used standard gene expression technologies our project would not have progressed as far or would have easily taken at least 3 months longer to generate the same amount of data. For these reasons, I could see this being an extremely useful research tool for other research projects. If this award were to be offered in the future, both of the investigators for this proposal would submit additional research proposals to use this technology to advance other areas of their research. Dr. Joseph Taube plans on spending another \$8,100 in December 2017 on more kits for the nanoString. Dr. Gianfranco Alpini has a zero balance on his grant. They have isolated EVs (Extracellular Vesicles) successfully and harvested miRNAs from those EVs in sufficient miRNA concentration for nCounter analyses. They have already performed nCounter analyses for all the samples that they had. Currently analyzing obtained data to identify candidate miRNAs. Dr. Fanyin Meng has a balance on the grant of \$1,507. Dr. Meng states they will spend the money before Christmas to purchase some real-time PCR array reagents to verify Sugeily's data from the nanoString analysis. Sugeily has requested to upgrade the analysis software to the newer version to make the graphs. Our data from the nanoString instrument with single cell analysis demonstrates the small RNA regulated aging process during alcoholic liver diseases and bile duct diseases. We plan to send an abstract to Experimental Biology 2018 conference.

In November, Ms. Annable attended the THBI Summit in Austin, Texas. One of the important take home messages was regarding the Medical Device Tax which has been postponed until 2018. CIPRIT (Cancer Prevention Research Institute of Texas) a \$3,000,000,000 fund that is going to end in 2023, was also discussed. There were panels on Innovation, Research and Healthcare as well as a guest speaker, John Luby, from JLABs in Houston. Ms. Annable also attended the Texas Life Science Forum in Houston, Texas. There were numerous panels held during the day. One of the most informative was the Venture Capitalist Panel. In addition, many Start-Up companies gave presentations. There were high level speakers from multiple health institutions from Texas. The following day, Ms. Annable attended the TCMx Demo Day in



Houston. This event was the graduation day for their start-up companies. Each company gave a pitch to a room full of investors. At the end of the month, Mr. Quinn (SiMMo3D), Ms. Schlosser (Live Out Loud PR) and Ms. Annable had a full day in Austin attending a Device Pharm Lunch and Learn, a Capital Factory Tour (Incubator) and BioAustin's quarterly BioBash. SiMMo3D gave a five minute presentation at BioBash as well.

Ms. Annable gave numerous tours of the THBD facility in November. The following list represents these tours:

- Don Owens, the Director of Career Services at Mary Hardin-Baylor. This tour was followed up with a tour of Mary Hardin-Baylor. During this tour Ms. Annable was introduced to Dr. Heidi DeFrancesca, Associate Dean of Natural Sciences.
- Mr. Larry Tabash, International Trade Specialist, U.S Department of Commerce.
- Dr. Paul Friedman, Physical, Medical & Rehabilitation Physician at BS&W in Temple.
- Dr. Aaron Ali, CEO Med to Market.
- Mr. Dan Yates, Business Development Manager for BB7.

The Office and Laboratory Income Spreadsheet was presented. A total of \$9,750 has been collected from Lease Funds. The Leica Microscope has generated a revenue of \$953, therefore generating a total of \$11,495 total revenue for FY 2017-2018. This is an increase of \$3,053 over October 2017. This revenue is money that has been deposited into the THBD checking account.

There being no further business, Mr. Baird adjourned the meeting at approximately 5:44pm.

Transcribed by:
Tami Annable, THBD Interim Executive Director