



**TEMPLE HEALTH AND BIOSCIENCE  
ECONOMIC DEVELOPMENT DISTRICT  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, August 7, 2019**

***Minutes from the Board of Directors Meeting held on Wednesday,  
June 26<sup>th</sup>, 2019***

The Temple Health and Bioscience Economic Development District Board of Directors conducted their regularly scheduled board meeting on Wednesday, June 26<sup>th</sup>, 2019, 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  
Brian Reinhardt  
Gregg Strasburger  
John Kiella  
Robert Cortes

**Members Absent:**

Michael Norman, Vice Chair  
Doug Streater, Secretary/Treasurer

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 May 22<sup>nd</sup>, 2019 board meeting.**

Motion by Mr. Kiella, second by Mr. Strasburger to approve the minutes of the May 22, 2019 board meeting. Motion carried unanimously.

**2 Approve the financial report for the eight-month period ending May 30<sup>th</sup>, 2019.**



Mr. Reinhardt gave a brief overview of the financial report. There are Total Assets of \$6,358,284 with the bulk representing \$4,719,571 in cash and deposit accounts. THBD also has a Property Tax Receivable of \$40,578 and a \$91,952 Note Receivable. There are Fixed Assets of \$1,491,749 and Total Liabilities of -\$510. This yields a Net Equity of \$6,358,284. On the Profit and Loss Budget versus Actual, THBD has collected \$1,071,879 in Property Tax Revenue. Including Lab and Rental Income, the Total Revenue is \$1,117,543. Total Expenses were \$738,990 with Ordinary Income of \$378,553. In addition, there was Interest Income of \$33,128, yielding a Net Income of \$411,681. THBD has collected 97.25% of the Property Tax budgeted.

Motion by Mr. Reinhardt, second by Mr. Cortes to approve the eight-month report ending May 31<sup>st</sup>, 2019. Motion carried unanimously.

**3 Meet our eight THBD Scholars: Amy Nguyen, Tori Hagan, Isabella Cano, Alexis DeGraaff, Chris Perez, Lun Gualnam, Priyanka Reddy and William Minnie.**

Each student introduced themselves and gave a brief summation of their future goals, current college attending and what their research project for the summer will entail. Amy Nguyen, Alexis DeGraaff, Tori Hagan and Lun Gualnam were present.

**4 Meet our newest Tenant: Stan Marett CEO of MR3 Health.**

Mr. Marett could not attend. Mr. Marett will present his technology to the board during the July board meeting.

**5. Consider approval of a grant to Temple College Biological Research Institute for \$6,000 to pay for three student-driven research projects to measure Zebra Mussel Growth and Public Awareness in Lake Belton and Stillhouse Hollow Lake.**

Ms. Annable did an overview of the grant proposal for the board. Mr. Baird talked about the dramatic effects that the Zebra Mussels have in our lakes. Mr. Kiella asked that the students report back to the board at the end of their study.

Motion by Mr. Cortes, second by Mr. Kiella to approve a grant to Temple College Biological Research Institute for \$6,000 to pay for three student-driven research projects to measure Zebra Mussel Growth and Public Awareness in Lake Belton and Stillhouse Hollow Lake. Motion carried unanimously.



**6. Consider approval of a \$30,000 loan at 5% interest for Prosodio, Inc. to conduct a clinical trial in Temple or pay the salaries for the Temple study coordinators, equipment and supplies bought in Temple for \$20,000 or purchase the supplies to update the device for the trial for \$10,000.**

Ms. Annable discussed potential choices to assist Prosodio to begin a clinical trial in Temple with Temple ISD children. Mr. Baird reviewed the background information for this grant. Mr. Cortes noted that this device can also help with speech pathology and stroke patients. Mr. Cortes also mentioned that Prosodio could work with local physicians such as Dr. Ann Lueck (Temple Speech-Language Pathologist). Working with Dr. Lueck will help to keep the technology here in Temple. Mr. Reinhardt wanted to know if THBD gave a loan to Prosodio, how would THBD be repaid? Ms. Annable stated that Dr. Rathnasingham is aware that he is personally liable for the \$30,000. If the clinical trial is successful, Prosodio would be able to get additional funding from VC's and Angels etc. Mr. Cortes told the board that Prosodio is working with the actor Henry Winkler to upload his children's books into the device. In addition, Dr. Rathnasingham (CEO of Prosodio) has secured the former head of Disney Education as an advisor for his startup company. Mr. Cortes recommended that THBD give Prosodio a \$20,000 grant and a \$10,000 note. Mr. Kiella wanted to know why Dr. Rathnasingham is not doing the clinical trial in Austin. Ms. Annable responded that Dr. Rathnasingham wants to work with an underserved community. Mr. Baird stated that having this connection with Dr. Rathnasingham as the Assistant Dean of Health Product Innovation at the Dell Medical School is a worthwhile idea. Mr. Reinhardt asked whether Temple ISD will get to keep anything from the study. Mr. Cortes noted that we can state as a condition of the funding that when the software and the hardware is developed that the students have access to it after the trial is over. This would be the equity for the loan and the grant.

Motion by Mr. Cortes, second by Mr. Baird to approve a \$20,000 grant and a \$10,000 note at 5% interest. With the stipulation that TISD will have access to the software after the clinical trial is completed. Motion carried unanimously.

**7. Budget work session for the 2019-2020 FY.**

Three potential budgets were discussed. The first budget had a \$175,000-line item for TMED and a \$75,000-line item for Economic Development Incentive. The next budget had a \$200,000-line item for Temple Economic Development Corporation (TEDC), a \$75,000-line item for TMED and a \$54,133-line item for



Economic Development Incentive. The next budget had \$400,000-line item for TEDC with no money allocated for TMED or Economic Development.

Mr. Baird discussed the background for these changes. Last January, the City of Temple, TEDC and THBD and others decided on a path of one voice to represent Temple. This would include marketing, branding, common logos, messaging, hiring and retaining talent, and last but not limited to increasing types of jobs with higher salaries. DCI out of New York City was hired to devise a plan to accomplish this. A report was generated and sent to the Board by Mr. Kiella. Mr. Baird also stated that this could be the opportunity that the board has been searching for to expand economic development beyond the incubator. This \$400,000 budget for TEDC comprises \$200,000 for operating budget and \$200,000 to create a new scope of work with a laser focus on bioscience. These budget changes would be contingent on negotiating the right terms for the contract between the two entities. Mr. Strasburger wanted to know whether this would be a yearly expenditure? Mr. Baird stated it probably would. Mr. Kiella noted that we have had monies in the TMED and Economic Development Initiative that we have not used in the past and this would be an opportunity to use this money. Mr. Kiella also stated that after surveying all the businesses in the area the biggest issue is getting quality talent and employee retention. Also, Mr. Kiella stated that two executive board seats for TEDC could be included with the contract negotiations. Mr. Kiella explained that this could be a three-year venture and the Board can reevaluate their position yearly. Mr. Baird contacted our accountant, Mr. Niemeier, to ask the question could we go over budget and use our fund balance? Mr. Niemeier stated that it happens all the time and it is perfectly fine.

After a discussion of line item changes between all budgets, Mr. Cortes asked the question of how large of a deficit it would be if the individual line items were not reduced in the \$400,000 TEDC budget? Ms. Annable responded approximately \$200,000. Mr. Kiella noted that if a situation arose and we needed to add money to a line item the board can vote to increase the line item and take the money from the fund balance. The consensus is not to raise the tax rate but use the fund balance instead.

Mr. Kiella made a motion to use the \$400,000 budget. Mr. Baird reminded the board that once we file the budget with Bell County, we cannot increase our budget, but we can decrease it. Mr. Baird proposed that we go with the higher budget to file. The board then reviewed the line items that were lowered for the



\$400,000 budget and made some revisions. The new expense is \$1,417.47 with a budget of \$1,310,530, leaving a fund balance of \$106,617.

**8. Consider raising the tax rate from 0.01890/\$100 valuation to 0.02020/\$100 valuation.**

Motion by Mr. Kiella, second by Mr. Strasburger to not raise the tax rate and use the fund balance to pay for any differences. Motion carried unanimously.

**9. Receive activity report from Tami Annable, Executive Director.**

Due to time constraints, Ms. Annable did not give the presentation to the board. The board requested Ms. Annable to email the presentation.

There being no further business, Mr. Baird adjourned the meeting at approximately 6:38pm.

Transcribed by:  
Tami Annable: Executive Director