



**TEMPLE HEALTH AND BIOSCIENCE
ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS MEETING
WEDNESDAY, DECEMBER 5th, 2018**

***Minutes from the Board of Directors Meeting held on Wednesday,
December 5, 2018***

The Temple Health and Bioscience Economic Development District Board of Directors conducted their regularly scheduled board meeting on Wednesday, December 5, 2018, 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
Brian Reinhardt
Wendell Williams

Members Absent:

Doug Streater, Secretary/Treasurer
John Kiella
Gregg Strasburger

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 Audit Review for 2017-2018 FY by Brockway, Gersbach, Franklin & Niemeier, P.C.

According to Mr. Niemeier the audit went well, and they were able to obtain all the evidence that was needed to perform the audit. Mr. Niemeier discussed the Management's Discussion and Analysis from the audit. The District's net position was \$5,946,114 at September 30, 2018, representing an increase of \$194,645 as a result of this year's operations. The District's cash and cash



equivalents balance at September 30, 2018 was \$4,310,813, representing an increase of \$420,202 from September 30, 2017. The District's fund revenue was \$1,149,788 for the year ended September 30, 2018, which is an increase of \$39,874 from fiscal 2017 revenues of \$1,109,914. The District's fund expenditures were \$726,696 for the year ended September 30, 2018, which is a decrease for the year ended September 30, 2018, which is a decrease of \$27,920 from fiscal year 2017 expenditures of \$754,616. In comparison to 2017, revenues increased by \$46,855 (predominantly property tax) and the expenditures were equivalent. Current assets are \$4,514,063 which is predominantly cash. There was a surplus of \$423,092 for the FY 2017-2018 in the fund account. Mr. Williams asked if there is a point where you charge off the past due property tax? Mr. Niemeier responded, "No you never charge off the past due taxes". There is a past due taxes receivable of \$59,993. Mr. Baird asked is there anything that THBD should be doing differently to be totally transparent? Mr. Niemeier felt that there was nothing we needed to do differently. Mr. Ladd recommended the grants for tenants be approved in the minutes for transparency purposes.

Motion by Mr. Williams, second by Mr. Norman to approve the audit review for 2017-2018 FY by Brockway, Gersbach, Franklin & Niemeier, P.C. Motion carried unanimously.

2 Approve the minutes of the October 24, 2018 board meeting.

Motion by Mr. Norman, second by Mr. Williams to approve the minutes of the October 24, 2018 board meeting. Motion carried unanimously.

3 Approve the financial report for the one-month period ending October 31, 2018.

Mr. Reinhardt gave a brief overview of the financial report. There are Total Assets of \$6,158,562 with the bulk representing \$4,370,973 in cash and deposit accounts. THBD also has a Property Tax Receivable of \$248,540 and a \$97,418 Note Receivable. There are Fixed Assets of \$1,491,749 and Total Liabilities of \$18,893. This yields a Net Equity of 6,139,669. On the Profit and Loss Budget versus Actual, THBD has collected \$248,781 in Property Tax Revenue. Including Lab and Rental Income, the Total Revenue is \$255,664. Total Expenses were \$62,427 with Ordinary Income of \$193,237. In addition, there was Interest Income of \$3,707, yielding a Net Income of \$196,943. THBD has collected 23.55% of the Property Tax budgeted. Mr. Reinhardt had a question regarding the lab computer software being over budget. Ms. Annable stated since this



software was licensed from August 2018 to August 2019, the auditor had explained it was a prepaid expense and needed to be in the 2018-2019 FY Budget. However, the bill was paid in FY 2017-2018. This also explains why there was a larger fund balance (\$70,000) from FY 2017-2018. Not only was this software a prepaid expense but so were the warranties on some of the equipment for the common lab. Mr. Williams suggested that these prepaids should be put before the board for approval at the same time instead of quarterly.

Motion by Mr. Reinhardt, second by Mr. Williams to approve the financial report for the one-month period ending October 31, 2018. Motion carried unanimously.

- 4 Executive Session: Chapter 551, Government Code 551.087 Deliberation regarding Economic Development - The Board may enter into Executive Session to discuss specific initiatives and incentives regarding the continued development of the Temple Bioscience sector. No final action will be taken regarding this item.**

The Board of Directors reserves the right to discuss any items in executive (closed) session whenever permitted by the Texas Open Meetings Act.

The Board went into Executive Session at 5:14pm and ended the session at 5:27pm. No action was taken.

- 5 Approve increasing capitalization policy for FY 2018-2019 from \$3,000 to \$5,000.**

Motion by Mr. Norman, second by Mr. Reinhardt increasing capitalization policy for FY 2018-2019 from \$3,000 to \$5,000. Motion carried unanimously.

- 6 Consider the approval of a Product Development Grant Proposal for a novel Total Ankle Replacement (TAR) Device for no more than \$3,000.**

Motion by Mr. Williams, second by Mr. Reinhardt to approve a product development grant proposal for a novel total ankle replacement (TAR) device for no more than \$3,000. Motion carried unanimously.



7 Receive activity report from Tami Annable, Executive Director.

October-November Activity Update:

Tenant Update:

-**Advanced Scanners** won 1st place at the pitch competition against 12 other teams for the Demo Day at Texas Health Catalyst, (accelerator program at UT Austin's Dell Medical School) on Tuesday November 8, 2018.

-Advanced Scanners has filed an international patent.

-Advanced Scanners took 2nd place at Pitch-a-Kid competition.

-**SiMMo3D** has completed all the necessary requirements for the initial study trial such as intellectual property, 3D prints, and study guidelines.

-After the City of Austin's water boil warning, the 3DMET study is now planned to start Q1, 2019.

-SiMMo3D has hired their TBI intern, George Robinson, for a part-time position.

-**WashSense** is in the process of installing 300+ units in a long-term care facility in Memphis, Tennessee.

-**Emergent Biotechnologies** has established in vitro cell culture models at THBD to successfully and repeatably grow ovarian cancer (model of ovarian cancer), cytotrophoblast cells (model of preeclampsia syndrome), and *in-vitro* model of monolayer of cells used to investigate blood-brain barrier compounds.

-Emergent Biotechnologies currently has evaluated two novel, and not-yet-patented, compounds which are now ready for preclinical trials for preeclampsia.

-Emergent Biotechnologies also has evaluated two compounds which are ready for preclinical studies for ovarian cancer.

-Emergent Biotechnologies is currently examining several new anti-preeclampsia and anti-ovarian cancer compounds and the results are promising enough to start applying for immediate patent application.

Potential Tenant Update:

-**Orthomend**: Mr. Bruce Mullen (COO) had to reschedule his tour of THBD until the new year (Orthomend is a start-up company from Philadelphia, PA., they produce a dissolvable screw made of Nano-Diamonds).



-Moterum Technologies, Inc.: Dr. David Huizenga is the CEO and President of Moterum Technologies. This company designs, develops and sells high impact products in the field of mobility and rehabilitation. Dr. Huizenga is interested in Temple, Texas because of the two new rehabilitation centers that are currently being built. They are also interested in partnering with the Central Texas VA. The business is currently located in South Carolina. The Head of Physical Therapy lives in North Carolina and their main investor lives here in Houston, Texas. Mr. Williams wanted to know what a high impact product consists of? Ms. Annable responded that the high impact devices will help stroke victims to walk again. Ms. Annable suggested that the board members go on to Moterum's web site for more information. Mr. Williams asked Ms. Annable to send their website information via email to the board members.

Operations Update:

-Stratasys J750: The J750 arrived on site without prior notice, personnel, or proper equipment to unload the printer on November 30, 2018. Therefore, THBD refused the delivery. Mr. Jamey Deloney of Tech Labs came to THBD on Monday December 3, 2018 to view the site. Mr. Annable and Mr. Delaney took additional measurements and prepared for proper delivery. Mr. Annable will prepare site for delivery and Mr. Delaney will coordinate delivery and ensure that proper equipment and personnel are on site the day of delivery. Mr. Williams wanted to know if it will cost THBD anything additional for delivery. Mr. Annable responded that there will be no extra costs. Ms. Annable did note that a new computer needed to be bought for the J750. There will be two days of installation and two days of training. Mr. Williams wanted to know who will be trained and Mr. Annable responded the training will be open to all tenants as well as the staff.

-Wi-Fi Update: All individual Wi-Fi networks are up and working. Speeds are acceptable for the needs of the tenants. Each tenant as well as guest and administration have their own Wi-Fi accounts and passwords.

Off Site Meetings, Tours and Conferences:

Off Site Meetings:

-P20: Central Texas College, Killeen



Guest Speaker was Abdul Subhani from Centex Technologies (IT consultants): the most important message was to make sure that your location finder is turned off on the sites and apps that you use.

-Capital City Innovation: Dell Medical School, Austin
The group is in discussions to attend two conferences in 2019 as a consortium. In addition, the group met with a contingent from Italy who have made a \$3.5 Billion investment in Research and Life Science. Their goal is to make a connection bridge between Italy and Texas. The group toured Houston and then came to Austin to meet with us. Also, in attendance were two members of the Italian-American Chamber of Commerce located in Houston.

-Texas Health Catalyst Demo Day: Dell Medical School, Austin

Tours:

-Mr. John Palos: Central Texas Angel Network
(active angel investor: current board chair)

-Dr. Robert Teague: Green Room Technologies
(Pulmonologist/Entrepreneur and also part of Angel MD.)

-Dr. Brandon Price: Biotenin (Biophysics)
(Serial Entrepreneur, award winner and member of GOOSE: Will be Keynote Speaker for our Symposium)

-Heather Paffe: Merck
(Represents the global innovation group looking for innovation)

-Dr. Jason Raesz: Advanced Chiropractic
(Wellness talk for our tenants)

-Ms. Stacey Stein: Fang Consulting
(Promise 10,000 hours of advice for startups. Will be a speaker at our symposium)

-Ms. Angela Cases: Jobes Company
(Leadership Temple Alumni, wants to use the Instron)

-Ms. Annette Farmer: Blanchard Thomas Esq.
(Lawyer who will be setting up a business in Temple)

Conferences:

-P20 Conference: University of Mary Harden Baylor

-BioAustin BioBash: Austin



-Salado Jr. High Stem Career Day

Salado

-Lunch & Learn Webinar:

Dr. Jason Raesz (Advanced Chiropractic in Temple) gave a lunch and learn demonstration on Total Wellness to the tenants and staff.

The topic for the November webinar was "Beginning at the End: Planning for Success". Ms. Karen Gordesky, CEO and Founder of CPG Consult gave the seminar from 12:00pm to 1:00pm at THBD on November 27, 2018. Ms. Gordesky came to do the webinar live at THBD. Ms. Annable felt that this was the best webinar THBD has produced to date.

-Dell Medical School's Monthly Learning Series:

The topic for the November learning series was "What's it like to be a health entrepreneur in Central Texas?". A panel of health entrepreneurs discussed their path, hurdles and successes and shared knowledge and insights to the audience. The panel consisted of Ms. Laura Bosworth, Ms. Mellie Price, Mr. Yash Sabharwal, and Mr. Buzz White. This event was held on Thursday November 29, 2018 from 3:00 to 5:00pm. THBD had a live feed of this event.

-Office and Laboratory Income Spreadsheet:

A total of \$11,000 has been collected from Lease Funds. The Leica Microscope has generated a revenue of \$1,103. The Stratasys 3-D Printer has generated a revenue of \$4,456. Therefore, generating a total of \$16,558, total revenue for FY 2018-2019. This revenue is money that has been deposited into the THBD checking account. Mr. Williams asked if the spreadsheet could be compared to the same month from the previous year instead of the prior month. Ms. Annable will institute that change.

There being no further business, Mr. Baird adjourned the meeting at approximately 5:59pm.

Transcribed by:

Tami Annable, THBD Interim Executive Director