

**MINUTES OF THE ANNUAL MEETING
OF THE
MOUNT DESERT ISLAND BIOLOGICAL LABORATORY CORPORATION**

The following were in attendance in person at MDI Biological Laboratory and via Zoom video conference at the Annual Meeting of the Corporation of the Mount Desert Island Biological Laboratory on Thursday, July 22, 2021:

Amy Ackerman	Gary E. Frashier, Ph.D.	Colleen Maynard
Judith Alexander	Giva Frashier	Clement E. McGillicuddy
Peter J. Allen, M.D.	Gert Fricker, Ph.D.	Roy A. McMorran
Vjera M. Bakovic Silva, M.D.	Jack Frost	Janet Meryweather
Samuel Beck, Ph.D.	Timur F. Galen	Alan B. Miller, Esq.
Barbara S. Beltz, Ph.D.	Linda A. Genereux	Dilawar Mir
Edward J. Benz, Jr., M.D.	Gina Grange	Debra Mitchell-Dow
Mordecai P. Blaustein, M.D.	Hermann Haller, M.D.	I. Wistar Morris, III
Jacqueline C. Bolt	Patricia Hand, Ph.D.	Robert L. Morris, Ph.D.
Jerilyn M. Bowers	Mark Hanscome	James Mroch
Thomas A. Boyd, Ph.D.	Philippa E. Hansen-Daigneault	Prayag Murawala, Ph.D.
Phoebe B. Boyer	Jane R. Harrison	Lisa Parsons
Terence C. Boylan	Louise Hartwell	Amy Pelletier
Judith Burger-Gossart	R. Patrick Hasset, Ph.D.	Joyce W. Preston
Emily S. Burke	John A. Hays	Robert L. Preston, Ph.D.
Cheryl M. Claiborne	Mary Hays	Dean S. Read
James Claiborne	Michael Hays	Kristine Reaman Gilbert
Jan L. Coates, Ph.D.	Elizabeth Hodder	Amy Richards
Glenn Colby	Caramai Kamei	Aric N. Rogers, Ph.D.
Abigail H. Conrad, Ph.D.	Patricia A. King, M.D., Ph.D.	Tom Rush
Lisa Crockett	Allan J. Kleinman	Robert Savage
Linda Crow	Joan Kleinman	Jilliane L. Sawyer
Todd Crow	Alan W. Kornberg, Esq.	Heiko Schenk, M.D., Ph.D.
Ruth Cserr	Stephen P. Koster	Linda Seidel, Ph.D.
David C. Dawson, Ph.D.	Anne M. Kozak	Frank W. Sheldon, M.D., C.M.
Kay Dawson	Melanie Leach	Dennis L. Shubert, M.D., Ph.D.
Hugo R. de Jonge, Ph.D.	Anne Lehmann	Jane R. Shubert
Gerald F. DiBona, M.D.	Claudine D. Lurvey	Patricio Silva, M.D.
Charles Dinsmore, Ph.D.	Romain Madelaine, Ph.D.	Christine Smith
Iain Drummond, Ph.D.	Christina Maguire	Neil D. Smith, M.D.
Carrie L. Eason	Anne Mahringer, M.D.	Judith C. Sproule
Susan L. Edwards, Ph.D.	Karlee R. Markovich	Bruce A. Stanton, Ph.D.
David H. Evans, Ph.D.	Michele Marks	Jeffrey S. Stoff, M.D.
Jean Evans	Stefanie N. Matteson	Clare C. Stone
Susan K. Fellner, M.D.	Anna U. Maynard	Andrea R. Tilden, Ph.D.

Daphne Trotter, Esq.
Dustin L. Updike, Ph.D.
Margaret A. Vettese, Ph.D., R.N.

Hook Wheeler
Robert T. Whitman
Amber Wolf

Wendy S. Wood

Chair, Alan W. Kornberg, called the annual meeting of the Corporation to order at 10:04 am and welcomed all those present.

Chairman’s Remarks

Chair Kornberg addressed the decision to meet virtually on the heels of the pandemic. It is worth noting that 100 years ago the first group of scientists relocated here thanks to George Dorr. One hundred years later we continue to honor the vision of those who came to create the Mt. Desert Island Biological Laboratory at Salisbury Cove.

Chair Kornberg formally called the meeting to order and requests a motion to approve the minutes. The motion was made and seconded, with no questions brought forward, the online poll was opened, and the motion carried.

COMMITTEE REPORTS

Secretary’s Report

Secretary, Jan Coates, PhD, presented the following report.

Information for the Secretary’s Report at the Corporation Meeting on July 21, 2021, is as follows:

There are currently 237 members of the Corporation.

- Full Members10
- Associate Members18
- Honorary Members2
- Life Full Members172
- Life Associate Members35

Four members of the Corporation passed away in the last year:
Life Full Members: Dr. Robert B Howe and Barbara N. Rapoport
Full Member and Trustee: Dr. George Kidder, III
Associate Member: David K. Mills

Chair Kornberg recognizes members who passed away this year and their contributions to our institution. There followed a moment of silence to honor their memories.

Chair Kornberg asked for a motion to approve the Secretary’s report. The motion was made, seconded, the online poll was opened, and the motion carried.

Nominating Committee Report

Nominating Committee Chair, Ed Benz, recommends the following slate of nominees for re-election to the Board of Trustees:

The Nominating Committee recommends the following slate of nominees for re-election to the Board of Trustees:

I. Trustees of the Class of 2025

Terence C. Boylan

I. Wistar Morris III

Margaret A. Myers, M.D.

Clare Stone

Robert Whitman

II. New Member, Class of 2025

Sigmar Gabriel

The following slate of nominees is respectfully submitted for the 2020-2021 Nominating Committee:

Edward Benz, M.D., Chair

Barbara Beltz, Ph.D.

Jerilyn M. Bowers

Alan B. Miller, Esq.

I. Wistar Morris III

Patricio Silva, M.D.

Daphne W. Trotter, Esq

The following slate of nominees is respectfully submitted to serve as Officers of the Board of Trustees and Members of the Executive Committee:

- I. Elected Officers of the Board of Trustees
Alan J. Kornberg, Esq., Chairman
Edward J. Benz, Jr., M.D., Vice Chairman
Thomas A. Boyd, Ph.D., Treasurer
Janis L. Coates, Ph.D.,
Secretary Hermann Haller, M.D., President
- II. Elected members of the Executive Committee
 - a. Phoebe C. Boyer
 - b. I. Wistar Morris III

Chair Kornberg asked for a motion to approve the Nominating Committee report. The motion was made, seconded, the online poll was opened, and the motion carried.

Treasurer's Report

Thomas Boyd, PhD, Treasurer, presented the Treasurer's Report to the Corporation.

COVID-19 pandemic impacted businesses worldwide, as MDIBL vaccination rate passed the 95th percentile, we developed a new normal rather than returning to the pre-covid 19 routines. Our ability to adapt and change systems and behaviors has allowed us to remain stable and grow during a challenging time.

Research activities continued on campus during 2020, with strict safety protocols. Summer programs were cancelled in 2020 but have made a return in the Summer of 2021. As mentioned last year, we applied for a PPP Loan in round 1 to support non-federal salaries during the pandemic and received \$937,000. This loan has been fully forgiven. We applied in the 2nd round of funding and received an additional \$876,847 . Full forgiveness is expected on the second loan before the end of the fiscal year.

A summary of the Financial Position of the Laboratory as of the end of 2020 in comparison with the prior year showed the Cash position of the Laboratory remained strong. Cash increased at 2020 year-end by \$894 thousand compared with the previous year, associated with corresponding increases, or decreases in the following areas:

- Grants receivable increased by over \$349 thousand from year-end 2019.
- Assets held in investment-type accounts decreased by \$972 thousand.

Other Liabilities from 2020 include \$937,000 in PPP debt. The Institution continues to pay down the \$5-million-dollar bond that helped finance the Morris Laboratory Building in 2007. This is shown in the line called "Bonds Payable." We make regular principal and interest payments. \$3.7 million in debt remains to be paid off by the year 2036. Total Net Assets amounted to \$24 million at year-end 2020, an increase of over \$750 thousand from the prior year.

The \$24 million in Net Assets are distributed among 46 distinct categories or Funds. The largest category is Plant Assets, which is land and buildings. The more liquid funds are the General Unrestricted dollars and the Reserve Funds. The General Unrestricted Funds, the Reserve Funds, and the Plant Assets, do not have restrictions. Other funds may be restricted by the donor for specific purposes, and the Institution may use all or a portion of the investment income that these endowment funds earn. All are tracked and accounted for separately.

In accordance with the Laboratory's Strategic Plan, the Research Faculty and the Education Programs have grown judiciously over the past several years. As in previous years and as is expected to continue, there is a gap between cost of recruiting and maintaining new Faculty and the grant revenue that comes in for funding their research. The Board uses a portion of the Reserve Funds each year to fill that gap. In 2020, \$950 thousand was pulled from the Reserve funds to bridge this gap. The Reserve Fund had a cash balance of \$4.5 million at the end of the year.

In addition to the funds listed above, the Maine Community Foundation manages the Salisbury Cove Research Fund, established by Tom Maren and The Maren Foundation. Funds are made available each year.

Our Statement of Activities for the year 2020 follows. Activities include operating support & revenues as well as operation expenses. The total Operating Support & Revenue in 2020 were \$9.6 million. Total Operating Expenses were \$11.3 million, resulting in a negative change in net assets resulting from Operations of \$1.7 million. Depreciation, a non-cash expense, made up \$1.3 million of this shortfall. This budget gap between revenue and expenses was addressed by transferring funds from the Reserve Fund, which is maintained for this purpose.

The Non-Operating Change in Net Assets was a positive change of \$2.5 million in 2020. This was due mainly due to positive returns in the investment portfolio and a government grant of \$1.25 million for a microscope.

In summary, in 2020, Total Net Assets from combined Operations and Non-Operating activities increased by \$753 thousand, resulting in a balance of \$24 million at the end of 2020.

Total Operating Expenses were \$11.3 million in 2020. If we exclude \$1.3 million in non-cash depreciation, Operating Expenses amounted to \$10.-million for the year. Of these operating expenses, 72% (or \$7.2 million) was for Research and Educational Programs at MDIBL. This included dollars that were distributed to other institutions throughout the state of Maine through the INBRE program. Twenty-three percent of expenses were for Management & General – costs necessary for the operation of the organization, such as Administration, recordkeeping, accounting, budgeting, legal, insurance, and grant reporting and compliance. 5% was for fundraising activities for the purpose of obtaining contributions to support the institution, its mission, and program.

The institution covered that \$10 million in operating expenses for fiscal year 2020. Sixty-five percent came in the form of Federal Grants and Contracts (the blue and red sectors). 43% of the funding covered costs at the MDI Biological Laboratory (blue sector), and 22% (over \$2.3 million) is distributed to colleges and universities within the state through the INBRE program (INBRE is the IDeA Networks of Biomedical Research Excellence). (This is shown in the red sector).

Two federal grants from the National Institutes of Health continued to provide major support to the institution:

1. The INBRE grant –which brings \$1.5 million to the institution and \$2.3 million to subawards annually. We are in the third year of a 5-year award cycle.
2. The COBRE grant (COBRE stand for Centers of Biomedical Research Excellence) – this amounts to \$2.2 million in support of faculty annually. We recently began year four of a 5-year award cycle.

Chair Kornberg asked for a motion to approve the Treasurer’s report. The motion was made, seconded, the online poll was opened, and the motion carried.

Audit Committee Report

Audit Committee Chair, Alan Miller, Esq., presented the Audit Committee Report. The MDI Biological Laboratory Audit Committee met with Annette Gould, the auditor from HMV, LLC on Tuesday August 20, 2021, at 2:30 PM. She discussed the audit, what was covered and some of the examinations performed. In the auditor's opinion dated June 4, 2021, the financial statements present fairly in all material respects the financial position of Mount Desert Island Biological Laboratory as of December 31, 2020, and the changes to its net assets and cash flows for the year then-ended in accordance with accounting principles generally accepted in the United States of America.

Ms. Gould reported that this year's audit went very smoothly and that no changes had to be made in numbers presented by the laboratory.

Chair asked for a motion to approve the Audit Committee Report. The motion was made, seconded, the online poll was opened, and the motion carried.

The Chair discussed further the many ways in which 2020 challenged all of us and we see that outstanding leadership at the MDIBL community and the extraordinary efforts of the staff to support the leadership.

President's Report

The President, Dr. Hermann Haller, began with a review of successes during the COVID-19 pandemic. Staff are 96% vaccinated and all on campus students and visiting scientists are vaccinated. Self-test kits are available. He thanked everyone in our community for the encouragement and support shown during a challenging time.

Challenges remain as we move forward. The institution has been developing and changing since 2018. The focus then was the development of the faculty, the revival of the visiting scientists program and education programs and biotechnology. In 2021, the organizational structure has changed with executive duties held by Dr. Haller, Claudine Lurvey as Administrative Director, and Iain Drummond, Ph.D., as the Scientific Director. Restructuring has taken place in finance, education, and facilities through a combination of new hires and updated responsibilities.

The focus on faculty and recruitment continued through the pandemic with the hiring of Prayag Murawala, Ph.D., and Romain Madelaine, Ph.D. Looking ahead for the next five years, we will continue to expand our faculty. We are working for sustained growth and development by growing our faculty, publishing discoveries in regeneration and aging, communicating our science, establishing biotechnology, and expanding our "summer program" to a "science village."

Dr. Haller presented the strategy for growth over the next five years which include building ties with other domestic and international institutions for graduate students, postdoctoral candidates and visiting scientists. The plan for growth must also include renovation and building on campus to keep up with the larger numbers of people who will be on campus. This will take time and money.

Dr. Haller introduced and handed over to the Scientific Director, Dr. Iain Drummond.

Scientific Director's Report

Dr. Drummond presented the work being done by each of the lab groups going through the primary areas of research; Injury and Regeneration, Aging and Healthspan, Aging and Regeneration, Data Science and Outreach. Research Support provided by MDIBL includes, Bioinformatics, Animal Core, Internal and External Review of faculty development, R01 Pilot Funding, Visiting Scientists collaborators, Recruitment, and Technology (Microscopy and the Equipment Core). Of major importance are Grant Applications. Our faculty grant success rate is currently above average. To maintain that and continue to grow, we will continue to submit grant applications.

Following the close of Dr. Drummond's presentation, questions from the virtual attendees were taken.

Closing Remarks

Chair Kornberg thanked the presenters and the virtual audience for their dedication and support. And commented on the level of positive energy and activity on the campus and thanked everyone for participating in the Annual Meeting.

Chair Kornberg asked for a motion for adjournment. The motion was made, seconded, approved by assent and the motion carried.

Chair Kornberg adjourned the 2021 MDI Biological Laboratory Annual Meeting at 11:50amEST.