



L DFA Quarterly Report – FY2026 Q2

Financial

As of the end of the second quarter of fiscal year 2026, the Ann Arbor/Ypsilanti SmartZone is forecasted to finish the year with a decrease of \$715,765 to fund balance. See page 2 for a more detailed description of revenues and expenditures.

Contract with Ann Arbor SPARK (detailed report included in L DFA board minutes)

	FY2024 Q4	FY2025 Q1	FY2025 Q2	FY2025 Q3	FY2025 Q4	FY2026 Q1	FY2026 Q2
Companies Served	251	257	216	241	235	253	253
Jobs Created	51	112	98	3	15	13	5.5
Companies Created	9	12	22	19	10	10	6
Funds Raised \$ (Millions)	30.2	69.7	3.1	48.8	23.1	8.2	4.7
Direct Support \$ (000s)	383	716	631	533	339	478	512
Boot Camp (companies)	0	8	0	12		10	0
Phase II Due Diligence (companies)	5	2	4	1	1	2	2
<u>Phase III Due Diligence (companies)</u>							
- Ann Arbor	54	63	71	69	55	50	63
- Ypsilanti	7	8	10	10	3	5	8
Entrepreneur in Residence (FTE)	49	53.5	48.5	46.5	25	35	37
Intern Matching Program (FTE)	85	87.5	48	48.5	75	57	23.5
<u>Incubator (FTEs)</u>							
SPARK Central	25	24	13	31	26	17	17
SPARK Central (Virtual)	333	336	314	323	314.5	313	298
SPARK East	30	33	33	25	19	43	43
SPARK East (Virtual)	53.5	59	57	55	51	54	54
Hosted Networking Events	26	14	14	20	24	7	15

Smart Zone LDFA
FY 2026 FINANCIAL SUMMARY
 December 31, 2025

						BUDGET	
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>FORECAST</u>	<u>FORECAST</u>	<u>FORECAST</u>	<u>Amended</u>	<u>Forecast</u>
	Q1 (Jul-Sep)	Q2 (Oct-Dec)	Q3 (Jan-Mar)	Q4 (Apr-Jun)	Full Year	Amount	vs Budget Good/(Bad)
INCOME STATEMENT							
Revenues:							
Tax Revenue	\$ 3,656,751	\$ -	\$ 2,438,447	\$ -	6,095,198	\$ 5,898,100	\$ 197,098
Miscellaneous		-	-		-		-
Investment Income	24,663	\$ 20,391	\$ 35,704	35,704	116,462	116,462	-
Total Revenues	\$ 3,681,414	\$ 20,391	\$ 2,474,151	\$ 35,704	\$ 6,211,660	\$ 6,014,562	\$ 197,098
Expenditures:							
Business Accelerator Support Services							
SPARK BA Direct Staffing	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 900,000	\$ 900,000	\$ -
Phase III (Intensive Service)	284,452	351,656	\$ 231,946	\$ 231,946	1,100,000	1,100,000	-
Entrepreneurs Bootcamp	10,863	4,986	\$ 17,076	\$ 17,076	50,000	50,000	-
Sponsorships/Partnered Events/Trade Shows	18,275	38,781	\$ 58,972	\$ 58,972	175,000	175,000	-
Internship Support & Talent Training	244,919	91,408	\$ 256,836	\$ 256,836	850,000	850,000	-
Business Software for Clients	18,434	3,020	\$ 33,418	\$ 33,418	88,290	88,290	-
Total Contracted Services	\$ 801,944	\$ 714,851	\$ 823,248	\$ 823,248	\$ 3,163,290	\$ 3,163,290	\$ -
SPARK Central Incubator Operating Exp.	105,503	106,298	81,599	\$ 81,599	375,000	375,000	\$ -
SPARK Central Infrastructure	-	-	2,500	\$ 2,500	5,000	5,000	-
Mobility Support	49,749	36,591	101,830	\$ 101,830	290,000	290,000	-
Tech Trek	175,825	169,580	64,798	\$ 64,798	475,000	475,000	-
Ypsilanti							
SPARK East Accelerator Services	\$ 28,818	\$ 75,871	210,799	\$ 210,799	\$ 526,287	\$ 526,287	\$ -
SPARK East Operations	52,812	58,784	54,202	\$ 54,202	220,000	220,000	-
SPARK East Capital Investment	-	-	-	\$ -	-	-	-
Other	-	-	75,000	\$ 75,000	150,000	150,000	-
Total Ypsilanti	\$ 81,630	\$ 134,656	\$ 340,001	\$ 340,001	\$ 896,287	\$ 896,287	\$ -
SPARK Indirect Services							
SPARK Accounting	\$ 148,750	\$ 148,750	148,750	\$ 148,750	\$ 595,000	\$ 595,000	\$ -
SPARK Marketing	45,663	34,104	110,116	\$ 110,116	300,000	300,000	\$ -
Total Indirect	\$ 194,413	\$ 182,854	\$ 258,866	\$ 258,866	\$ 895,000	\$ 895,000	\$ -
Grants							
Strategic Initiatives/Other Grants	89,918	87,821	107,420	\$ 214,841	\$ 500,000	500,000	-
Total Indirect	\$ 89,918	\$ 87,821	\$ 107,420	\$ 214,841	\$ 500,000	\$ 500,000	\$ -
City of Ann Arbor and Other Services							
Admin. Support	\$ 50,246	\$ 25,193	\$ 25,193	\$ 25,193	\$ 125,800	\$ 125,800	\$ -
Professional Services	-	-	6,400	\$ 12,800	\$ 19,200	19,200	-
Insurance Premium	-	-	\$ 4,950	\$ -	\$ 4,950	4,950	-
Software Maintenance	-	-	\$ -	\$ -	\$ -	-	-
Total Expenditures	\$ 1,549,227	\$ 1,457,844	\$ 1,816,805	\$ 1,925,675	\$ 6,730,327	\$ 6,749,527	\$ -
Net Increase/Decrease	\$ 2,132,187	\$ (1,437,453)	\$ 657,346	\$ (1,889,971)	\$ (518,667)	\$ (734,965)	\$ 197,098
Memo:							
Fund Balance (6/30/2025) *	\$ 935,154						
Fund Balance - Operations (Qtr. End)	\$ 3,067,341	\$ 1,629,888	\$ 2,287,234	\$ 397,263	\$ 416,487		
Note: Ypsi Cumulative Underrun (6/30/2025)	\$ 340,526						
* Year-end fund balance is estimated. Actual year-end fund balance will be available post-audit.							

Grant Summary

Tech Park Fiber Project Phase II-Private LTE Network project will commence with a PILOT installation and a cost-benefit analysis. City of Ann Arbor IT Department will continue to update the board on the progress of the project.