

**Ann Arbor/Ypsilanti SmartZone LDFA**

|                                                                    | Actual<br>FY2020    | Actual<br>FY2021    | Actual FY2022         | Actual FY2023         | Actual FY2024       | 2025<br>Budget<br>Forecast | Budget/Contract<br>Committee<br>FY2026 | Budget/Contract<br>Committee<br>FY2027 |
|--------------------------------------------------------------------|---------------------|---------------------|-----------------------|-----------------------|---------------------|----------------------------|----------------------------------------|----------------------------------------|
| <b>REVENUES</b>                                                    |                     |                     |                       |                       |                     |                            |                                        |                                        |
| Tax Revenue                                                        | \$ 4,417,262        | \$ 4,658,896        | \$ 4,713,750          | \$ 4,986,698          | \$ 5,357,621        | \$ 5,760,499               | \$ 5,898,100                           | \$ 6,061,406                           |
| Miscellaneous Revenue                                              | 19,533              | 9,004               | 100,464               | 3                     |                     |                            |                                        |                                        |
| Investment Income                                                  | 91,025              | 69,054              | (66,992)              | 29,445                | 112,050             | 99,091                     | 116,462                                | 112,302                                |
| Total Revenue                                                      | <b>\$ 4,527,820</b> | <b>\$ 4,736,954</b> | <b>\$ 4,747,222</b>   | <b>\$ 5,016,146</b>   | <b>\$ 5,469,671</b> | <b>\$ 5,859,590</b>        | <b>\$ 6,014,562</b>                    | <b>\$ 6,173,708</b>                    |
| <b>EXPENDITURES</b>                                                |                     |                     |                       |                       |                     |                            |                                        |                                        |
| <u><b>Business Accelerator Support Services</b></u>                |                     |                     |                       |                       |                     |                            |                                        |                                        |
| SPARK Business Accelerator Direct Staffing                         | \$ 799,000          | \$ 832,970          | \$ 839,388            | 635,341               | 761,304             | \$ 800,000                 | 900,000                                | 900,000                                |
| Phase II - Due Diligence                                           | -                   | -                   | -                     |                       |                     | -                          |                                        |                                        |
| Phase III - Intensive Service                                      | 847,273             | 900,710             | 837,041               | 920,585               | 695,879             | 1,000,000                  | 1,100,000                              | 1,100,000                              |
| Sub-Total                                                          | <b>1,646,273</b>    | <b>1,733,680</b>    | <b>1,676,429</b>      | <b>1,555,926</b>      | <b>1,457,183</b>    | <b>1,800,000</b>           | <b>2,000,000</b>                       | <b>2,000,000</b>                       |
| <u><b>Entrepreneurial Development &amp; Education Programs</b></u> |                     |                     |                       |                       |                     |                            |                                        |                                        |
| Education & Development Programs                                   | -                   | -                   |                       |                       |                     | -                          |                                        |                                        |
| Business Networking Events/Sponsorships                            | 73,659              |                     |                       |                       |                     | -                          |                                        |                                        |
| Bootcamp                                                           | 45,000              | 48,750              | 48,750                | 46,250                | 40,250              | 50,000                     | 50,000                                 | 50,000                                 |
| Sub-Total                                                          | <b>118,659</b>      | <b>48,750</b>       | <b>48,750</b>         | <b>46,250</b>         | <b>40,250</b>       | <b>50,000</b>              | <b>50,000</b>                          | <b>\$ 50,000</b>                       |
| <b>Mobility Support</b>                                            | <b>139,951</b>      | <b>219,008</b>      | <b>263,000</b>        | <b>255,195</b>        | <b>296,931</b>      | <b>290,000</b>             | <b>290,000</b>                         | <b>290,000</b>                         |
| <b>Major Events: Tech Trek &amp; NAIAS</b>                         | <b>38,907</b>       | <b>240,862</b>      | <b>367,709</b>        | <b>333,734</b>        | <b>439,970</b>      | <b>460,000</b>             | <b>475,000</b>                         | <b>475,000</b>                         |
| <b>Internship Support &amp; Talent Training</b>                    | <b>605,220</b>      | <b>560,435</b>      | <b>654,153</b>        | <b>603,755</b>        | <b>589,737</b>      | <b>850,000</b>             | <b>850,000</b>                         | <b>850,000</b>                         |
| <b>Sponsorships/Partnered Events/Trade Shows</b>                   | <b>43,328</b>       | <b>67,728</b>       | <b>73,065</b>         | <b>124,376</b>        | <b>158,969</b>      | <b>150,000</b>             | <b>175,000</b>                         | <b>175,000</b>                         |
| <b>Business Software Access for Clients</b>                        | <b>26,123</b>       | <b>41,467</b>       | <b>45,148</b>         | <b>64,291</b>         | <b>57,279</b>       | <b>75,000</b>              | <b>88,290</b>                          | <b>88,290</b>                          |
| <b>SPARK Central Incubator Operating Exp</b>                       | <b>303,788</b>      | <b>282,764</b>      | <b>305,240</b>        | <b>326,027</b>        | <b>354,383</b>      | <b>350,000</b>             | <b>375,000</b>                         | <b>375,000</b>                         |
| <b>Incubator Improvements</b>                                      | <b>13,854</b>       | <b>-</b>            | <b>-</b>              | <b>25,000</b>         | <b>26,137</b>       | <b>-</b>                   | <b>5,000</b>                           | <b>-</b>                               |
| <u><b>Ypsilanti</b></u>                                            |                     |                     |                       |                       |                     |                            |                                        |                                        |
| SPARK East Operating Expense                                       | 149,884             | 84,808              | 124,401               | 173,507               | 157,582             | 166,000                    | 220,000                                | 220,000                                |
| SPARK Services (acceptable uses)                                   | 241,268             | 282,394             | 263,480               | 202,238               | 195,215             | 226,000                    | 526,287                                | 226,000                                |
| Talent Development Program                                         | -                   | -                   | 80,845                | 125,000               | 150,000             | 150,000                    | 150,000                                | 150,000                                |
| SPARK East Capital                                                 | 11,000              | -                   | -                     | -                     | -                   | -                          |                                        |                                        |
| Other                                                              | 47,848              | 74,590              | -                     | -                     | -                   |                            |                                        |                                        |
| Sub-Total                                                          | <b>450,000</b>      | <b>441,792</b>      | <b>468,726</b>        | <b>500,745</b>        | <b>502,797</b>      | <b>542,000</b>             | <b>896,287</b>                         | <b>596,000</b>                         |
| <u><b>SPARK Indirect Services</b></u>                              |                     |                     |                       |                       |                     |                            |                                        |                                        |
| SPARK Accounting/Overhead                                          | 127,000             | 143,500             | 147,200               | 420,787               | 493,410             | 500,000                    | 595,000                                | 595,000                                |
| Marketing                                                          | 214,308             | 225,670             | 214,183               | 245,010               | 274,928             | 250,000                    | 300,000                                | 300,000                                |
| Sub-Total                                                          | <b>341,308</b>      | <b>369,170</b>      | <b>361,383</b>        | <b>665,797</b>        | <b>768,338</b>      | <b>750,000</b>             | <b>895,000</b>                         | <b>895,000</b>                         |
| <b>Strategic Initiatives (Grants)</b>                              | <b>-</b>            | <b>-</b>            | <b>150,000</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>                   | <b>-</b>                               | <b>-</b>                               |
| <b>Green Business Challenge - Ongoing Program</b>                  | <b>-</b>            | <b>-</b>            | <b>-</b>              | <b>-</b>              | <b>250,000</b>      | <b>125,000</b>             | <b>250,000</b>                         | <b>125,000</b>                         |
| <b>DEI - Ongoing Program</b>                                       | <b>-</b>            | <b>-</b>            | <b>-</b>              | <b>-</b>              | <b>250,000</b>      | <b>125,000</b>             | <b>250,000</b>                         | <b>100,000</b>                         |
| <b>Tech Park Fiber Grant</b>                                       | <b>-</b>            | <b>209,750</b>      | <b>3,000,000</b>      | <b>1,790,250</b>      | <b>-</b>            | <b>-</b>                   | <b>-</b>                               | <b>-</b>                               |
| <u><b>City of Ann Arbor Indirect Services</b></u>                  |                     |                     |                       |                       |                     |                            |                                        |                                        |
| <b>Admin Support</b>                                               | <b>101,228</b>      | <b>88,748</b>       | <b>67,568</b>         | <b>83,263</b>         | <b>114,081</b>      | <b>116,859</b>             | <b>125,800</b>                         | <b>128,800</b>                         |
| <b>Professional Services</b>                                       | <b>18,700</b>       | <b>6,273</b>        | <b>18,800</b>         | <b>-</b>              | <b>-</b>            | <b>42,000</b>              | <b>19,200</b>                          | <b>20,618</b>                          |
| <b>Contracted Services</b>                                         | <b>2,855</b>        | <b>-</b>            | <b>2,675</b>          | <b>-</b>              | <b>-</b>            | <b>-</b>                   | <b>-</b>                               | <b>-</b>                               |
| <b>Insurance Premium</b>                                           | <b>-</b>            | <b>-</b>            | <b>-</b>              | <b>4,796</b>          | <b>4,232</b>        | <b>4,950</b>               | <b>4,950</b>                           | <b>5,000</b>                           |
| <b>Software Maintenance</b>                                        | <b>5,000</b>        | <b>-</b>            | <b>-</b>              | <b>-</b>              | <b>-</b>            | <b>-</b>                   | <b>-</b>                               | <b>-</b>                               |
| <b>Total Operating Expenditures</b>                                | <b>\$ 3,855,194</b> | <b>\$ 4,310,427</b> | <b>\$ 7,502,646</b>   | <b>\$ 6,379,405</b>   | <b>\$ 5,310,285</b> | <b>\$ 5,730,809</b>        | <b>\$ 6,749,527</b>                    | <b>\$ 6,173,708</b>                    |
| <b>Net Increase (Use) of Fund Balance</b>                          | <b>\$ 672,626</b>   | <b>\$ 426,527</b>   | <b>\$ (2,755,424)</b> | <b>\$ (1,363,259)</b> | <b>\$ 159,386</b>   | <b>\$ 128,781</b>          | <b>\$ (734,965)</b>                    | <b>\$ -</b>                            |
| <b>Beginning Fund Balance</b>                                      |                     |                     |                       |                       |                     |                            |                                        |                                        |
| Beginning Fund Balance                                             | \$ 3,478,450        | \$ 4,151,076        | \$ 4,587,156          | \$ 1,831,732          | \$ 468,473          | \$ 627,859                 | \$ 756,640                             | \$ 21,675                              |
| Ending Fund Balance                                                | \$ 4,151,076        | \$ 4,587,156        | \$ 1,831,732          | \$ 468,473            | \$ 627,859          | \$ 756,640                 | \$ 21,675                              | \$ -                                   |
| <b>Admin/OH provision</b>                                          |                     |                     |                       |                       |                     |                            |                                        |                                        |
| 20%                                                                | \$ 883,452          | \$ 931,779          | \$ 942,750            | \$ 997,340            | \$ 1,071,524        | \$ 1,152,100               | \$ 1,179,620                           | \$ 1,212,281                           |
| Actual/Projected                                                   |                     |                     |                       |                       |                     |                            |                                        |                                        |
| Memo: Potential Ypsi fund balance                                  | \$ 248,840          | \$ 272,938          | \$ 275,587            | \$ 273,511            | \$ 306,477          | \$ 340,526                 | \$ 34,049                              | \$ 10,141                              |
| Memo: Min. Required fund bal. excl. Ypsi.                          | \$ 941,726          | \$ 965,890          | \$ 971,375            | \$ 998,670            | \$ 1,035,762        | \$ 1,076,050               | \$ 1,089,810                           | \$ 1,106,141                           |
| <b>Admin/OH provision</b>                                          |                     |                     |                       |                       |                     |                            |                                        |                                        |
| 20% Limit                                                          | \$ 883,452          | \$ 931,779          | \$ 942,750            | \$ 997,340            | \$ 1,071,524        | \$ 1,152,100               | \$ 1,179,620                           | \$ 1,212,281                           |
| Actual/Projected                                                   | \$ 637,022          | \$ 238,521          | \$ 236,243            | \$ 504,050            | \$ 607,491          | \$ 658,859                 | \$ 740,000                             | \$ 744,418                             |