



L DFA Quarterly Report – FY2020 Q2

Financial

The Ann Arbor/Ypsilanti SmartZone is forecasted to finish FY2020 with a use of fund balance of \$233,175. 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)

	FY2019 Q4	FY2020 Q1	FY2020 Q2
Companies Served	134	138	141
Jobs Created	72	313	15.5
Companies Created	7	9	10
Funds Raised (Millions)	\$ 121	\$ 11	\$ 94
Direct Support (000s)	\$ 459	\$ 524	\$ 372
Boot Camp (companies)	12	0	13
Phase II Due Diligence (companies)	3	1	1
<u>Phase III Due Diligence (companies)</u>			
- Ann Arbor	38	40	36
- Ypsilanti	3	13	9
Entrepreneur in Residence (FTE)	59	86	68
Intern Matching Program (FTE)	75	194	47.5
<u>Incubator (FTEs)</u>			
SPARK Central	175	208	188
SPARK Central (Virtual)	106	132	119
SPARK East	29.5	30	29.5
SPARK East (Virtual)	21.5	29	31
Hosted Networking Events	30	29	27

Tech Park Fiber Grant

City staff interviewed, selected and awarded the design and engineering contract to Magellan Advisors. The contract is being negotiated and is anticipated being on the Council agenda for consideration by the first meeting in March. City staff anticipate the contract being lower than the budgeted \$500k. No SmartZone funds have been expended against the project at this time. Separately, the L DFA’s attorney is working with the City attorney to negotiate a grant agreement with the City to implement the Tech Park fiber project. It’s also anticipated for consideration at the first Council meeting in March.

Smart Zone LDFA
FY 2020 FINANCIAL SUMMARY
 December 31, 2019

BUDGET

	ACTUAL Q1 (Jul-Sep)	ACTUAL Q2 (Oct-Dec)	FORECAST Q3 (Jan-Mar)	FORECAST Q4 (Apr-Jun)	FORECAST Full Year	Amended Amount	Forecast vs Budget Good/(Bad)
INCOME STATEMENT							
Revenues:							
Tax Revenue	\$2,742,442	\$ 407,727	\$1,287,094	-	\$ 4,417,282	\$ 4,500,000	\$ (82,738)
Miscellaneous	19,533	-	-	55,467	75,000	75,000	-
Investment Income	21,158	23,411	20,000	20,000	84,569	80,000	24,569
Total Revenues	\$2,783,133	\$ 431,137	\$1,287,094	\$ 75,467	\$ 4,576,831	\$ 4,635,000	\$ (58,169)
Expenditures:							
Business Accelerator Support Services							
SPARK BA Direct Staffing	\$ 199,750	\$ 199,750	\$ 199,750	\$ 199,750	\$ 799,000	\$ 799,000	\$ -
Phase III (Intensive Service)	178,803	233,578	193,910	193,910	800,000	800,000	-
Business Networking Events and Educational	18,801	22,019	29,890	29,690	100,000	100,000	-
Entrepreneurs Bootcamp	12,500	8,750	14,375	14,375	50,000	50,000	-
Sponsorships/Partnered Events/Trade Shows	-	20,000	62,500	62,500	145,000	145,000	-
Internship Support & Talent Training	280,724	98,411	122,932	122,932	625,000	625,000	-
Business Software for Clients	10,216	3,542	8,121	8,121	30,000	30,000	-
Total Contracted Services	700,395	586,050	631,278	631,278	2,549,000	\$ 2,549,000	\$ -
SPARK Central Incubator Operating Exp.	71,837	68,430	70,467	70,467	281,200	\$ 281,200	\$ -
SPARK Central Infrastructure	-	13,854	20,573	20,573	55,000	55,000	-
Mobility Support	32,948	29,710	34,171	34,171	131,000	131,000	-
Tech Trek	-	1,887	16,857	16,857	35,000	35,000	-
Ypsilanti							
SPARK East Accelerator Services	\$ 64,570	28,190	4,620	4,620	\$ 100,000	\$ 100,000	\$ -
SPARK East Operations	37,579	32,969	61,726	61,726	194,000	194,000	-
SPARK East Capital Investment	11,000	-	-	-	11,000	11,000	-
Other	10,088	37,760	48,576	48,576	145,000	145,000	-
Total Ypsilanti	\$ 123,237	\$ 98,919	\$ 114,922	\$ 114,922	\$ 450,000	\$ 450,000	\$ -
SPARK Indirect Services							
SPARK Accounting	31,750	31,750	31,750	31,750	127,000	127,000	\$ -
SPARK Marketing	16,918	48,482	62,500	122,100	250,000	250,000	\$ -
Total Indirect	48,668	80,232	94,250	153,850	377,000	\$ 377,000	\$ -
Grants							
Tech Park Fiber	-	-	32,750	467,250	500,000	500,000	\$ -
Other Grants	-	-	200,000	200,000	400,000	400,000	\$ -
Total Indirect	-	-	232,750	667,250	900,000	\$ 900,000	\$ -
City of Ann Arbor and Other Services							
Admin. Support	15,432	15,432	35,182	15,432	81,478	84,000	\$ 2,522
Professional Services	-	17,350	-	-	17,350	21,800	4,450
Contracted Services	-	2,855	-	-	2,855	5,000	2,145
Software Maintenance	-	5,000	-	-	5,000	5,000	-
Total Expenditures	\$ 992,517	\$ 931,372	\$1,250,249	\$ 1,710,745	\$ 4,884,883	\$ 4,894,000	\$ 9,117
Net Increase/Decrease	\$1,790,616	\$ (500,235)	\$ 36,845	\$ (1,635,278)	\$ (308,052)	\$ (259,000)	\$ (49,052)
Memo:							
Fund Balance (6/30/2019)	\$ 3,478,450						
Fund Balance - Operations (Qtr End)	\$ 5,269,066	\$ 4,768,832	\$ 4,805,676	\$ 3,170,398	\$ 3,170,398	\$ 3,219,450	
Note: Ypsi Cumulative Underrun (6/30/2019)	\$ 257,114						