



LDFFA Board Meeting

March 16, 2010

3:00 pm to 5:00 pm

SPARK Central Incubator

330 E. Liberty Street, Ann Arbor, MI 48104

Agenda

- I. Call to Order**
- II. Public Comment**

Public comment shall be allowed at all meetings. An individual may speak for up to three (3) minutes on any item listed on the Agenda. The Chair may extend an individual's speaking time in his/her discretion. Public comment on non-agenda items may be limited in the Chair's discretion.
- III. Approval of the Agenda**
- IV. Approval of the Minutes of the January 26, 2010 Regular Board Meeting**
- V. LDFFA Chair's Report**
- VI. LDFFA Treasurer's Report**
 - a. Recommended LDFFA Budget**
- VII. Reports from Service Providers**
 - a. SPARK presentation**
- VIII. Other Business**
 - a. Cantillon**
 - b. Discussions with SPARK clients**
- IX. Motion to Adjourn**

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**MINUTES – REGULAR BOARD MEETING
January 26, 2010**

Ann Arbor-Ypsilanti Smart Zone Local Development Finance Authority

**SPARK Central Incubator
330 E. Liberty Street, Ann Arbor, MI 48104**

Members Present: Richard Beedon, Theresa Carroll, Darryl Daniels, Lisa Kurek, Mark Maynard, Stephen Rapundalo, Phil Tepley, Tom Crawford-Ex-officio, Skip Simms-Accelerator Ex-officio

Members Excused: Michael Korybalski, Ned Staebler-MEDC-Ex-officio

Others Present: Ken Bogan-City of Ann Arbor-Finance, Amy Cell-SPARK, Greg Fronizer-SPARK, Elizabeth Parkinson-SPARK, Kurt Riegger-SPARK

CALL TO ORDER:

Rapundalo called the meeting to order at 8:15am. A quorum was present.

APPROVAL OF THE AGENDA:

Rapundalo moved, seconded by Carroll, to approve the Agenda for this meeting in the form presented at this meeting. Motion approved unanimously.

MOTIONS & RESOLUTIONS:

Minutes of the October 27, 2009 Regular Board Meeting:

Carroll moved, seconded by Daniels, to approve the Minutes of the October 27, 2009 regular board meeting in the form presented at this meeting, with one change. The minutes indicated board member Risser as excused. Risser's term is expired. Therefore, the notation of Risser being excused is removed. Motion approved unanimously.

LDFA CHAIR'S REPORT:

Rapundalo stated the LDFA should make a report of LDFA activities to Council. SPARK employees will make a presentation to the LDFA Board at the March meeting, with the Board planning to present to Council in April.

REPORTS FROM SERVICE PROVIDERS:

Acceptance of Ann Arbor SPARK 2nd Quarter Report:

Simms provided the 2nd quarter report of SPARK activities.

LDFA TREASURER'S REPORT:

Daniels presented the LDFA 2nd Quarter Financial Report. Daniels indicated the budget committee would provide a recommendation on the budget at the March Board meeting. Kurek moved, seconded by Maynard to accept the report. Motion approved unanimously.

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OTHER BUSINESS:

a. Cantillon:

The Board discussion on Cantillon activities was led by Board member Maynard.

b. Unfinished Business – Acceptance of SPARK FY 2009 Annual Report:

Report was provided by Simms. Maynard suggested having SPARK clients meet with the Board to provide feedback on the quality of SPARK services. To facilitate those discussions the March 16, 2010 meeting will be moved from 8:15am – 10:15am to 3:00pm – 5:00pm.

MOTION TO ADJOURN:

Maynard moved, seconded by Kurek, to adjourn the meeting at 9:49 am. Motion approved unanimously.

Respectfully Submitted,

Ken Bogan, Recording Secretary for Tom Crawford

Ann Arbor/Ypsilanti SmartZone LDFA Recommended FY 2011 Budget

	Recommended	Final Approved
	FY 2011	FY 2011
REVENUES		
Tax Revenue	\$ 1,291,972	\$ -
Incubator Rent Revenue	\$ 44,100	-
Miscellaneous Revenue	\$ -	\$ -
Investment Income	\$ 7,335	\$ -
Total Revenue	\$ 1,343,407	\$ -
EXPENDITURES		
<u>Business Accelerator Support Services</u>		
Business Accelerator Support	\$ (288,400)	\$ -
Phase II - Due Diligence	\$ (24,000)	\$ -
Phase III - Intensive Service	\$ (400,000)	\$ -
Sub-Total	\$ (712,400)	\$ -
Micro Loan Program for Entrepreneurs	\$ (275,000)	\$ -
Angel Investment Group Support	\$ (20,000)	\$ -
Business Networking Events	\$ (30,000)	\$ -
<u>Entrepreneur Education</u>		
Education Classes	\$ (10,000)	\$ -
Bootcamp	\$ (56,000)	\$ -
Sub-Total	\$ (66,000)	\$ -
Cantillon Web Based Education	\$ (5,000)	\$ -
SPARK Central Incubator Operating Exp	\$ (204,100)	\$ -
Marketing	\$ (65,000)	\$ -
Indirect Services		
SPARK Accounting	\$ (46,350)	\$ -
Legal & Admin Support	\$ (65,000)	\$ -
LDFA Staff	\$ -	\$ -
Sub-Total	\$ (111,350)	\$ -
Total Operating Expenditures	\$ (1,488,850)	\$ -
Net Increase/(Decrease)	\$ (145,443)	\$ -
RESERVES		
June 2009 Fund Balance	\$ 468,240	\$ -
FY 2010 Projected Surplus/(Deficit)	\$ (112,363)	\$ -
FYE 2010 Projected Fund Balance	\$ 355,877	\$ -
FY 2011 Projected Surplus	\$ (145,443)	\$ -
FYE 2011 Projected Fund Balance	\$ 210,434	\$ -

Ann Arbor/Ypsilanti SmartZone LDFA Recommended FY 2010 Budget

	Recommended	Amended - City of Ann Arbor 5/18/09	Amended - City of Ann Arbor 6/15/09	Final Approved
	FY 2010	FY 2010	FY 2010	FY 2010
REVENUES				
Tax Revenue	\$ 1,330,000			\$ 1,330,000
Miscellaneous Revenue	\$ -			\$ -
Investment Income	\$ -			\$ -
Total Revenue	<u>\$ 1,330,000</u>			<u>\$ 1,330,000</u>
EXPENDITURES				
<u>Business Accelerator Support Services</u>				
Business Accelerator Support	\$ (200,000)			\$ (200,000)
Phase II - Due Diligence	\$ (25,000)			\$ (25,000)
Phase III - Intensive Service	\$ (275,000)			\$ (275,000)
Sub-Total	<u>\$ (500,000)</u>			<u>\$ (500,000)</u>
Micro Loan Program for Entrepreneurs	\$ (275,000)			\$ (275,000)
Angel Investment Group Support	\$ (25,000)	\$ 25,000	\$ (25,000)	\$ (25,000)
<u>Business Networking</u>				
Hosted Events	\$ (20,000)			\$ (20,000)
Sponsorships/Partnered Events/Trade Shows	\$ (20,000)			\$ (20,000)
Sub-Total	<u>\$ (40,000)</u>			<u>\$ (40,000)</u>
<u>Entrepreneur Education</u>				
Education Classes	\$ (25,000)			\$ (25,000)
BC Unrestricted Operating Grants	\$ (20,000)			\$ (20,000)
BCTuition Funding Match	\$ (20,000)			\$ (20,000)
Sub-Total	<u>\$ (65,000)</u>			<u>\$ (65,000)</u>
Cantillon Web Based Education	\$ (60,000)			\$ (60,000)
SPARK Central Incubator Operating Exp	\$ (140,000)			\$ (140,000)
Marketing	\$ (65,000)			\$ (65,000)
<u>Indirect Services</u>				
SPARK Accounting	\$ (45,000)			\$ (45,000)
Legal & Admin Support	\$ (65,000)			\$ (65,000)
LDFA Staff	\$ (50,000)	\$ 50,000		\$ -
Sub-Total	<u>\$ (160,000)</u>			<u>\$ (110,000)</u>
Total Operating Expenditures	<u>\$ (1,330,000)</u>			<u>\$ (1,280,000)</u>
Net Increase/(Decrease)	<u>\$ -</u>			<u>\$ 50,000</u>
RESERVES				
June 2008 Fund Balance	\$ 178,240			\$ 178,240
FY 2009 Projected Surplus	\$ 290,000			\$ 290,000
FYE 2009 Projected Fund Balance	\$ 468,240			\$ 468,240
FY 2010 Projected Surplus	\$ -			\$ 50,000
FYE 2010 Projected Fund Balance	<u>\$ 468,240</u>			<u>\$ 518,240</u>