



FSC First FY 2026 Budget Overview

Budget & Policy Analysis

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Agenda

Department Overview

Strategic Focus

Agency Budget Overview

Staffing

EDI Fund

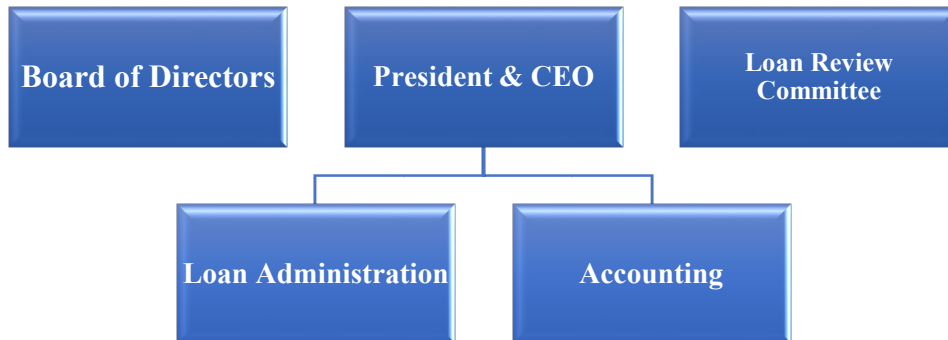
Other Loan Programs

Areas of Concern/Challenges

Committee Considerations

FSC FIRST

President, Dawn Medley



Mission

- Financial Services Corporation (FSC First) is a non-profit organization whose mission is to provide small and minority-owned businesses access to creative, flexible and innovative financing solutions for their operations including direct loans, accounts receivable financing and contract financing (e.g., commercial real estate and equipment loans)

Core Services

Promote the availability of non-bank business financing solutions

Provide access to capital for small and minority-owned businesses

Provide loan packaging services

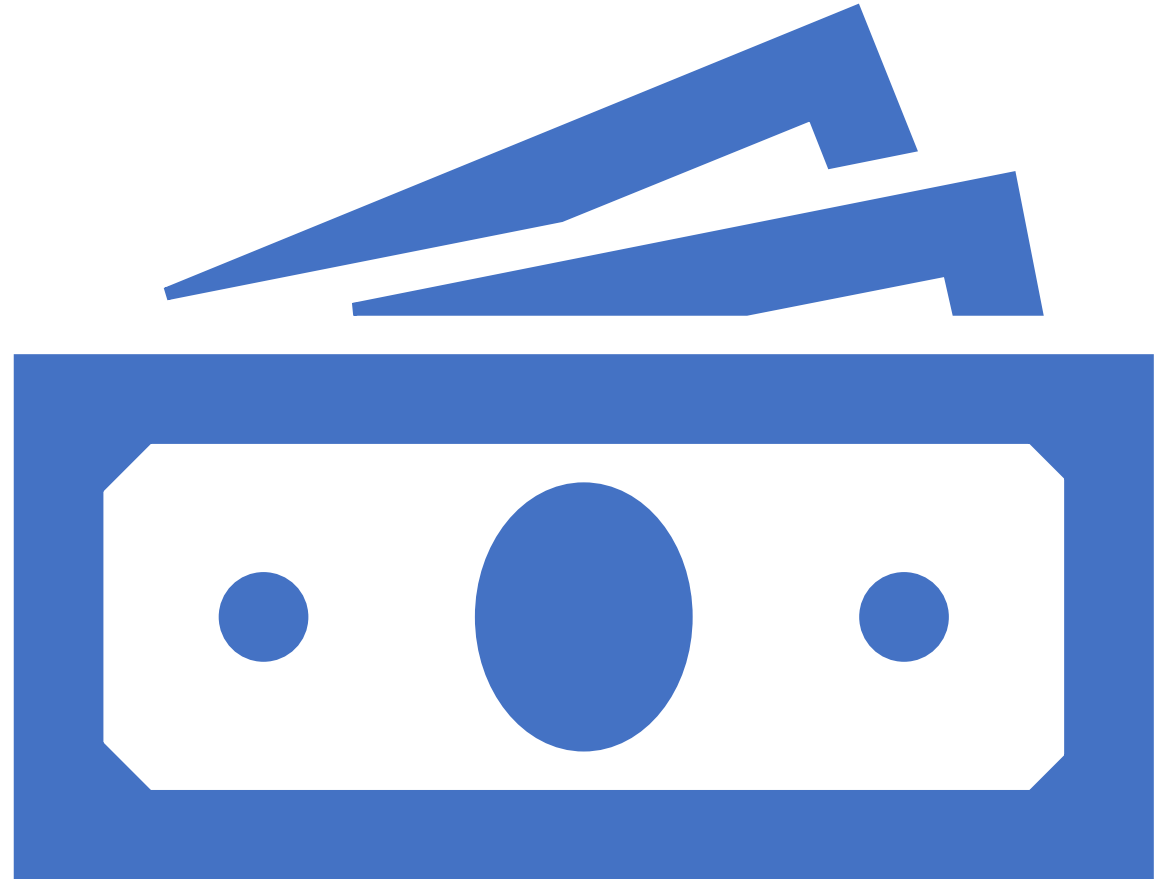
Manage and service a diverse economic development loan portfolio

Strategic Focus FY 2026

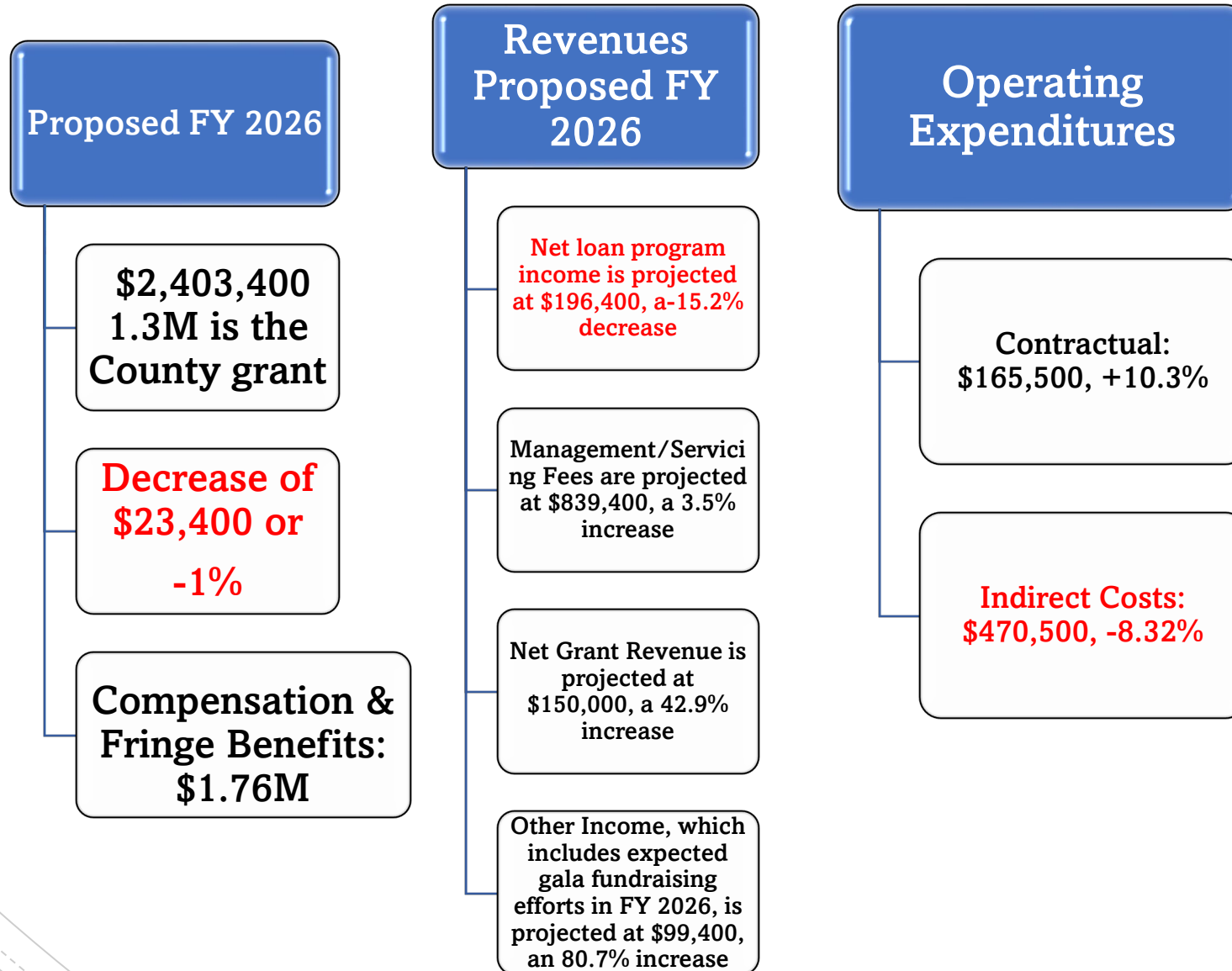


Lend \$11 million in new loans to local businesses through various federal, State, and local programs

Agency Budget Overview



Agency Budget Overview



EDI Fund FY 2025

1,121
applications
received to
date

52
applications
received in FY
2025, with
four (4) being
completed
and submitted
for further
review

Four (4)
clawbacks
since the
inception of
the Fund,
totaled
received from
clawbacks is
\$800,239.37

36% of the
conditional loan
jobs created and
retained by
Prince George's
County residents

57% of the
conventional
loan jobs created
and retained by
Prince George's
County residents

**EDI FUND
BALANCE: \$14.5M**

Other Loan Programs FY 2025

The Video Lottery Terminal Flex Fund:

Nine (9) loans
totaling 1.2M
closed/funded

One (1) loan
totaling
\$320,000 in
closing but
pending

Eight (8) loans
totaling \$3.7M
are in the
pipeline

SBA 504:

One (1) loan
totaling \$182,000
was
closed/funded in
FY 2025.

Three (3) loans
totaling \$1.8M are
in the closing and
pending but
approved process
as of February 28,
2025.

Three (3) loans
totaling
\$2,106,000 are in
the pipeline.

Other Loan Programs FY 2025

Small Business Capital & Growth Stimulus Loan:

Five (5) loans totaling \$400,000 were closed/funded in FY 2025

University of Maryland Medical System (UMMS):

One (1) loan, totaling \$100,000, is in the closing and pending but approved process

Four (4) loans, totaling \$350,000, are in the pipeline

Loans Funded

FY 2025 Estimate

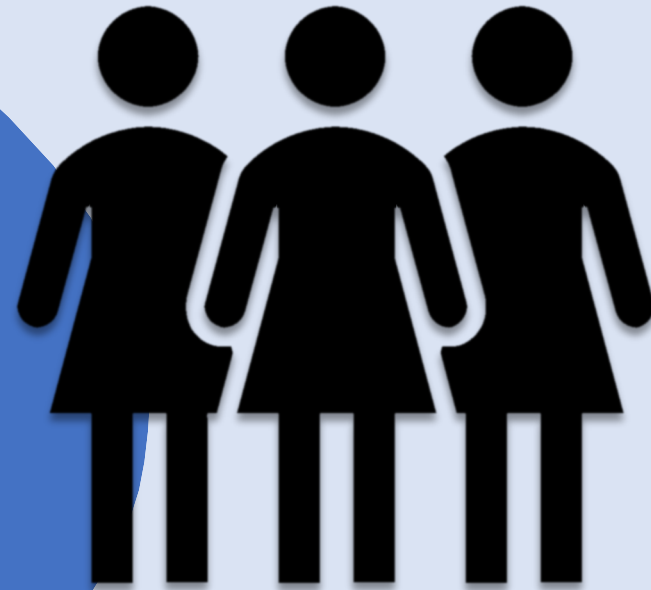
34 Loans Closed

404 Jobs Created/Supported

\$7.0M in Loan Amounts

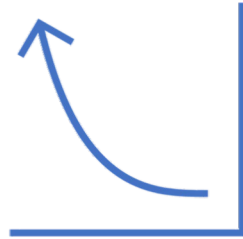
STAFFING

- 18 Funded Positions for FY 2026, which is an increase of 4 positions



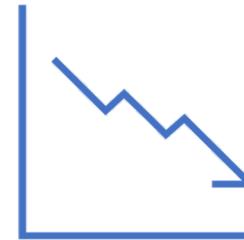
Areas of Concern/Challenges

General Assembly Concerns & Challenges Facing FSC First



Rising interest levels have reduced debt financing

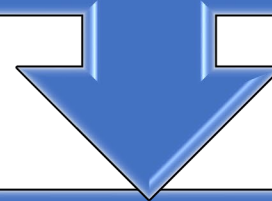
The tremendous decrease in the number of programs FSC First can offer due to the loss of the ARPA grant





Maryland General Assembly Concerns Continued

The Decade Act proposed to the VLT
Flex Fund by 50%

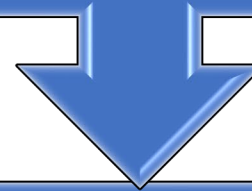


Small, Minority, and Woman-Owned
Business Account (SMWOBA)

Will have a large impact since it is the second most profitable fund,
behind EDI Fund.

Federal Government Concerns

The Federal Government is likely to reduce the budget



SBA CDFI Fund, and other grants that support CDFIs

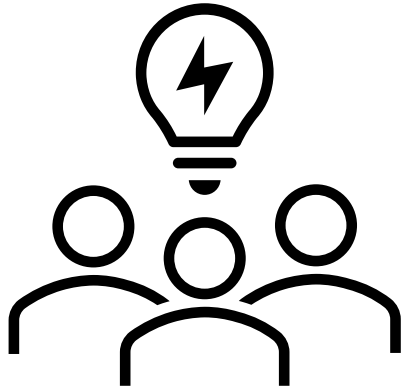
Community Advantage program supports loans to small businesses that do not qualify for bank financing

Previously provided a CDFI Fund Grant for \$750,000, to support the Level Up program. Additional anticipated funds are not expected to be available

Originally approved for a Federal FY 2025 grant from the Senate Appropriations for the Level Up Program

The Greenhouse Gas Reduction Fund was terminated, which would eliminate receiving \$11M to expand the County's Green Bank

Committee Considerations




How can FSC First continue to support small businesses at the highest level despite the threat to multiple funding sources, including VLT Flex and SBA?

What is the current capacity of the Level Up program, and how can it be strengthened to stabilize the business community, especially in the wake of Federal Government uncertainty?

How can the overall functions of FSC First be leveraged in the current economic climate?

THANK YOU

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