



# FSC First FY 2026 Budget Overview

**Budget & Policy Analysis**

**Shalene Miller-Whye, Policy Analyst**

**April 7, 2025**

# Agenda

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Department Overview

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Strategic Focus

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Agency Budget Overview

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Staffing

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EDI Fund

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Other Loan Programs

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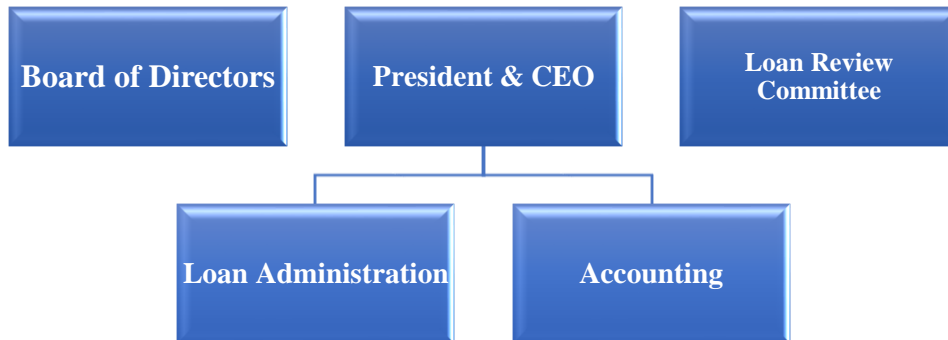
Areas of Concern/Challenges

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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**

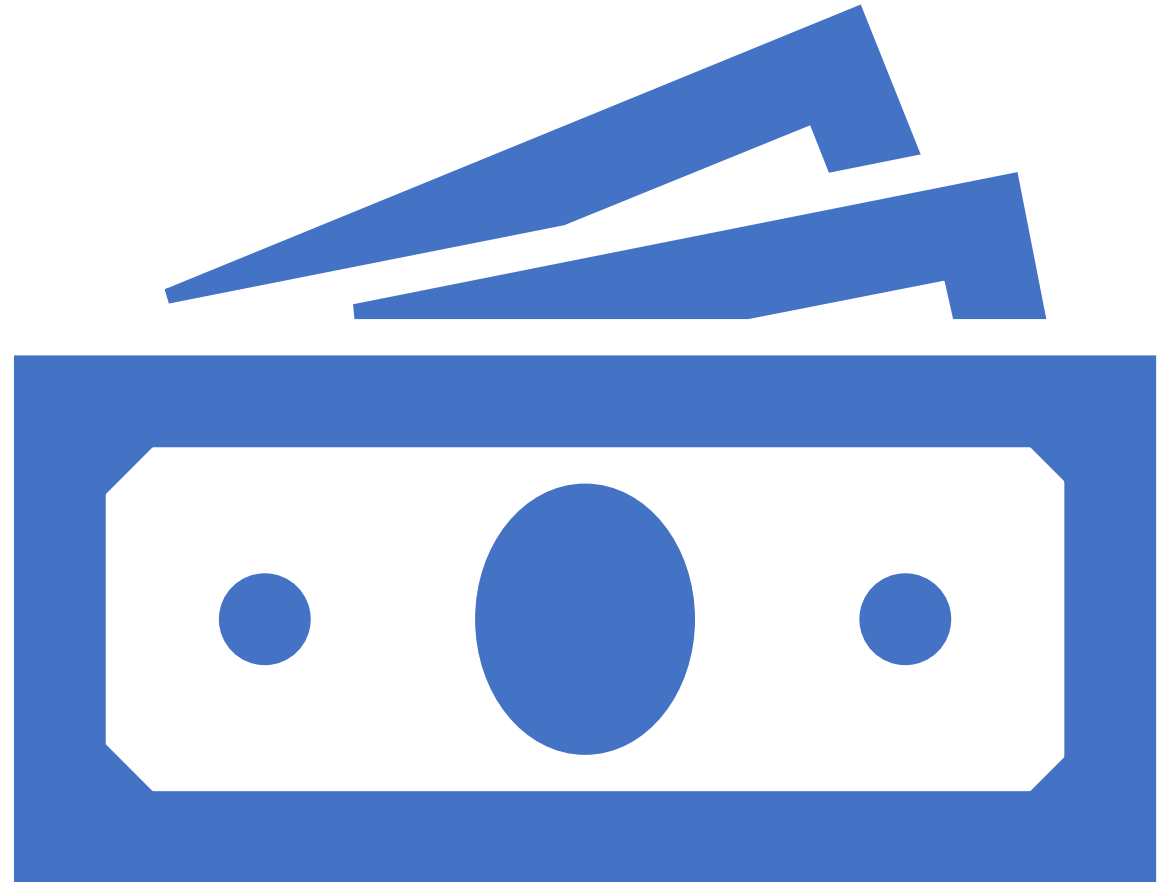
**Manage and service a diverse economic development loan portfolio**

# Strategic Focus FY 2026

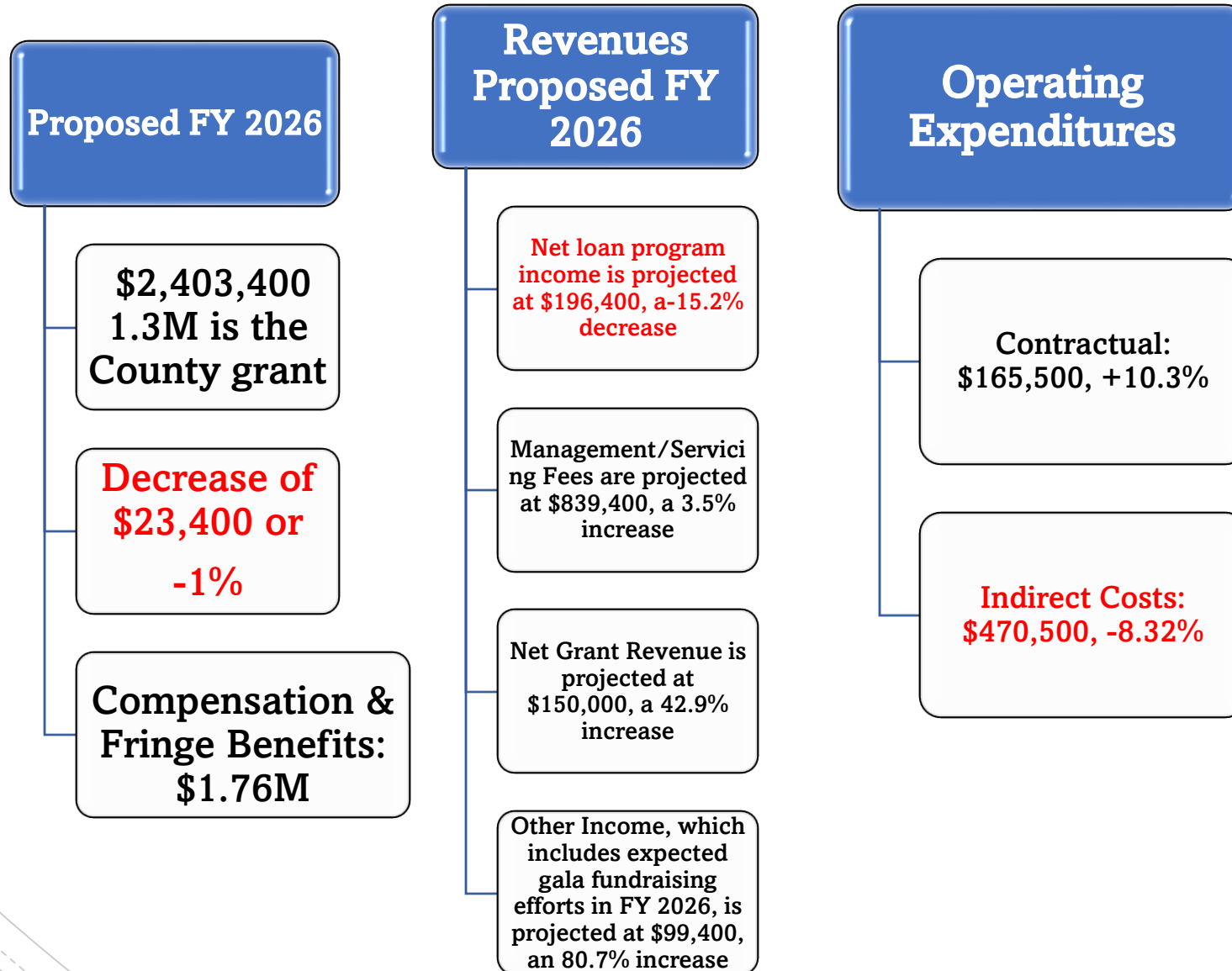


**Lend \$11 million in new loans to local businesses through various federal, State, and local programs**

# 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**

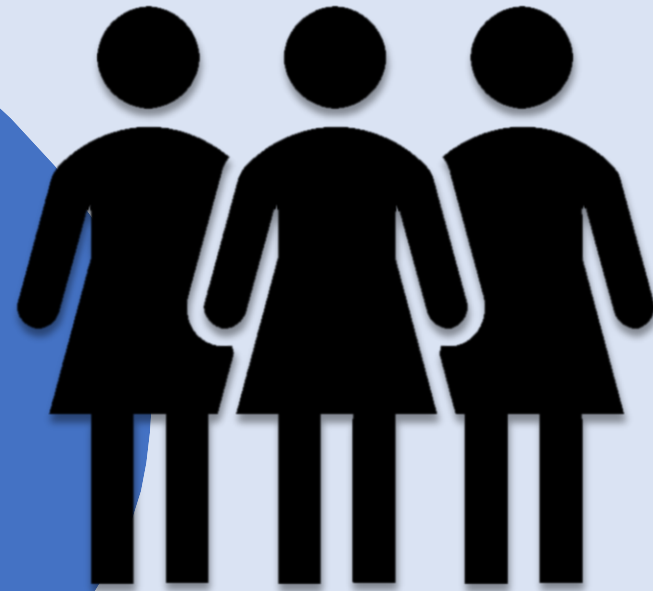
**34 Loans Closed**

**404 Jobs Created/Supported**

**\$7.0M in Loan Amounts**

# STAFFING

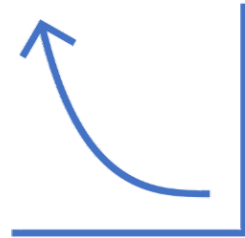
- 18 Funded Positions for FY 2026, which is an increase of 4 positions





# **Areas of Concern/Challenges**

# General Assembly Concerns & Challenges Facing FSC First



Rising interest levels have reduced debt financing

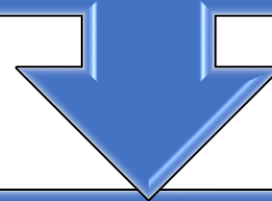
The tremendous decrease in the number of programs FSC First can offer due to the loss of the ARPA grant





# Maryland General Assembly Concerns Continued

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

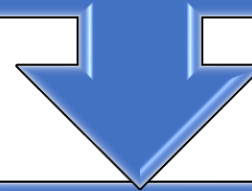


Small, Minority, and Woman-Owned  
Business Account (SMWOBA)

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

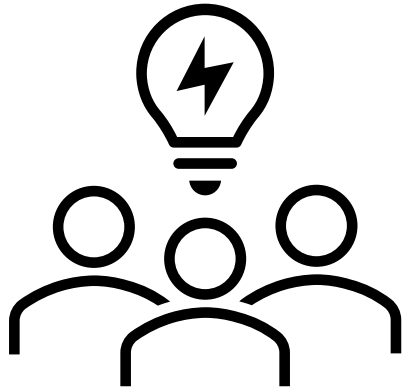
Community Advantage program supports loans to small businesses that do not qualify for bank financing

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



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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?

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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?

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



# THANK YOU

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