

# *Small Business Seminars*

## **BUSINESS PLANNING AND FINANCING**

**MARCH 13, 2024**

Our history. Your story.

**SOUTHBURY**

CONNECTICUT



**WELCOME**

**Doug Alley**

**Business Relationship Banker,  
Newtown Savings Bank**



# INTRO

## **Kevin Bielmeier**

### **Economic Development Director, Town of Southbury**

# PANEL

- Michelle Ouimette-Augustyn, DPS, Business Advisor, Management Adjunct Faculty, Connecticut Small Business Development Center (CT-SBDC)
- Matt Mihalcik, AVP, Small Business Lender  
Newtown Savings Bank
- Fred Weld Jr., Business Advisor, Director of Business Education & Communications, Community Economic Development Fund (CEDF)

# On Business Planning

**Michelle Augustyn**

**DPS, Business Advisor,  
Management Adjunct Faculty,  
Connecticut Small Business Center**



# **CONNECTICUT SMALL BUSINESS DEVELOPMENT CENTER**

Celebrating 42 years of helping Connecticut 's businesses STAR, GROW, and THRIVE!



# INTRODUCING CTSBDC



**Free**, confidential guidance for CT small business owners and entrepreneurs.



Nationally funded SBA network supporter.



Housed within UConn's School of Business, tapping student & resources for client benefit.



Specialist-led self teams: Startup, Capital, Operations, Marketing.



Advisors ensure client goals align with CTSBDC's funders' objectives.



# FUNDERS



Funded in part through a cooperative agreement with the U.S. Small Business Administration, the Connecticut Department of Economic and Community Development, and UConn.



# ACCREDITATION



CTSBDC is an accredited member of America's Small Business Development Centers – the most comprehensive small business assistance network in the United States.



# BUSINESS ADVISING SERVICES

Start-up Assistance

Business Planning

Marketing and Sales

Market Research

Raising Debt Capital

Raising Equity Capital

Cyber Security

Intellectual Property

Financial Analysis

Cash Flow Management

International Trade

Innovation and Technology  
Resources

# BUSINESS ADVISORS

Professional  
Experienced  
Knowledgeable  
Trusted

We respond to your needs.



[ctsfdc.uconn.edu](https://ctsfdc.uconn.edu)



# WE HELP PEOPLE LAUNCH THEIR DREAM

- Refine and validate their business concept
- Assess revenue and profitability
- Access capital to operate and grow
- Secure permits and registrations



From left to right: CTSBDC Business Advisor **Denise Whitford** and **Jeff Nodden**, Owner of Manchester Awning.





From left to right: client **Nalini Srinivasan**, Owner of Curry Queen, LLC, and CTSBDC Business Advisor **Steven Semaya**

# WE PROVIDE ASSISTANCE ON

- Developing a business plan, including market research and financial projections
- Marketing strategies & customer acquisition
- Product development and prototyping resources
- Operational improvements



# ...AND MORE

- Risk management
- Pitch decks for investors and competitions
- Contracting and procurement opportunities
- International trade guidance



*From left to right: CTSBDC Client **Ava-Marie Sealey**, Owner of Ava Party Designs, and CTSBDC Business Advisor **Nelson Merchan***



# 2022 CONNECTICUT IMPACT

**Clients Served: 3,330**

**\$62.5M**



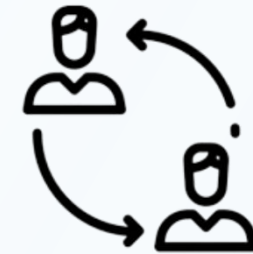
CAPITAL  
FORMATION

**191**



BUSINESS  
STARTS

**20,649**



JOBS CREATED  
& RETAINED

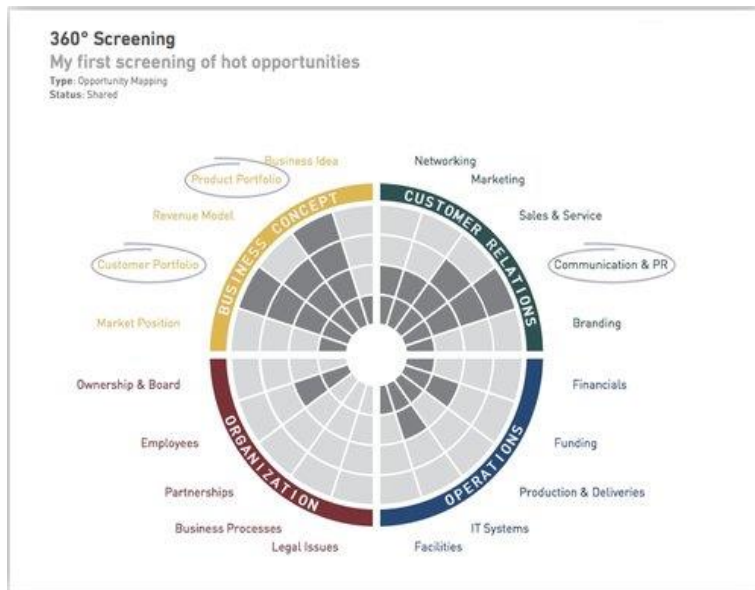
CTSBDC Activity, Program Year 2022 YTD (10/1/20 -9/30/22)



# CTSBDC TOOLS

Clients benefit from licensed research and analytical tools.

## DECISION MAKING TOOLS



## FINANCIAL BENCHMARKING DATA

SUMMARY LIQUIDITY ANALYSIS ASSET EFFICIENCY ANALYSIS PROFITABILITY ANALYSIS COMMON SIZE

Asset Efficiency ★★★★★

**Collection Period** ★★★★★

Industry	Your Company
BOTTOM 10%	91.94
25%	69.48
MEDIAN	42.69
25%	25.54
TOP 10%	14.86

**Your Company: 51.17** (42% below median)

The period your company is waiting to collect payment after sales have been made is close to the average for your industry. You should try to determine if additional liquidity can be achieved through a shorter collection period, as you may be tying up cash needlessly in your accounts receivable balance.

**Inventory Turnover** ★★★★★

Industry	Your Company
BOTTOM 10%	5.17
25%	7.35
MEDIAN	12.64
25%	22.13
TOP 10%	38.11

**Your Company: 4.94** (10% below median)

Your company is generating significantly fewer sales dollars on your investment in inventory than the average firm in your industry. You should determine if steps can be taken to decrease your company's inventory as you may have excessive cash tied up in your inventory investment.



## FINANCIAL MODELING

AMERICA'S SBDC CONNECTICUT

Bottomline 2020  
Financial intelligence for the growing business

	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Totals
<b>Beginning Balance</b>	\$ 5,000	\$ 21,998	\$ 30,440	\$ 34,309	\$ 42,997	\$ 52,695	\$ 56,550	\$ 66,057	\$ 73,677	\$ 77,366	\$ 88,056	\$ 146,583	
<b>Cash Inflows</b>													
Cash Sales	55,719	53,249	54,759	54,759	54,759	54,759	54,759	53,799	53,799	55,719	122,919	122,919	791,620
Accounts Receivable													
<b>Total Cash Inflows</b>	\$ 55,719	\$ 53,249	\$ 54,759	\$ 54,759	\$ 54,759	\$ 54,759	\$ 54,759	\$ 53,799	\$ 53,799	\$ 55,719	\$ 122,919	\$ 122,919	\$ 791,620
<b>Cash Outflows</b>													
Investing Activities													
New Fixed Asset Purchases													
Additional Inventory purchases													
Cost of Goods Sold	10,065	16,325	16,302	16,488	16,488	16,488	16,488	16,315	16,200	16,545	28,872	36,936	223,511
Operating Activities	11,250	10,750	10,950	11,750	10,600	10,600	10,650	11,850	10,650	10,550	10,550	13,150	133,300
Operating Expenses	16,160	16,487	16,587	16,587	16,728	16,869	16,768	16,869	16,768	16,628	16,688	23,725	213,822
Payroll			5,800										21,892
Taxes													5,388
Financing Activities													
Loan Payments	1,246	1,246	1,246	1,246	1,246	1,246	1,246	1,246	1,246	1,246	1,246	1,246	14,946
Owners Distribution													
Line of Credit Interest													
LOC Repayments													
Dividends Paid													
<b>Total Cash Outflows</b>	\$ 38,271	\$ 44,807	\$ 50,891	\$ 46,071	\$ 45,061	\$ 50,904	\$ 45,252	\$ 46,179	\$ 50,111	\$ 45,029	\$ 64,392	\$ 96,949	\$ 624,367
<b>Net Cash Flows</b>	\$ 16,998	\$ 8,442	\$ 3,868	\$ 8,688	\$ 9,698	\$ 3,856	\$ 9,507	\$ 7,620	\$ 3,689	\$ 10,690	\$ 58,527	\$ 25,970	\$ 167,554
<b>Ending Cash Balance</b>	\$ 21,998	\$ 30,440	\$ 34,309	\$ 42,997	\$ 52,695	\$ 56,550	\$ 66,057	\$ 73,677	\$ 77,366	\$ 88,056	\$ 146,583	\$ 172,554	
<b>Line of Credit Drawdown</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Cash Balance</b>	\$ 21,998	\$ 30,440	\$ 34,309	\$ 42,997	\$ 52,695	\$ 56,550	\$ 66,057	\$ 73,677	\$ 77,366	\$ 88,056	\$ 146,583	\$ 172,554	
<b>Line of Credit Balance</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



# TOOLS (II)

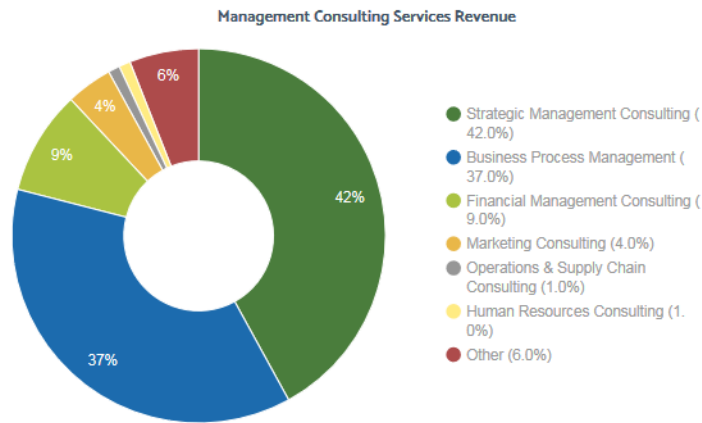
## MARKET RESEARCH

### How Firms Operate

#### Products and Operations

Management consulting services assist businesses and organizations with administrative, strategic, and management-related issues.

- Major revenue categories include strategic and financial management consulting and implementation services.
- Firms may also offer operations and supply chain, marketing, and human resources management consulting and implementation services.
- Customers include businesses, institutions, non-profit organizations, and government entities.



## LOCATION-BASED SPENDING & DEMOGRAPHIC DATA



### Disposable Income Profile

Proposed Location  
100 S Wacker Dr, Chicago, Illinois, 60606  
Ring: 1 mile radius

Sample Report  
Latitude: 41.88055  
Longitude: -87.63701

	Census 2010	2016	2021	2016-2021 Change	2016-2021 Annual Rate
Population	51,748	60,384	65,062	4,678	1.50%
Median Age	30.9	31.9	32.9	1.0	0.62%
Households	29,394	34,823	37,734	2,911	1.62%
Average Household Size	1.58	1.58	1.58	0.00	0.00%

2016 Households by Disposable Income	Number	Percent
Total	34,823	100.0%
<\$15,000	3,193	9.2%
\$15,000-\$24,999	1,150	3.3%
\$25,000-\$34,999	1,330	3.8%
\$35,000-\$49,999	4,559	13.1%
\$50,000-\$74,999	9,561	27.5%
\$75,000-\$99,999	5,132	14.7%
\$100,000-\$149,999	4,989	14.3%
\$150,000-\$199,999	2,991	8.6%
\$200,000+	1,919	5.5%
Median Disposable Income	\$66,445	
Average Disposable Income	\$86,382	

2016 Disposable Income by Age of Householder	Number of Households						
	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	3,164	15,010	6,708	3,887	3,352	1,815	889
<\$15,000	662	1,167	376	223	302	220	242
\$15,000-\$24,999	183	462	143	71	92	108	91
\$25,000-\$34,999	190	517	241	99	116	118	49
\$35,000-\$49,999	528	2,067	735	365	436	249	180
\$50,000-\$74,999	709	4,615	1,960	971	743	435	128
\$75,000-\$99,999	348	2,592	751	668	482	211	81
\$100,000-\$149,999	338	2,161	1,110	539	543	223	74
\$150,000-\$199,999	115	1,020	870	419	399	138	29
\$200,000+	91	408	522	532	239	113	14
Median Disposable Income	\$50,416	\$65,133	\$73,054	\$81,353	\$74,362	\$59,473	\$38,916
Average Disposable Income	\$62,035	\$79,048	\$100,351	\$111,979	\$96,081	\$81,939	\$51,868



# ONLINE MINORITY BUSINESS GROWTH PROGRAM

- Strategies and support to accelerate growth
- FREE 8-session virtual course

Access to resources to help businesses scale and thrive while taking part in a shared collaborative experience



Powered by:



Sponsored by:





# ONLINE & IN-PERSON BUSINESS FINANCE YOUR KEY TO SUCCESS

**A 4-week course held every month for entrepreneurs who want to develop and expand their financial knowledge to help their businesses succeed.**

## TOPICS COVERED:

- Cash Budgeting
- Financial Statements
- Access to Capital
- Digital Financial Literacy
- Credit Repair

*\*Opportunity to receive free individualized credit counseling upon completion of the course.*

Powered by: **AMERICA'S  
SBDC  
CONNECTICUT**

# ONLINE & IN-PERSON IMMIGRANT ENTREPRENEUR PROGRAM

A program dedicated to assist immigrant entrepreneurs and international students who want to open a business in CT.

- Free 90-min webinars.
- Personalized assistance and advice to help start and grow your business.
- Online & in-person courses focusing on specific areas of the business.

COMING SOON



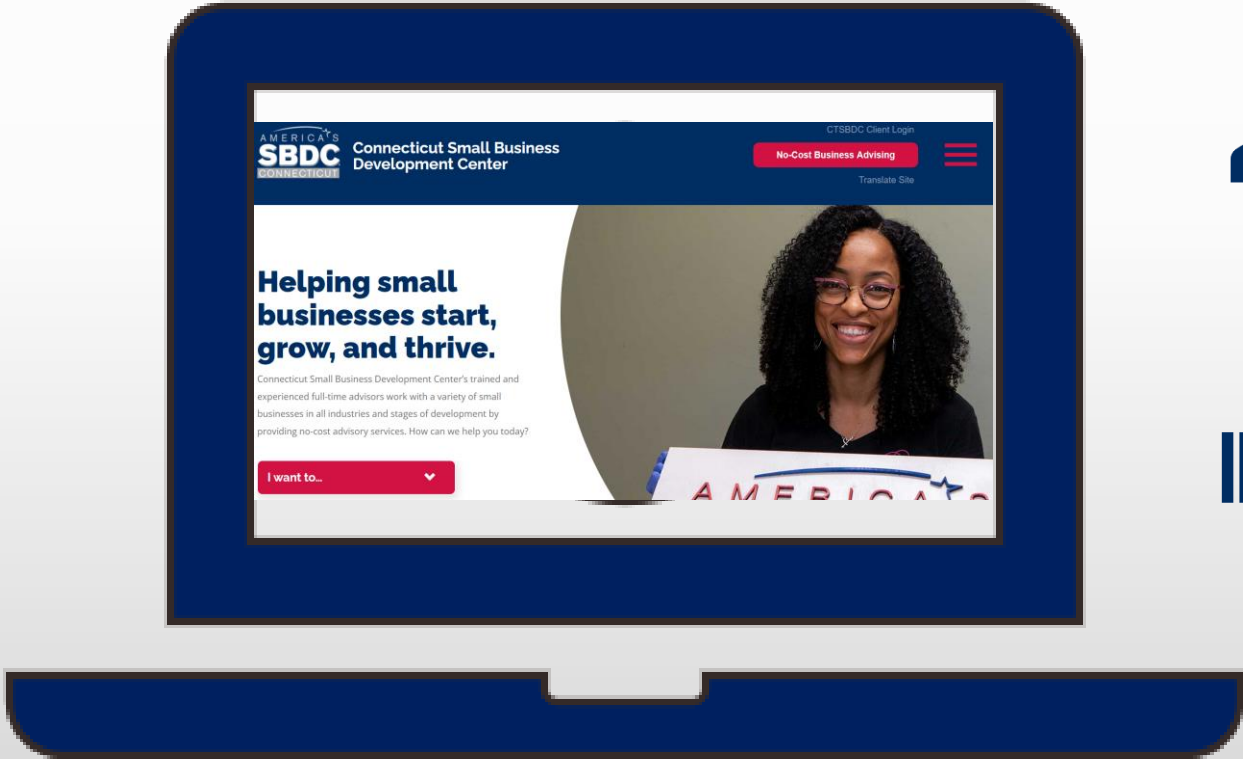
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Thank You!



Follow us @ctsbdc



# On Business Financing

**Matthew Mihalcik**

**AVP, Small Business Lender,  
Newtown Savings Bank**

# Newtown Savings Bank

*Since 1855, Newtown Savings Bank has remained committed to providing the best in banking services to our customers. We offer a wide range of lending solutions tailored to suit your unique financial needs, and as a preferred Small Business Administration (SBA) lender, we can approve loans and provide fast decisions. Our team of experienced lending professionals is dedicated to helping you achieve your goals, and is here to assist you every step of the way. You'll experience the "Power of Local" decision-making with personalized service from start to finish.*

# Newtown Savings Bank

## Being Prepared for Banks

- Business Plan
- Personal Tax Returns
- Financial Statements (Personal & Pro Forma)
- References
- Relevant work experience
- A strong personal credit score (FICO)
- Personal Investment
- Know what to ask for (and how much)



# Newtown Savings Bank



## Types of Financing

- Conventional financing
  - Line of Credit
  - Term Loan
  - Commercial Mortgages
- SBA 7a
  - Line of Credit
  - Term Loans
- SBA 504
  - Commercial Mortgages

# Newtown Savings Bank

How to finance certain projects:

- Business acquisition
  - SBA 7a
- Owner Occupied Property
  - Commercial mortgage (Both conventional and SBA)
- Investment Property
  - Commercial Mortgage (Conventional)
- Vehicles/Equipment
  - Term loans (Both conventional and SBA)
- Short-term working capital
  - Lines of credit (Both conventional and SBA)
- Start up business
  - SBA 7a

# On Business Financing

**Frederick Welk, Jr.**

**Business Advisor, Director of Business  
Education & Communications,  
Community Economic Development Fund**

# Community Economic Development Fund (CEDF)

**U.S. Treasury-certified Community Development Financial Institution. An independent nonprofit chartered by Legislature 30 years ago.**

**Helps small businesses that can't yet qualify for traditional bank financing.**

- Connecticut's leading SBA Microlender (<\$50K) for 11 years.
- Larger Term Loans, Lines of Credit, 51% Owner-Occupied Commercial Mortgages -- Comparable rates to banks.
- Business Advisor assigned for life of the loan for coaching.



# Q & A

# THANK YOU

- Michelle Ouimette-Augustyn, DPS, Business Advisor, Management Adjunct Faculty, Connecticut Small Business Development Center (CT-SBDC)
- Matt Mihalcik, AVP, Small Business Lender  
Newtown Savings Bank
- Fred Weld Jr., Business Advisor, Director of Business Education & Communications, Community Economic Development Fund (CEDF)

# THANKS TO:

- The Local Gourmet
- Lucas Local/Mission Salad/Monty's Downtown
- Newtown Savings Bank



# Door Prize

**Lucas Local / Mission Salad /  
Monty's Downtown**



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