



DEPARTMENT OF FINANCE


Marc Elrich
County Executive

Michael J. Coveyou
Director

MEMORANDUM

May 19, 2022

TO: Marc Elrich, County Executive

FROM: Michael Coveyou, Director
Department of Finance 

SUBJECT: Transmittal: 2021 Small Business Plus! Annual Report

Attached please find the 2021 Small Business Plus! Annual Report. Since the program was initiated in 2012, the County in partnership with local community banks, has spurred the creation of over 3,300 new jobs. In addition, the County has earned a competitive rate of return on its deposits placed with participating local community banks.

I would like to express my appreciation and support for the engagement and support of the local community banks that are a part of this program including Capital Bank, Congressional Bank, and Eagle Bank.

cc: Richard S. Madaleno, Chief Administrative Officer
Jennifer Bryant, Director, Office of Management and Budget
Barry Hudson, Director, Office of Public Information
Montgomery County Economic Development Corporation

Department of Finance

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DEPARTMENT OF FINANCE

**SMALL BUSINESS PLUS!
PROGRAM**

2021 ANNUAL REPORT

<https://www.montgomerycountymd.gov/bonds/plus.html>

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Program Background

The Small Business Plus! Program was launched in the summer of 2012 as a partnership with local community banks headquartered in Montgomery County to boost lending to local small businesses and spur job creation for the benefit of County residents. Through this program and in accordance with Montgomery County's Investment Policy, deposits are placed with local community banks at a competitive rate of return. Deposits are secured by FDIC insurance and placed with local community banks deemed safe and financially sound per the required minimum Green/* Veribanc rating.

Program Results

The Small Business Plus! Program began with an initial total deposit of \$10 million with several local community banks in 2012 and has since expanded into deposits of approximately \$50 million as of December 31, 2021, with the program generating over \$3.4 million in interest income and creating an estimated 3,357 jobs.

Tables

Table I:	Total County Deposits		
	2021 Average	Deposits as of 12/31/21	Interest Income
Capital Bank	\$2,074,725	\$4,361,870	\$1,810
Congressional Bank	\$5,397,656	\$5,398,860	\$2,579
Eagle Bank	\$40,094,327	\$39,868,888	\$19,996
TOTAL	\$47,566,708	\$49,629,618	\$24,385

Table II: 2021 Small Business Plus! Program Loans from County Deposits				
	Available for SBP Loans	Total Loans Made from Deposits	Loan Balance as of 12/31/21	Total Average Loan Balance
Capital Bank	\$8,723,739	\$34,110,350	\$27,894,212	\$28,945,074
Congressional Bank	\$10,797,720	\$19,209,950	\$9,493,067	\$4,501,551
Eagle Bank	\$79,737,777	\$90,361,670	\$47,369,329	\$18,814,435
TOTAL	\$99,259,236	\$143,681,970	\$84,756,608	\$52,261,059

Note(1): Data in "Available for SBP Loans" column indicates the sum of County Deposits and 100% matching Bank amount.

Table III:	Total Estimated 2021 Jobs Created
Capital Bank	27.7
Congressional Bank	30.2
Eagle Bank	327.1
TOTAL	385.0

Note(1): Job creation estimates were derived using the U.S. Department of Commerce's Regional Input-Output Modeling System (RIMS II).

Table IV:	Total Interest Income Since Inception										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL
Capital Bank	\$1,017	\$4,887	\$6,501	\$9,689	\$11,061	\$19,146	\$58,028	\$66,890	\$27,964	\$1,810	\$206,994
Colombo Bank	\$0	\$0	\$0	\$0	\$0	\$1,811	\$9,745	\$0	\$0	\$0	\$11,557
Congressional Bank	\$1,161	\$6,980	\$11,742	\$15,405	\$19,152	\$33,551	\$74,166	\$93,827	\$34,323	\$2,579	\$292,886
Eagle Bank	\$6,952	\$51,664	\$89,588	\$134,979	\$219,052	\$320,793	\$685,215	\$815,727	\$338,424	\$19,996	\$2,682,389
Monument Bank	\$0	\$598	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$598
OBA Bank	\$1,941	\$6,919	\$9,193	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,052
Revere Bank	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$153,605	\$81,255	\$0	\$234,860
TOTAL	\$11,070	\$71,048	\$117,023	\$160,072	\$249,265	\$375,301	\$827,154	\$1,130,049	\$481,965	\$24,385	\$3,447,336

Table V:	Total Estimated Jobs Created Since Inception										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL
Capital Bank	4.4	10.9	13.9	15.2	18.2	24.6	23.9	27.3	26.3	27.7	192.4
Colombo Bank	N/A	N/A	N/A	N/A	N/A	8.2	N/A	N/A	N/A	N/A	8.2
Congressional Bank	9.5	31.5	38.0	28.0	20.9	39.9	36.5	29.9	36.3	30.2	300.7
Eagle Bank	55.5	200.5	328.3	309.0	246.8	350.0	336.3	294.5	321.2	327.1	2,769.3
OBA Bank	13.2	10.9	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	24.1
Revere Bank	N/A	N/A	N/A	N/A	N/A	N/A	N/A	62.6	N/A	N/A	62.6
TOTAL	82.6	253.8	380.2	352.2	285.9	422.7	396.7	414.3	383.8	385.0	3,357.3

Note(1): Monument Bank elected not to continue participation in the Small Business Plus! Program in 2013.

Note(2): Effective September 20, 2014, OBA Bank was acquired by First National Bank Corporation of Pennsylvania and no longer headquartered in Montgomery County, therefore not eligible to participate in the Small Business Plus! Program.

Note(3): Colombo Bank was added to the Small Business Plus! Program in 2017.

Note(4): Effective October 12, 2018, Colombo Bank was acquired and merged into FVCBankcorp, Inc. and no longer headquartered in Montgomery County, therefore not eligible to participate in the Small Business Plus! Program. Loan and jobs data was unavailable due to merger.

Note(5): Revere Bank was added to the Small Business Plus! Program in 2019.

Note(6): Effective April 1, 2020, Revere Bank was acquired by Sandy Spring Bank. Loan and jobs data was unavailable due to acquisition.