

# 2013 ANNUAL REPORT

## SMALL BUSINESS PLUS! PROGRAM

APRIL 2014

### MONTGOMERY COUNTY GOVERNMENT

### DEPARTMENT OF FINANCE



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**Program Background**

The Small Business Plus! Program was launched by County Executive Isiah Leggett in the summer of 2012 as a partnership with local community banks to boost lending to local small businesses and spur job creation in Montgomery County. Through this Program, Montgomery County places deposits with community banks to generate jobs for the benefit of County residents, while providing the County with a competitive rate of return on those deposits. Deposits are secured by FDIC insurance, and placed with community banks which are deemed safe and sound.

**Program Results**

The Program began with an initial total deposit of \$10 million with several local community banks in 2012 and has expanded into deposits of \$36 million as of December 31, 2013. This has generated interest income of over \$71,000 and created over 250 jobs in 2013 and over 80 jobs in 2012.

**Tables**

<b>Table I: Total County Deposits</b>			
	<b>Average for 2013</b>	<b>Deposits as of 12/31/13</b>	<b>Interest Earned</b>
<b>Capital</b>	\$1,634,833	\$1,784,166	4,888
<b>Congressional</b>	\$2,427,167	\$3,508,811	6,980
<b>OBA</b>	\$2,311,353	\$4,188,538	6,919
<b>Monument Bank*</b>	\$400,000	\$0	598
<b>Eagle</b>	\$17,208,929	\$26,427,206	51,664
<b>Grand Total</b>	<b>\$23,982,282</b>	<b>\$35,908,721</b>	<b>\$71,048</b>
* Monument Bank elected not to continue participation in the Small Business Plus! program			

<b>Small Business Plus! Loans from County Deposits 2013</b>				
<b>Table II:</b>	<b>Available for SBP Loans</b>	<b>Total Loans Made from Deposits</b>	<b>Loan Balance as of 12/31/13</b>	<b>Average Loan Balance</b>
<b>Capital</b>	\$3,568,332	\$4,715,000	\$2,767,000	\$2,743,972
<b>Congressional</b>	\$7,017,622	\$4,635,003	\$3,984,182	\$3,992,087
<b>OBA</b>	\$8,377,077	\$2,748,369	\$1,559,375	n/a
<b>Eagle</b>	\$52,854,412	\$59,507,817	\$43,413,107	\$17,363,739
<b>Grand Total</b>	<b>\$71,817,442</b>	<b>\$71,606,189</b>	<b>\$51,723,665</b>	<b>\$24,099,798</b>

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

<b>Table III:</b>	<b>Total Estimated Jobs Created</b>
	<b>2013 - Small Business Plus!</b>
<b>Capital</b>	10.5
<b>Congressional</b>	31.5
<b>OBA</b>	10.9
<b>Eagle</b>	200.5
<b>Grand Total</b>	253.4

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