



DEPARTMENT OF FINANCE

Isiah Leggett  
*County Executive*

Joseph F. Beach  
*Director*

MEMORANDUM

May 13, 2015

TO: Isiah Leggett  
County Executive

FROM: Joseph F. Beach, Director  
Department of Finance 

SUBJECT: Transmittal: 2014 Small Business Plus! Program Annual Report

Please find the attached 2014 Small Business Plus! Program Annual Report. Since you initiated this program in the summer of 2012, the County, in partnership with local community banks, has spurred the creation of over 700 jobs. In addition, the County has earned a competitive rate of return on the deposits placed with these participating community banks.

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

cc: Montgomery County Council  
Timothy L. Firestine, Chief Administrative Officer  
Sally Sternbach, Acting Director, Department of Economic Development  
Jennifer Hughes, Director, Office of Management and Budget  
Patrick Lacefield, Director, Office of Public Information  
Robert Hagedoorn, Chief, Division of Fiscal Management, Department of Finance  
Molly Hayward-Koert, Cash Manager, Department of Finance  
Andrew J. Marschhauser, Investment Portfolio Manager, Department of Finance  
Jacob Sesker, County Council Staff  
Susan Farag, County Council Staff

Office of the Director

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[www.montgomerycountymd.gov](http://www.montgomerycountymd.gov)

# 2014 ANNUAL REPORT

## SMALL BUSINESS PLUS! PROGRAM

APRIL 2015

MONTGOMERY COUNTY  
GOVERNMENT

DEPARTMENT OF FINANCE



[www.montgomerycountymd.gov/finance/](http://www.montgomerycountymd.gov/finance/)

## **Table of Contents**

1. Program Background
2. Program Results
3. Table I: Total Amount of County deposits
4. Table II: Total Amount of Loans Made from Small Business Plus Loans
5. Table III: Total Jobs Created through Small Business Plus Loans

**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 approximately \$50 million as of December 31, 2014. This has generated interest income of over \$117,000 and created an estimated 380 jobs in 2014, interest income of over \$71,000 and over 250 jobs in 2013, and interest income of over \$11,000 and over 80 jobs in 2012.

**Tables**

<b>Table I:</b>	<b>Total County Deposits</b>		
	<b>Average for 2014</b>	<b>Deposits as of 12/31/14</b>	<b>Interest Earned</b>
<b>Capital Bank</b>	\$2,070,576	\$2,636,457	\$6,501
<b>Congressional Bank</b>	\$3,851,561	\$5,082,953	\$11,742
<b>Eagle Bank</b>	\$32,302,511	\$41,875,933	\$89,588
<b>OBA Bank</b>	\$3,061,188	\$0	\$9,193
<b>Grand Total</b>	<b>\$41,285,836</b>	<b>\$49,595,342</b>	<b>\$117,023</b>

**Note: Effective September 20, 2014, OBA Bank was acquired by First National Bank Corporation of Pennsylvania and therefore no longer headquartered in Montgomery County.**

Small Business Plus! Program 2014 Annual Report  
 Montgomery County Government Department of Finance

<b>Table II:</b>		<b>Small Business Plus Loans from County Deposits 2014</b>		
	<b>Available for SBP Loans</b>	<b>Total Loans Made from Deposits</b>	<b>Loan Balance as of 12/31/14</b>	<b>Average Loan Balance</b>
<b>Capital Bank</b>	\$5,272,913	\$6,182,500	\$4,401,528	\$3,822,385
<b>Congressional Bank</b>	\$10,165,906	\$7,363,400	\$7,033,436	\$6,389,633
<b>Eagle Bank</b>	\$83,751,866	\$88,965,251	\$67,899,082	\$32,145,533
<b>Grand Total</b>	<b>\$99,190,685</b>	<b>\$102,511,151</b>	<b>\$79,334,046</b>	<b>\$42,357,551</b>

**Note: Data in “Available for SBP Loans” column indicates the sum of County Deposits and 100% matching Bank amount.**

<b>Table III:</b>	<b>Total Estimated 2014 Jobs Created</b>
<b>Capital Bank</b>	13.9
<b>Congressional Bank</b>	38.0
<b>Eagle Bank</b>	328.3
<b>Grand Total</b>	380.2

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