



DEPARTMENT OF FINANCE


Isiah Leggett
County Executive

Joseph F. Beach
Director

MEMORANDUM

April 11, 2016

TO: Isiah Leggett, County Executive

FROM: Joseph F. Beach, Director
Department of Finance 

SUBJECT: Transmittal: 2015 Small Business Plus! Annual Report

Attached please find the 2015 Small Business Plus! Annual Report. Since you initiated this program in 2012, the County in partnership with local community banks, has spurred the creation of over 1,000 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 Eagle Bank, Congressional Bank, and Capital Bank.

Copies:

Montgomery County Council
Timothy L. Firestine, Chief Administrative Officer
Sally Sternbach, Acting Director, Department of Economic Development
Lily Qi, Assistant Chief Administrative Officer
Jennifer Hughes, Director, Office of Management and Budget
Patrick Lacefield, Director, Office of Public Information
Robert Hagedoorn, Chief, Division of Fiscal Management
Molly Hayward-Koert, Cash Manager, Department of Finance
Andrew Marschhauser, Investment Portfolio Manager, Department of Finance
Jacob Sesker, County Council Staff
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2015 ANNUAL REPORT

SMALL BUSINESS PLUS! PROGRAM

APRIL 2016

MONTGOMERY COUNTY
GOVERNMENT

DEPARTMENT OF FINANCE



www.montgomerycountymd.gov/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 approximately \$50 million as of December 31, 2015. This has generated interest income of over \$160,000 and created an estimated 352 jobs in 2015, 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

Table I:	Total County Deposits		
	Average for 2015	Deposits as of 12/31/15	Interest Earned
Capital Bank	\$1,767,000	\$2,500,146	\$9,689
Congressional Bank	\$4,601,468	\$3,902,085	\$15,405
Eagle Bank	\$39,099,781	\$43,566,158	\$134,979
Grand Total	\$45,468,249	\$49,968,389	\$160,072

Small Business Plus! Program 2015 Annual Report
Montgomery County Government Department of Finance

Table II:				
Small Business Plus Loans from County Deposits 2015				
	Available for SBP Loans	Total Loans Made from Deposits	Loan Balance as of 12/31/15	Average Loan Balance
Capital Bank	\$5,000,292	\$7,406,200	\$4,663,834	\$4,766,317
Congressional Bank	\$7,804,169	\$11,728,435	\$8,957,059	\$9,435,085
Eagle Bank	\$87,132,316	\$90,066,639	\$66,822,481	\$30,631,246
Grand Total	\$99,936,778	\$109,201,274	\$80,443,374	\$44,832,647

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

Table III:	
	Total Estimated 2015 Jobs Created
Capital Bank	15.2
Congressional Bank	28.0
Eagle Bank	309.0
Grand Total	352.2

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