



Marc Elrich
County Executive

Michael J. Coveyou
Director

DEPARTMENT OF FINANCE

M E M O R A N D U M

June 26, 2020

TO: Marc Elrich, County Executive

FROM: Michael Coveyou, Director 
Department of Finance

SUBJECT: Transmittal: 2019 Small Business Plus! Annual Report

Attached please find the 2019 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 2,500 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, Eagle Bank, and Revere Bank.

cc: Montgomery County Council
Andrew Kleine, Chief Administrative Officer
Richard S. Madaleno, Director, Office of Management and Budget
Ohene Gyapong, Acting Director, Office of Public Information
Montgomery County Economic Development Corporation

Department of Finance

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DEPARTMENT OF FINANCE

**SMALL BUSINESS PLUS!
PROGRAM**

2019 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 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 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, 2019, with the program generating over \$2.9 million in interest income and creating an estimated 2,588 jobs.

Tables

Table I:	Total County Deposits		
	2019 Average	Deposits as of 12/31/19	Interest Income
Capital Bank	\$2,929,345	\$2,933,736	\$66,890
Congressional Bank	\$4,194,071	\$4,148,445	\$93,827
Eagle Bank	\$35,102,437	\$35,239,300	\$815,727
Revere Bank	\$7,500,000	\$7,500,000	\$153,605
TOTAL	\$49,725,852	\$49,821,482	\$1,130,049

Table II: 2019 Small Business Plus! Program Loans from County Deposits				
	Available for SBP Loans	Total Loans Made from Deposits	Loan Balance as of 12/31/19	Total Average Loan Balance
Capital Bank	\$5,867,473	\$18,759,500	\$10,443,857	\$11,236,653
Congressional Bank	\$8,296,890	\$17,408,807	\$9,532,491	\$9,532,491
Eagle Bank	\$70,478,600	\$60,265,436	\$47,162,557	\$20,680,068
Revere Bank	\$15,000,000	\$15,283,185	\$9,402,594	\$10,309,957
TOTAL	\$99,642,963	\$111,716,928	\$76,541,500	\$51,759,169

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

Table III: Total Estimated 2019 Jobs Created	
Capital Bank	27.3
Congressional Bank	29.9
Eagle Bank	294.5
Revere Bank	62.6
TOTAL	414.3

Note: 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	TOTAL
Capital Bank	\$1,017	\$4,887	\$6,501	\$9,689	\$11,061	\$19,146	\$58,028	\$66,890	\$177,220
Colombo Bank	\$0	\$0	\$0	\$0	\$0	\$1,811	\$9,745	\$0	\$11,557
Congressional Bank	\$1,161	\$6,980	\$11,742	\$15,405	\$19,152	\$33,551	\$74,166	\$93,827	\$255,984
Eagle Bank	\$6,952	\$51,664	\$89,588	\$134,979	\$219,052	\$320,793	\$685,215	\$815,727	\$2,323,969
Monument Bank	\$0	\$598	\$0	\$0	\$0	\$0	\$0	\$0	\$598
OBA Bank	\$1,941	\$6,919	\$9,193	\$0	\$0	\$0	\$0	\$0	\$18,052
Revere Bank	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$153,605	\$153,605
TOTAL	\$11,070	\$71,048	\$117,023	\$160,072	\$249,265	\$375,301	\$827,154	\$1,130,049	\$2,940,985

Table V:	Total Estimated Jobs Created Since Inception								
	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Capital Bank	4.4	10.9	13.9	15.2	18.2	24.6	23.9	27.3	138.4
Colombo Bank	N/A	N/A	N/A	N/A	N/A	8.2	N/A	N/A	8.2
Congressional Bank	9.5	31.5	38.0	28.0	20.9	39.9	36.5	29.9	234.2
Eagle Bank	55.5	200.5	328.3	309.0	246.8	350.0	336.3	294.5	2,120.9
OBA Bank	13.2	10.9	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	62.6
TOTAL	82.6	253.8	380.2	352.2	285.9	422.7	396.7	414.3	2,588.4

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 data was unavailable due to merger.

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