

MISSOURI   
**F1RST**



**SCOTT FITZPATRICK**  
MISSOURI STATE TREASURER

# Program Overview

The Missouri F1RST Linked Deposit Program is a statutorily created lending program managed by State Treasurer Scott Fitzpatrick. It is aimed at expanding and strengthening Missouri communities by working with Missouri Banking Institutions to provide low-interest loans to qualified borrowers for business enhancement, growth, and development.

Eligible borrowers include:

- Small businesses with up to 99 employees
- Agriculture
- Multi-Family Housing
- Job Enhancement
- Local governments
- Alternative-energy focused programs

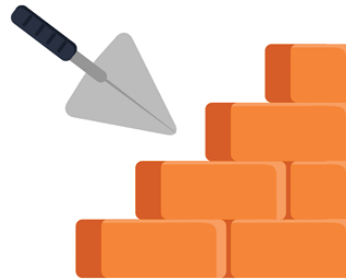


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# Program Overview - Continued

- The Missouri Linked Deposit Program has been assisting Missouri businesses since 1985.
- Treasurer Fitzpatrick deposits available funds with an approved borrower's qualified banking institution at a below-market interest rate.
- This allows the lender to pass along a 30 percent interest-rate reduction on the borrower's loan, resulting in an overall savings to the borrower and economic growth for Missouri communities.
- When Treasurer Fitzpatrick took office the Missouri Linked Deposit Program was rapidly approaching the statutory limit. In order to get the program back on track, Treasurer Fitzpatrick implemented the following changes:
  - No refinance
  - Lowered amount allowed to \$1 million per deposit
  - Reduced deposit rate discount to 55%
  - Financial institutions limited to 20% of the statutory cap
- Since taking office Treasurer Fitzpatrick has approved approximately \$499 million in deposits supporting low-interest loans through his Missouri Linked Deposit Program.

# Missouri Linked Deposit to Invest and Fund Timely Recovery



## LIFT

Linked Deposits to  
Invest and Fund a  
Timely Recovery



To assist residents and small businesses in Missouri who were economically impacted by the natural disasters occurring in Missouri in 2019, including the tornadoes and storms in May and the historic long-term flooding throughout the state, Treasurer Fitzpatrick implemented the LIFT Program.

The LIFT Program authorizes:

- Up to \$2 million per deposit (double the maximum for Missouri FIRST)
- The maximum statutory discount to lending institutions for affected deposits
- Refinancing of funds for existing loans affected by the natural disasters
- Expedited approval notification (once due diligence has been completed)

# Missouri Linked Deposit Program-2019 Placed Amounts

This Missouri FIRST Linked Deposit Program 2019 Annual Report provides a summary of loan activities from October 1, 2018 - September 30, 2019.

The Missouri FIRST Linked Deposit Program placed 1,131 loans in the 2019 program year (PY) for a total loan amount of \$522,047,970.

During the 2019 PY, the Missouri FIRST Linked Deposit Program provided a total of 19 loans totaling \$8,497,145 to veteran-owned businesses, 96 loans totaling \$55,060,719 to women-owned businesses, 19 loans totaling \$19,601,484 to minority-owned businesses, and 9 loans totaling \$8,129,484 to minority/women-owned businesses.



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## 2019 Top 20 Veteran/Minority/Women-Owned Business Loans - \$47,476,865

Loan Amount	Bank Name	Deposit Type	Application Region	WBE/MBE/VET
\$11,980,000.00	Simmons Bank	Small Business	6	WBE
\$3,745,000.00	Hawthorn Bank	Small Business	3	WBE
\$3,165,000.00	Guaranty Bank	Small Business	6	WBE
\$2,750,000.00	The Missouri Bank	Small Business	3	MBE
\$2,624,000.00	Busey Bank	Small Business	9	MBE
\$2,500,000.00	FCS Financial	Agriculture	1	WBE
\$2,417,939.00	The Missouri Bank II	Small Business	8	WBE
\$2,100,000.00	Providence Bank	Small Business	4	WBE/MBE
\$1,950,000.00	The Missouri Bank II	Small Business	4	MBE
\$1,936,091.00	Providence Bank	Small Business	4	WBE/MBE/VET
\$1,890,270.00	Belgrade State Bank	Small Business	7	WBE/MBE
\$1,629,708.00	Citz Nat'l Bank Of Greater St Louis	Small Business	9	WBE
\$1,360,000.00	Oakstar Bank	Small Business	6	WBE
\$1,230,357.00	Enterprise Bank & Trust	Small Business	8	WBE
\$1,095,000.00	Hawthorn Bank	Small Business	3	WBE
\$1,080,000.00	Mid Missouri Bank	Small Business	10	MBE
\$1,049,000.00	Simmons Bank	Small Business	6	VET
\$1,000,000.00	FCS Financial	Agriculture	6	VET
\$1,000,000.00	Peoples Savings Bank	Small Business	4	WBE
\$974,500.00	Mid Missouri Bank	Small Business	6	WBE



## 2019 Minority/ Women – Owned Business Loans by Region Totals

Region	Number of Loans	Loan Totals
North West	2	\$2,557,057
North East	11	\$748,100
Kansas City	6	\$8,492,000
Central	28	\$13,546,250
St. Louis	6	\$5,179,740
South West	40	\$27,244,549
South East	3	\$2,478,549
Jackson	7	\$4,926,474
Out of State Application (*Project in MO*)	3	\$1,360,000
<b>Region Totals</b>	<b>106</b>	<b>\$66,532,719</b>

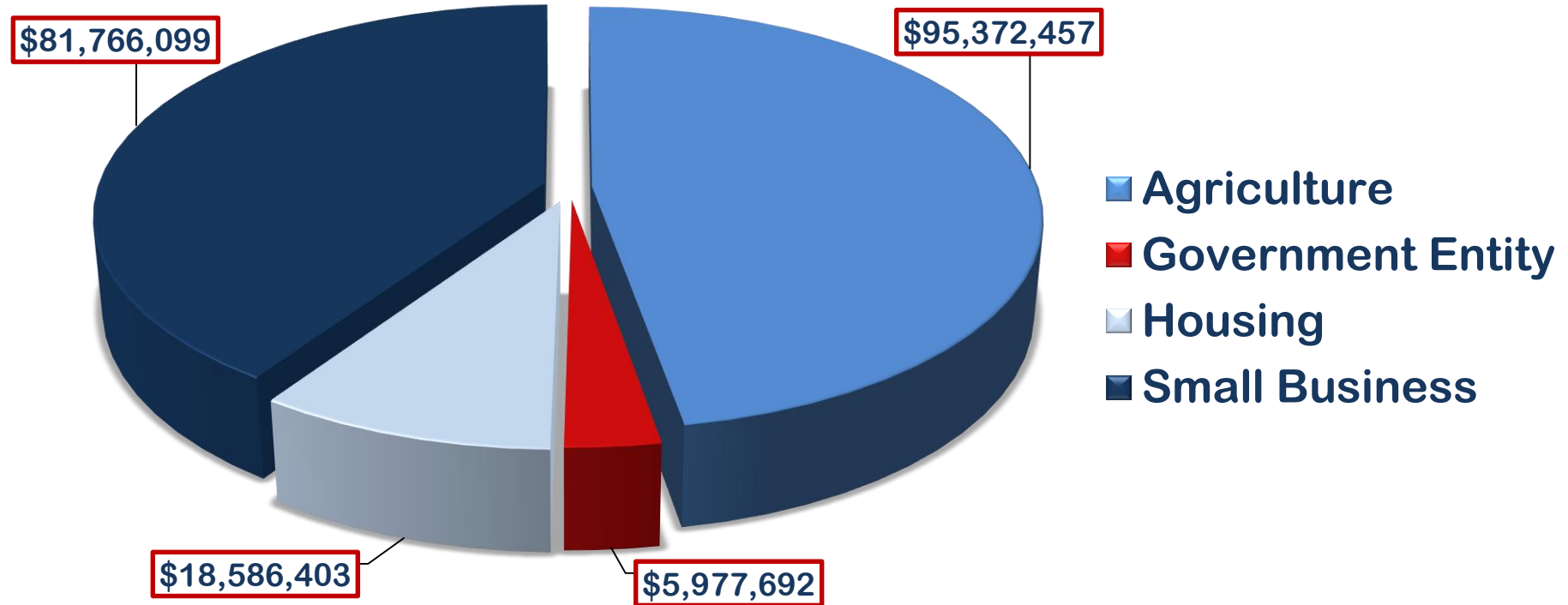
# Missouri Linked Deposit Program – Veteran Loans

PY	Veteran Loans	% of MLDP Portfolio
2019	\$8,497,145	1.63%
2018	\$11,749,767	3.03%
2017	\$4,869,048	2.36%
2016	\$8,844,080	4.02%
2015	\$11,507,891	4.08%
2014	\$10,601,820	3.32%
2013	\$23,077,636	7.16%



# Missouri Linked Deposit Program – New Deposits

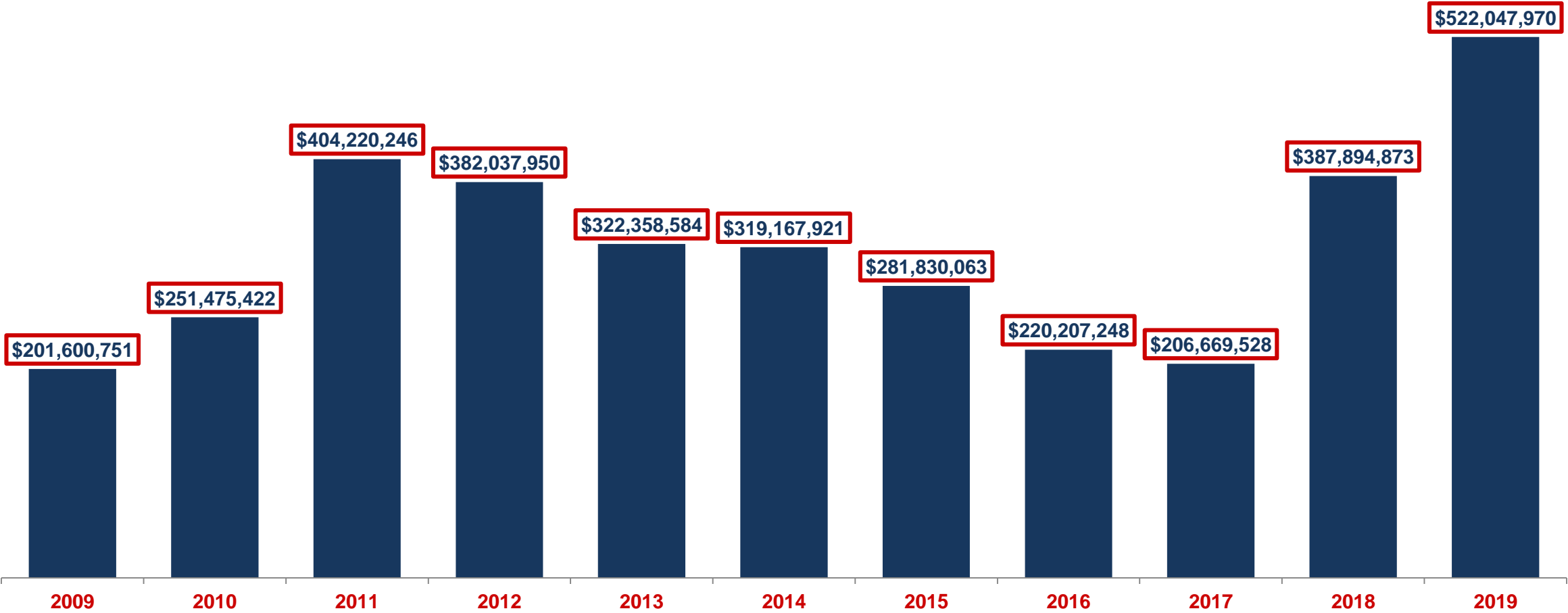
During the 2019 PY, the Missouri Linked Deposit Program issued 500 new loans totaling \$201,702,651.



**2019 showed a dramatic increase in program use.  
Hitting an all time high during the year.**

PROGRAM YEAR	TOTAL LOAN AMOUNTS	PERCENT INCREASE/DECREASE
PY2019	\$522,047,970	35%
PY2018	\$387,894,873	88%
PY2017	\$206,669,528	-6%
PY2016	\$220,207,248	-22%
PY2015	\$281,830,063	-12%
PY2014	\$319,167,921	-1%
PY2013	\$322,358,584	-16%
PY2012	\$382,037,950	-5%
PY2011	\$404,220,246	61%
PY2010	\$251,475,422	25%
PY2009	\$201,600,751	-15%
PY2008	\$238,465,191	22%

# Summary of Missouri Linked Deposit Program by Year



During PY2019, the Missouri Linked Deposit Program experienced an increase of 35%.

After 6 years of continual decline in participation, the explosive growth of PY2018 and PY2019 caused us to make a number of changes to the program to slow the rate of growth. The growth can be attributed to:

The Missouri Linked Deposit Program was created to lower interest rates. The rising interest rate climate has made it more attractive for banks to use the program.

Increased marketing activity for the program.

Structural changes to the program to make it easier to apply.

# Comparison of Total Loan Amounts by Category

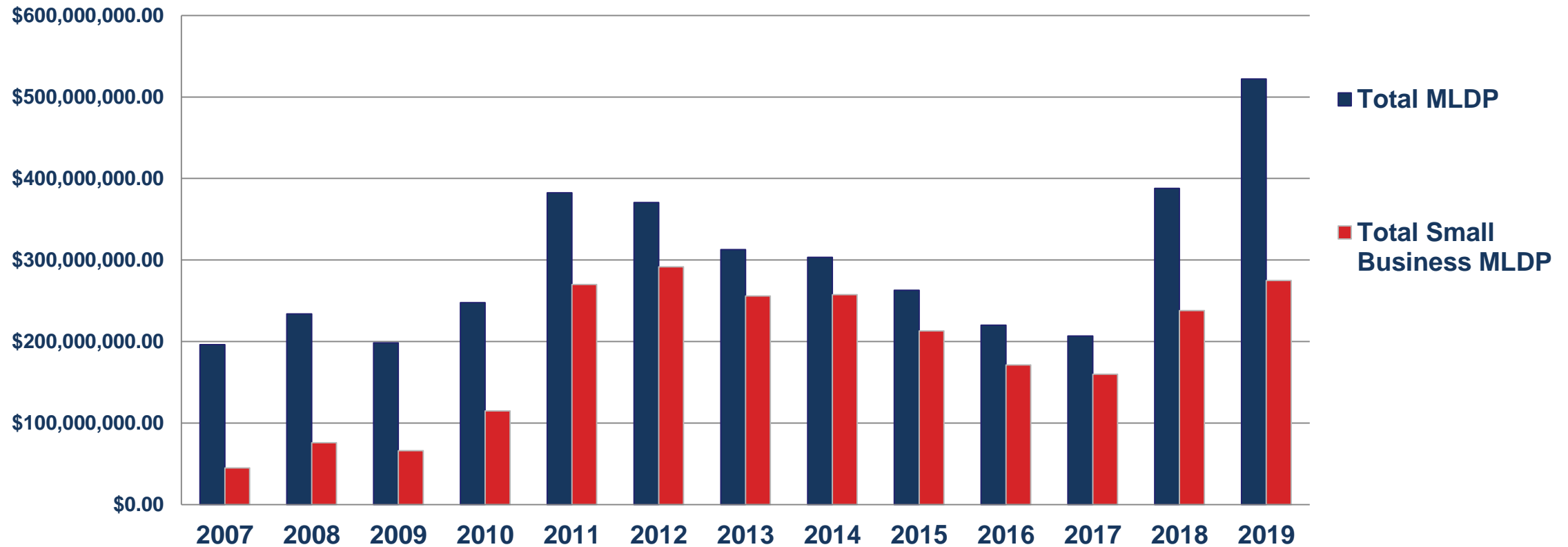
MLDP Category	PY 2013	PY 2014	PY 2015	PY 2016	PY 2017	PY 2018	PY 2019
Agriculture	\$40,219,625	\$29,320,656	\$31,005,883	\$24,388,671	\$25,575,146	\$109,894,675	\$190,050,304
Multi-Family Housing	\$19,393,804	\$27,740,169	\$29,000,788	\$21,415,971	\$17,535,003	\$30,107,304	\$43,286,367
Job Enhancement	\$6,009,783	\$4,456,984	\$5,714,149	\$0	\$0	\$700,000	\$700,000
Small Business	\$255,975,830	\$257,414,575	\$213,070,643	\$171,373,606	\$159,921,379	\$238,027,410	\$274,786,750
Alternative Energy	\$0	\$20,000	\$16,600	\$24,000	\$8,000	\$0	\$0
Government Entity	\$759,542	\$215,537	\$3,022,000	\$3,005,000	\$3,630,000	\$9,165,484	\$13,224,549
<b>Totals</b>	<b>\$322,358,584</b>	<b>\$319,167,921</b>	<b>\$281,830,063</b>	<b>\$220,207,248</b>	<b>\$206,669,528</b>	<b>\$387,894,873</b>	<b>\$522,047,970</b>

# Percentages of Active Loan Category Breakdown

MLDP Category	2017	2018	2019
Small Business	77%	61%	53%
Agriculture	12%	28%	36%
Multi-Family Housing	8%	8%	8%
Job Enhancement	0%	0.18%	0.13%
Government Entity	2%	2%	3%
Alternative Energy	0.004%	0%	0%

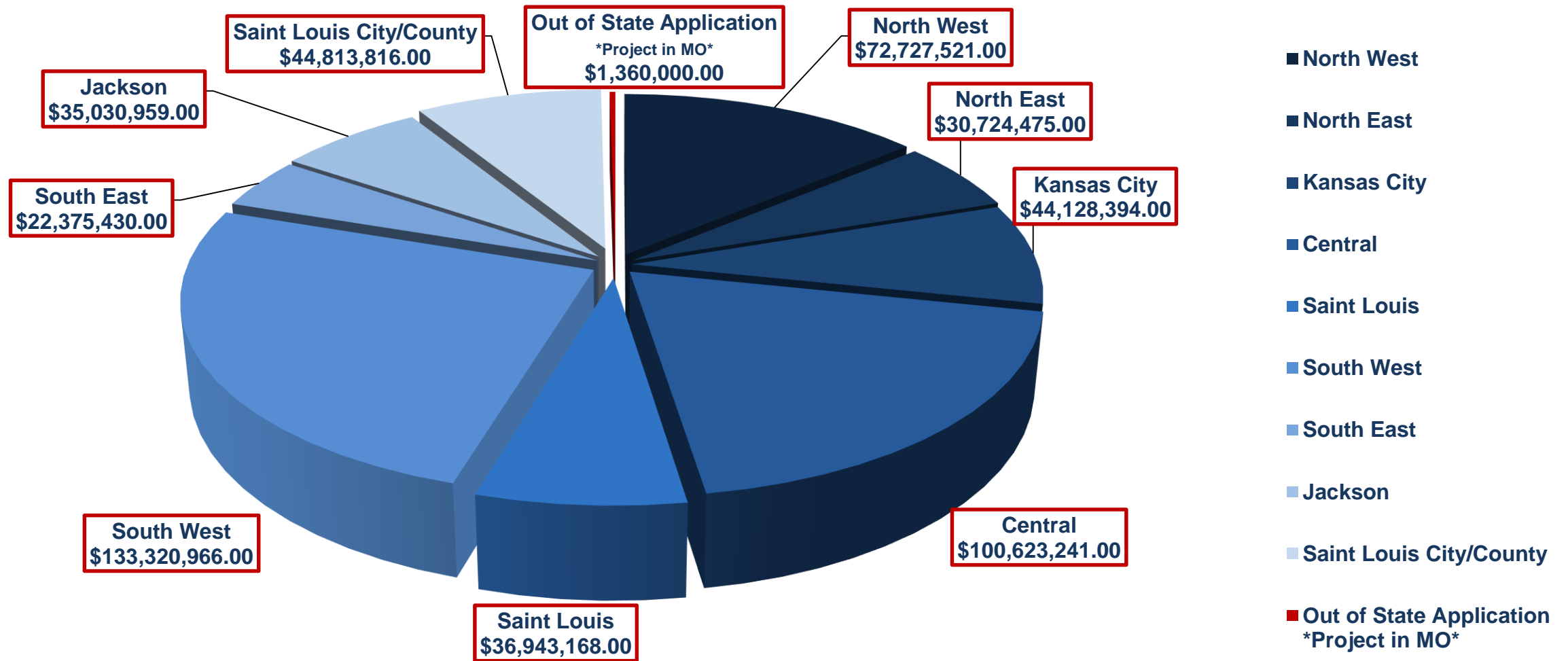
# Summary of Missouri Linked Deposit Loan/Small Business Deposit Amounts by PY

The chart below provides an overview of the Small Business loans (as compared to the entire Missouri FIRST Linked Deposit Program portfolio). The Small Business component has become the largest of the Missouri FIRST Linked Deposit Program and continues to be an important factor in strengthening local economies and communities statewide.





# 2019 Active Missouri Linked Deposit Program Loans by Region



# Top 20 Participating Banks

Bank Name	Total Amount of Deposits	Number of Deposits
FCS Financial (900)	\$137,422,000.00	418
Hawthorn Bank (258)	\$49,659,692.00	52
Legends Bank (357)	\$33,747,605.00	89
Mid Missouri Bank (046)	\$30,756,274.00	102
Busey Bank (117)	\$29,721,858.00	11
First State Community Bank (170)	\$23,404,056.00	58
Equity Bank (325)	\$23,024,154.00	20
Oakstar Bank (380)	\$18,956,071.00	31
Simmons Bank (139)	\$15,384,500.00	10
Enterprise Bank & Trust (774)	\$15,086,009.00	12
Guaranty Bank (902)	\$11,430,000.00	6
Belgrade State Bank (025)	\$11,226,589.00	14
United Bank Of Union (628)	\$9,496,000.00	12
Ozark Bank (451)	\$9,168,000.00	19
Heritage Bank of the Ozarks (365)	\$8,362,500.00	9
Providence Bank (160)	\$7,483,057.00	9
BTC Bank (031)	\$6,371,860.00	33
Midwest BankCentre (347)	\$6,170,250.00	2
The Missouri Bank II (077)	\$6,117,939.00	4
Bank of Kirksville (320)	\$5,206,900.00	39