

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

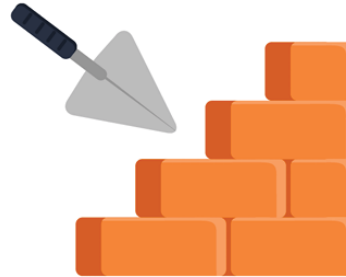


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Program Overview - Continued

- 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 \$2 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 \$876.9 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. Seven loans for over \$3.48 million were placed with the program.

The LIFT Program authorized:

- Up to \$2 million per deposit
- 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-2020 Placed Amounts

This Missouri FIRST Linked Deposit Program 2020 Annual Report provides a summary of loan activities from October 1, 2019 - September 30, 2020.

The Missouri FIRST Linked Deposit Program placed 1,085 loans in the 2020 program year (PY) for a total loan amount of \$437,486,163.

During the 2020 PY, the Missouri FIRST Linked Deposit Program provided a total of 13 loans totaling \$6,508,127 to veteran-owned businesses, 92 loans totaling \$52,788,389 to women-owned businesses, 16 loans totaling \$13,701,536 to minority-owned businesses, and 8 loans totaling \$8,129,484 to minority/women-owned businesses.



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2020 Top 20 Veteran/Minority/Women-Owned Business Loans - \$42,477,783

Loan Amount	Bank Name	Deposit Type	Application Region	WBE/MBE/VET
\$11,550,000.00	Simmons Bank	Small Business	6	WBE
\$3,200,000.00	Hawthorn Bank	Small Business	3	WBE
\$3,165,000.00	Guaranty Bank	Small Business	6	WBE
\$2,530,000.00	Busey Bank	Small Business	9	MBE
\$2,500,000.00	FCS Financial	Agriculture	1	WBE
\$2,300,000.00	The Missouri Bank	Small Business	8	WBE
\$2,100,000.00	Providence Bank	Small Business	4	WBE/MBE
\$1,882,206.00	Belgrade State Bank	Small Business	7	WBE/MBE
\$1,832,869.00	Providence Bank	Small Business	4	WBE/MBE/VET
\$1,629,708.00	Citz Nat'l Bank Of Greater St Louis	Small Business	9	WBE
\$1,290,000.00	Oakstar Bank	Small Business	6	WBE
\$1,050,000.00	Mid Missouri Bank	Small Business	10	MBE
\$1,048,000.00	Hawthorn Bank	Small Business	3	WBE
\$1,000,000.00	FCS Financial	Agriculture	6	VET
\$1,000,000.00	Peoples Savings Bank	Small Business	4	WBE
\$1,000,000.00	Peoples Savings Bank	Small Business	5	WBE
\$1,000,000.00	Triad Bank	Small Business	9	WBE
\$810,000.00	United Bank Of Union	Small Business	5	WBE
\$800,000.00	Simmons Bank	Small Business	6	VET
\$790,000.00	Mid Missouri Bank	Small Business	6	WBE

2020 Minority/ Women – Owned Business Loans by Region Totals

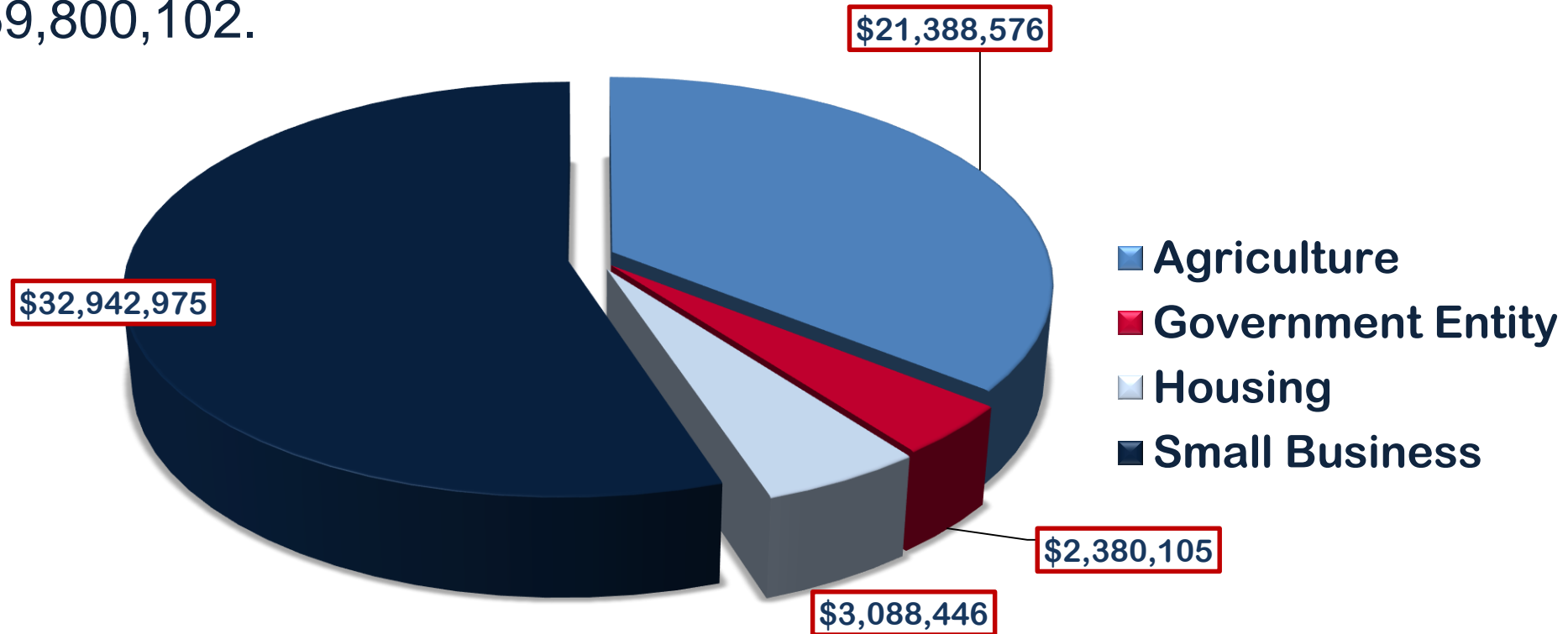
Region	Number of Loans	Loan Totals
North West	1	\$2,500,000
North East	8	\$343,350
Kansas City	7	\$5,513,000
Central	23	\$9,641,695
St. Louis	9	\$3,492,000
South West	34	\$23,658,304
South East	5	\$3,313,887
Jackson	5	\$3,277,445
St. Louis City/County	5	\$5,972,708
Out of State Application (*Project in MO*)	3	\$1,315,000
Region Totals	100	\$59,027,389

Missouri Linked Deposit Program – Veteran Loans

PY	Veteran Loans	% of MLDP Portfolio
2020	\$6,508,127	1.49%
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%

Missouri Linked Deposit Program – New Deposits

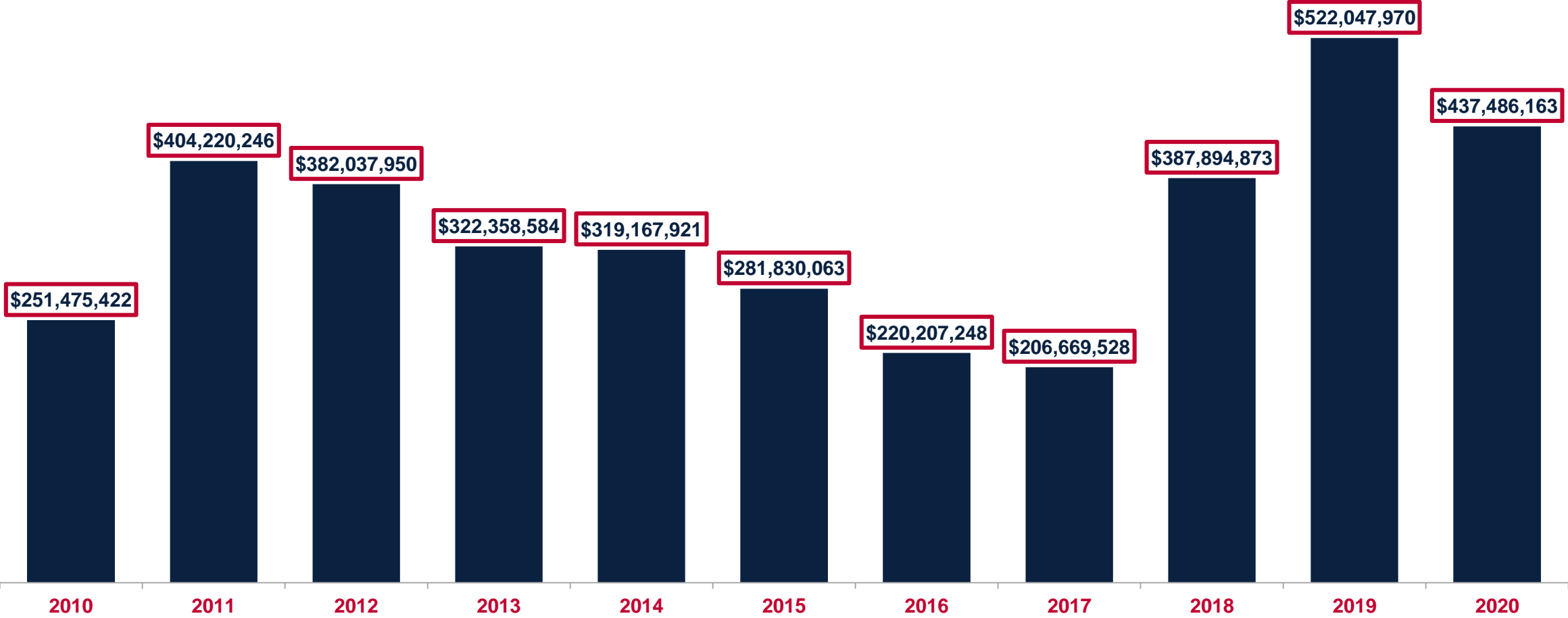
During the 2020 PY, the Missouri Linked Deposit Program issued 196 new loans totaling \$59,800,102.



2020 showed a 16% decrease in program use.

PROGRAM YEAR	TOTAL LOAN AMOUNTS	PERCENT INCREASE/DECREASE
PY2020	\$437,486,163	-16%
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%

Summary of Missouri Linked Deposit Program by Year



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During PY2020, the Missouri Linked Deposit Program experienced a decrease of 16%.

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 and avoid the negative consequences of hitting the statutory cap of program. The growth has since slowed enough (program size has actually declined) and the legislature increased the overall cap of the program by \$80million. As a result, Treasurer Fitzpatrick is looking at rolling back some of the previously mentioned changes.

The lower interest rate environment has also caused some participants to pull out of the program.

Comparison of Total Loan Amounts by Category

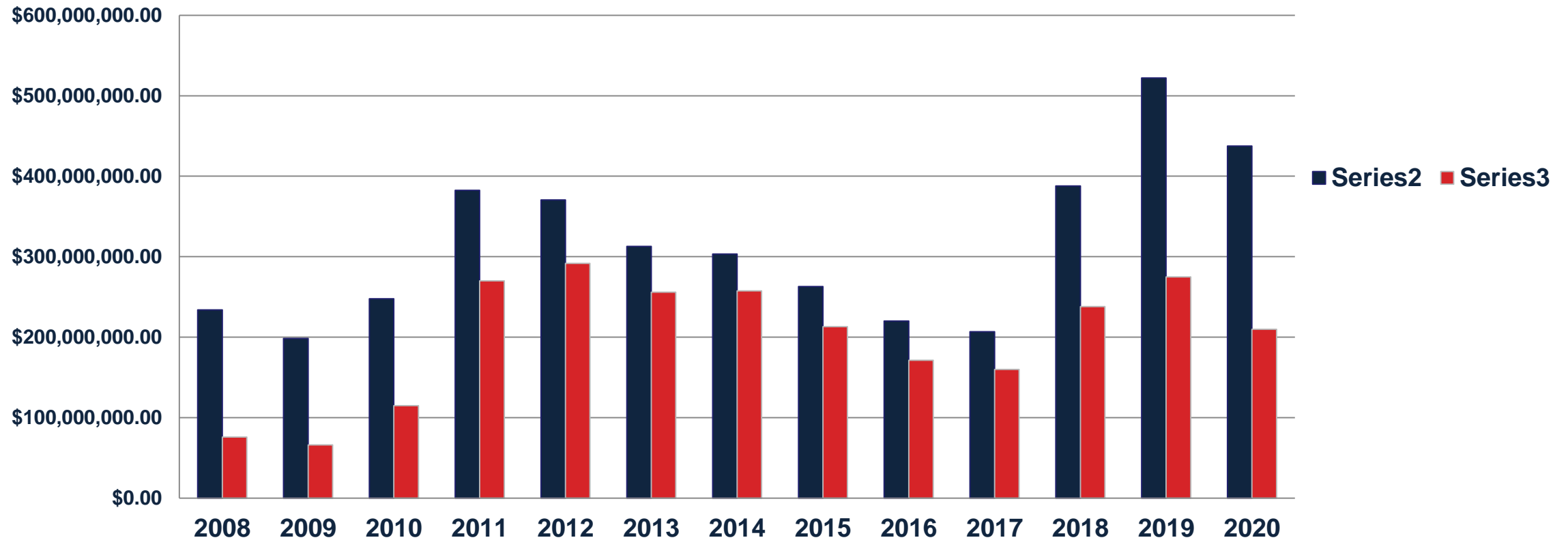
MLDP Category	PY 2014	PY 2015	PY 2016	PY 2017	PY 2018	PY 2019	PY2020
Agriculture	\$29,320,656	\$31,005,883	\$24,388,671	\$25,575,146	\$109,894,675	\$190,050,304	\$187,098,565
Multi-Family Housing	\$27,740,169	\$29,000,788	\$21,415,971	\$17,535,003	\$30,107,304	\$43,286,367	\$33,087,328
Job Enhancement	\$4,456,984	\$5,714,149	\$0	\$0	\$700,000	\$700,000	\$0
Small Business	\$257,414,575	\$213,070,643	\$171,373,606	\$159,921,379	\$238,027,410	\$274,786,750	\$209,752,941
Alternative Energy	\$20,000	\$16,600	\$24,000	\$8,000	\$0	\$0	\$0
Government Entity	\$215,537	\$3,022,000	\$3,005,000	\$3,630,000	\$9,165,484	\$13,224,549	\$7,547,329
Totals	\$319,167,921	\$281,830,063	\$220,207,248	\$206,669,528	\$387,894,873	\$522,047,970	\$437,486,163

Percentages of Active Loan Category Breakdown

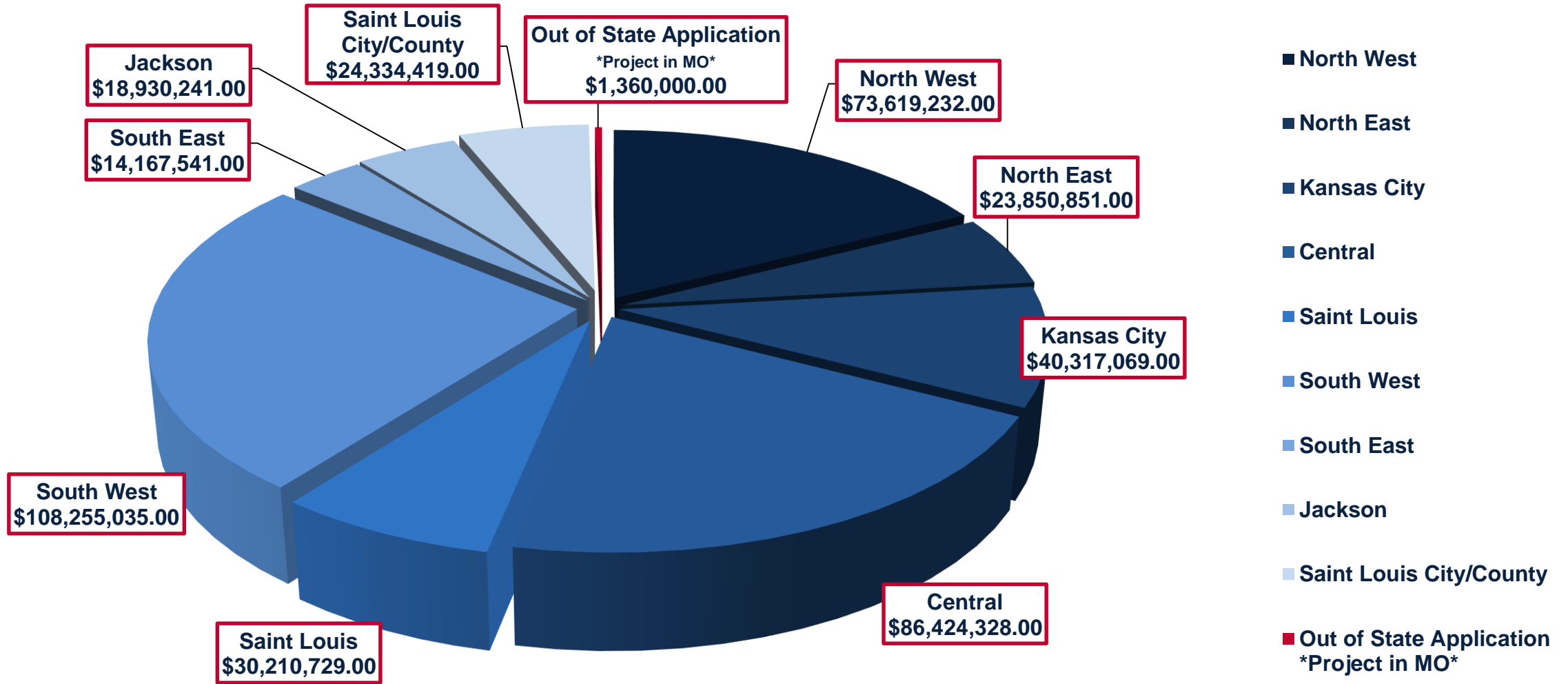
MLDP Category	2018	2019	2020
Small Business	61%	53%	48%
Agriculture	28%	36%	43%
Multi-Family Housing	8%	8%	7%
Job Enhancement	0.18%	0.13%	0%
Government Entity	2%	3%	2%
Alternative Energy	0%	0%	0%

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.



2020 Active Missouri Linked Deposit Program Loans by Region



Top 20 Participating Banks

Bank Name	Total Amount of Deposits	Number of Deposits
FCS Financial (900)	\$134,391,000.00	407
Hawthorn Bank (258)	\$43,700,042.00	54
Mid Missouri Bank (046)	\$31,289,298.00	101
Legends Bank (357)	\$30,656,759.00	89
Equity Bank (325)	\$18,791,325.00	16
BTC Bank (031)	\$14,812,624.00	71
Simmons Bank (139)	\$14,768,000.00	13
Oakstar Bank (380)	\$13,657,306.00	26
First State Community Bank (170)	\$10,329,692.00	40
Belgrade State Bank (025)	\$10,160,353.00	12
Busey Bank (117)	\$9,431,279.00	5
United Bank Of Union (628)	\$8,755,000.00	11
Providence Bank (160)	\$8,362,100.00	11
Enterprise Bank & Trust (774)	\$7,199,604.00	7
Heritage Bank of the Ozarks (365)	\$7,003,000.00	7
Ozark Bank (451)	\$6,312,300.00	14
First State Bank Of St. Charles (555)	\$6,111,000.00	11
Guaranty Bank (902)	\$5,445,000.00	4
Triad Bank (839)	\$5,155,000.00	6
Tri County Trust Company (196)	\$4,652,683.00	20