

**Linked Deposit Review Committee – Annual Meeting (per RSMo 30.763)
December 4, 2008**

Board Members Present by Conference Call:

Representative Jason Smith
Tony Stafford (representing the Director of Agriculture)
DeEtta Murphy
Jim Bracht

State Treasurer Staff:

Mark Mathers
Carrie Grellner

Jim Bracht called the meeting to order.

Mark Mathers reviewed his report to the committee and some key points of the program. These points included an increase in the amount of linked deposits placed, with agriculture continuing to be the largest program, but small business seeing the biggest increase in participation. There are roughly 100 financial institutions participating in the Linked Deposit Program and we have seen an increase in the number of minority and female owned applications over the past year. The Central, Southeast and Northeast regions of the state have the greatest amount of participation in the Linked Deposit program.

There have been several new items added to the Linked Deposit Program in the last year. The Alternative Energy Program was enacted into law and the staff is working with DNR to develop guidelines for this program. Treasurer Steelman also announced a veterans program which will make it easier for veterans or their spouses to get a linked deposit.

Some of the issues that seem to inhibit the program are the limit of less than 25 employees for a small business, the cap of \$50,000 per new job created or retained for the Job Enhancement program and the lack of interest in the program in the St. Louis and Kansas City metropolitan areas.

The Facility Borrower and the Guaranteed Livestock programs had a decrease in deposits due to borrowers paying down the amounts and borrowers rolling off of the program.

There was a brief discussion on how there could possibly be a higher percent of linked deposits that fall under the minority and female category, especially agriculture programs where a farm is owned by a husband and wife. The banks are supposed to check whether or not it is minority or female owned and if the bank does not check it on the application, it is not counted. A suggestion was made to email the banks and make them aware that a husband and wife could qualify as female owned.

There was also a brief discussion on the benefits the linked deposit program has and how it will continue to be beneficial to borrowers in the future.

Tony Stafford made the motion to approve the report as presented by staff. DeEtta Murphy seconded the motion. The motion was passed.

Meeting Adjourned.