

JEDA's Four Accounts: Sources of Deposits and Withdrawals

(as of May 2022)

Deposits	<p>Federal funds from the State Small Business Credit Initiative (SSBCI) for which JEDA applies on behalf of the state (\$17M so far)</p> <p>State Small Business Credit Initiative (SSBCI) administrative fees (program fee) which JEDA collects from Federal Government</p> <p>Interest on SSBCI loan to BDC (see SSBCI-Flow doc for details) which JEDA collects from BDC</p> <p>Taxable and tax exempt bond fees Borrower pays JEDA for serving as conduit. Fees include: (1) Application; (2) Issuer; and (3) Annual (Note: In 2017 one Annual Fee was inadvertently logged as A/R)</p> <p>JEDA Bond Summit / Conference registration fees (JEDA hosts costs annually)</p> <p>InvestSC payment for services (e.g., office space, accounting, administrative work)</p> <p>Matured CD and Interest – Purchased at Banks to earn higher revenue than STO obtained.</p> <p>Derivative Settlement/Federal Contribution (began receiving in 2013) – fines and penalties paid by banks for actions pre-2008 as a result of multi-state suit brought by AG's of 26 states.</p> <p>Annual Parking Reimbursement from financial advisory contractor (only in 2019)</p> <p>Funds Transfer from General Revenue Account to Countybank Greenwood</p> <ul style="list-style-type: none"> All matured CDs went into Greenwood Capital. JEDA not required to invest through STO because JEDA money is not state money 41-43-90(K) <p>Returns from Investments through Investment Account (reinvested)</p> <p>Payroll Transfer from General Revenue Account</p> <p>Community Development Block Grant (CDBG) loans</p> <ul style="list-style-type: none"> Lease income (Only remaining CDBG loan is to Hilton Head Water with monthly payment of \$1,500) Income will end in 2023 and JEDA currently has no plans for future involvement with CDBG
Accounts	<div> <div>1</div> <div> <p>JEDA's General Revenue Account</p> <ul style="list-style-type: none"> Opened at Wells Fargo pre 2008 Under heading of State Treasurer Composite reservoir account* Serves as operating account for JEDA All funds in account are Program Funds as defined in 41-43-20(C) (41-43-20(C) defines program funds as monies, including, but not limited to, the proceeds from bond sales, the sale or disposition of any assets, or any other source available to the authority, other than administrative funds and the earnings on the funds) </div> </div> <div> <div>2</div> <div> <p>JEDA's Investment Account[^]</p> <ul style="list-style-type: none"> Opened at Greenwood Capital, after JEDA Board, in 2016, adopted formal investment policy and issued RFP to select investment manager </div> </div> <div> <div>3</div> <div> <p>JEDA's Payroll Account</p> <ul style="list-style-type: none"> Opened at BB&T in Oct. 2017 Previously at TD Bank until JEDA stopped receiving statements in timely manner, if at all, in early 2017) Needed because JEDA employees are not state employees paid through state accounting system, SCEIS </div> </div> <div> <div>4</div> <div> <p>JEDA's CDBG Revenue Account</p> <ul style="list-style-type: none"> Opened at Wells Fargo pre 2008 Under heading of State Treasurer Composite reservoir account* </div> </div>
Withdrawals	<p>State Small Business Credit Initiative (SSBCI) funds that JEDA provides BDC, who JEDA contracts with to administer SSCBI (\$17M)</p> <p>Operating Expenses</p> <ul style="list-style-type: none"> Employer Health Insurance Expense Employer Retirement Expense Dues/Membership/Publications Car Allowance Parking Expense Marketing Expenses Rent Expense Accounting Fees Professional Fees Insurance <p>JEDA Bond Summit Expenses</p> <p>CDs at Banks</p> <p>Transfer to JEDA's Investment Account (only matured CDs and Interest)</p> <p>Transfer to JEDA's Payroll Account</p> <p>U.S. agency securities (80+% of funds are here)</p> <p>Municipal bonds</p> <p>Money Market Mutual Funds</p> <p>NOTE: ADP, JEDA's payroll processor, is the only entity able to withdraw from this account</p> <p>JEDA contract Bookkeeper salary</p> <p>JEDA full time employee salary and</p> <p>NOTE: Loan Fees are sent on a quarterly basis</p> <p>Department of Commerce</p>

*Proviso 117.80 requires agency's with this type of account to submit reports to State Fiscal Accountability Authority that disclose every transaction in the account in the prior fiscal year; reports are on Comptroller General website.

[^]External auditors annually review JEDA's Investment Account to ensure investments are in compliance with state statute

NOTE: CDBG revenue mistakenly deposited in JEDA General Revenue Account in 2018 that JEDA then withdrew and deposited in CDBG account (1.5.18)

41-43-50: The net earnings of the authority, beyond that necessary for retirement of its bonds or other obligations or to implement the purposes of this act, shall not inure to the benefit of any person other than the authority.