



# 2022 Annual Report

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GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

# Our Mission

To Conserve and Improve Georgia's Energy, Land, and Water Resources.

Founded in 1985, the Georgia Environmental Finance Authority (GEFA) directs programs that improve Georgia's environment, protect natural resources, and promote economic development. GEFA provides loans for water, wastewater, and solid waste infrastructure; manages energy efficiency and renewable energy programs; administers land conservation loans; and monitors state-owned fuel storage tanks.

To date, GEFA has provided \$5.5 billion in low-interest loans to cities, counties, and infrastructure authorities for more than 2,100 projects that improve water, wastewater, stormwater, and solid waste systems.

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# Executive Director's Report

To the Governor, Members of the General Assembly, and Georgia Citizens:

I am pleased to present the Georgia Environmental Finance Authority's (GEFA) fiscal year (FY) 2022 annual report. Thanks to the dedicated staff, GEFA had a great year both internally and externally.

At the end of FY2022, GEFA Executive Director Kevin Clark retired after 30 years of faithful service to the state of Georgia. Kevin's experience and leadership skills left an indelible impact on GEFA and will be greatly missed.

In addition to the change in leadership, GEFA experienced a full return to the office, moved to a new office, and executed changes to our state- and federally-funded programs.

To date, GEFA has provided \$5.5 billion in low-interest loans and assisted with more than 2,100 water, wastewater, solid waste, and land conservation projects for improvements to cities, counties, and infrastructure authorities across Georgia. In FY2022, there were 61 new projects and 15 increases to previously approved loans, totaling more than \$290 million.

GEFA also promotes energy conservation and the use of renewable energy sources through several energy programs. GEFA receives federal State Energy Program (SEP) and Weatherization Assistance Program (WAP) funds. WAP provides free energy conservation measures to the homes of low-income households in the state of Georgia. During FY2022, the WAP program weatherized 1,367 homes positively impacting 2,664 Georgians.

Infrastructure is essential for a successful economy and prosperous communities, and GEFA is proud to partner with cities and counties all over Georgia to ensure they have the right infrastructure to serve their citizens. We know that for many communities investing in infrastructure is a challenge. GEFA will continue to help by providing financing with the goal of ensuring every Georgian has access to clean water at the lowest cost possible.

Our work would not be possible without the support of Governor Kemp, the General Assembly, and many state agencies. In this report, you will see many examples of how GEFA made important strides in FY2022 implementing our programs to benefit Georgians.

In the coming years, due to recent federal legislation, there will be even more funds coming through GEFA. We are committed to stewarding and allocating these resources to communities that need them so their leaders can focus on serving their constituents.

Sincerely,



Hunter Hill, Executive Director

## Fiscal Year 2022 Accomplishments

GEFA increases the capacity and quality of Georgia's water supply, supports the protection and preservation of Georgia's land resources, and promotes conservation and advancement of Georgia's energy resources. GEFA continues to build on this success through its commitment to protecting Georgia's natural resources and supporting economic development.

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# Conserving Georgia's Energy Resources

Forty K-12 and higher education building operators received Building Operator Certification training.

The Solar Resiliency Technical Assistance Program awarded six new contracts totaling \$987,315 to install more than 300 kilowatts (kW) of solar photovoltaic (PV) and backup batteries at critical facilities.

The Weatherization Assistance Program weatherized 1,367 homes positively impacting 2,664 Georgians with an estimated energy savings of 40,053 MBtu.

The Fuel Storage Tank Program provided oversight and monitoring services for 620 fuel storage tanks at 24 state agencies and departments.

GEFA helped its agency partners pass 64 fuel storage tank site compliance inspections.

GEFA completed the annual registration for 322 state-owned underground fuel storage tanks.

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# Improving Georgia's Water Resources

Projects financed by GEFA provided reliable water, wastewater, and solid waste services to almost 900,000 Georgians.

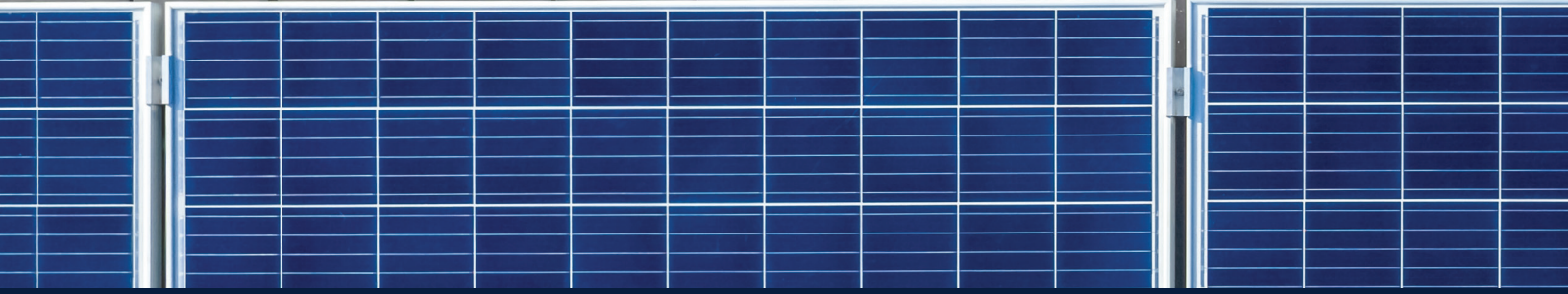
The Clean Water State Revolving Fund awarded 28 loans totaling \$173.5 million.

The Drinking Water State Revolving Fund awarded 26 loans totaling \$48.4 million.

The Georgia Fund awarded seven loans totaling \$20.2 million.

GEFA provided financing to 51 communities, with \$34.7 million in debt service savings.

Two communities received WaterFirst designations – city of Byron and the city of Cumming.



# Energy Resources

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The Energy Resources Division promotes energy efficiency, renewable energy, and energy assurance programs to improve environmental quality and stimulate sustainable economic development.



**The State Energy Program** provides financial assistance and technical support for energy efficiency and renewable energy programs.

**The Weatherization Assistance Program** provides energy efficiency measures to low-income households.

**Energy Performance Contracting** allows the state to finance building improvements guaranteed to lower energy and water consumption.

**The Energy Assurance Program** works closely with the Georgia Emergency Management Agency, other state agencies, and private sector stakeholders to develop energy emergency planning resources and to lead exercises designed to ensure better emergency coordination.

**The Fuel Storage Tank Program** serves as the central management office for state agencies and institutions with fuel storage tanks.



## Building Operator Certification trains facility personnel to save energy and money

The Building Operator Certification (BOC) is a nationally recognized training and certification program. The program helps facility managers, building engineers, and maintenance technicians make heating, ventilation, air conditioning, electric, and lighting systems more energy efficient.

The Georgia Environmental Finance Authority (GEFA) provides a scholarship of \$1,599 for individuals to complete eight BOC level one courses at Gwinnett Technical College. The courses provide training and technical assistance for building operators and facility managers on how to operate and maintain their facilities in an efficient manner. The scholarship recipients provide utility data for one facility prior to completing the course and utility data after implementing what they have learned. This data allows GEFA to track energy savings and report on the program's effectiveness.

More than 200 facility personnel from various local governments and state institutions have participated in the scholarship program. This is in addition to the 650 students from public and private entities that have paid for the training out-of-pocket.

Due to the success of the program, level two courses have been added to the curriculum. Level two participants submit a high-level project incorporating facility utility data into an Energy Action Plan that they present to their facility supervisors. As part of the course, the students must also provide mentorship to a level one student outside of their organization.

In total, the BOC program has improved 102 state buildings (13.3 million square feet) and saved a total of more than 6.5 million kilowatt-hours.



# Water Resources

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The Water Resources Division supports the development of water, wastewater, and solid waste infrastructure projects, which help protect the environment, facilitate economic development, accommodate population growth, and safeguard public health.

GEFA partners with local governments by providing loans for water, wastewater, stormwater, and solid waste infrastructure. The Water Resources Division also assists local governments with reservoir and water supply projects.

**The Georgia Fund** is a state loan program for water, wastewater, and solid waste infrastructure.

**The Georgia Reservoir Fund** is a state loan program for reservoir and water supply infrastructure.

**The Clean Water State Revolving Fund** is a federal loan program for water quality and wastewater treatment infrastructure.

**The Drinking Water State Revolving Fund** is a federal loan program for drinking water infrastructure.

**The WaterFirst Program** recognizes a local government's commitment to responsible water stewardship for environmental and economic benefits.





## Town restores streambank with GEFA funding

Streams provide many wonderful benefits for the community that surrounds it. A stream can provide drinking water for people, irrigation for crops, electricity through hydropower, and a natural habitat for wildlife. For something that gives so much, an unhealthy stream can also be a threat to a community.

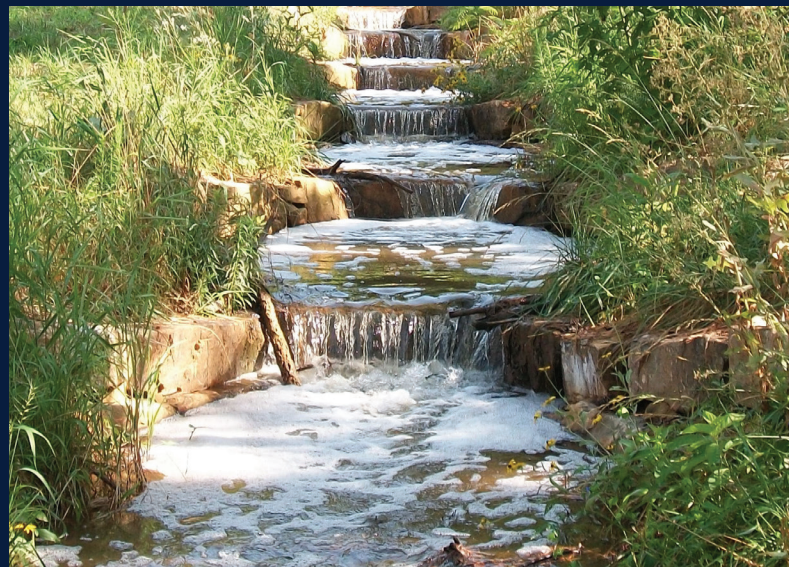
In 2018, Hurricane Michael caused severe damage all over the state of Georgia. The town of Braselton, Georgia, received 4.75 inches of rain during Hurricane Michael, which threatened the town's water supply wells. The wells, which supply 45 percent of the town's water supply, are located on the west bank of the Mulberry River. The intense rainfall from Hurricane Michael eroded the streambank of the Mulberry River and threatened to disrupt the operation of the wells.

Streambank erosion happens when high volumes of water flow quickly downstream. This can contribute to sediment pollution and can pose a threat to nearby infrastructure like bridges and culverts. One way to fix the erosion is through streambank and floodplain restoration.

Streambank and floodplain restoration stabilizes or alters the stream channel to slow and direct the flow of water to reduce erosion and flooding. Practices can be employed to redirect the water flow to the center of the stream where less erosion will occur. The water is slowed down and the streambanks are protected.

The town of Braselton received a \$1.9 million Georgia Environmental Financial Authority (GEFA) Drinking Water State Revolving Fund (DWSRF) loan. The loan helped restore one mile of the Mulberry River streambank and replaced and upgraded three water supply wells located along its bank. The loan also financed a water transmission main and improvements to the water treatment facility. This project provided immediate protection of the town's vital infrastructure and also improved health of the Mulberry River.

Communities need to maintain the health of their streams and other bodies of water because of the tangible benefits they provide. This project is a great example of how GEFA helped the town save a vital part of its community.



## FISCAL YEAR 2022

# Financial Highlights

The narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022, provides additional detail on GEFA's financial performance.

- Total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$2.7 billion (net position). Of this amount, \$56 million was from governmental activities and \$2.6 billion was from business-type activities.
- GEFA's total net position increased by \$90.2 million. The net position in governmental activities increased by \$11.2 million while the net position of business-type activities increased by \$79.1 million.
- Total governmental revenues increased by \$6.6 million from 2021. The increase in revenue is mostly attributable to an increase in operating grants and contributions due to additional bond funds received for state match for federal loan programs.
- Charges for services within business-type activities increased by \$10.2 million. The increase is primarily due to a return to a full year's interest revenue billing and collection. In the prior year, there was a six-month forbearance offered and accepted by many borrowers that significantly decreased revenues in each of GEFA's loan programs.
- Operating grants and contributions within business-type activities increased by \$6.6 million. This increase is mostly due to increased receipts for the Georgia Outdoor Stewardship Program.

FINANCIAL HIGHLIGHTS

# FY2022 Net Position

PRIMARY GOVERNMENT							
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL		INCREASE (DECREASE) %
	2022	2021	2022	2021	2022	2021	
Current and other assets	\$ 63,437,103	53,660,958	2,631,421,392	2,552,647,568	2,694,858,495	2,606,308,526	3.4%
Capital assets	1,617,478	70,760	—	—	1,617,478	70,760	2,185.9%
Total assets	65,054,581	53,731,718	2,631,421,392	2,552,647,568	2,696,475,973	2,606,379,286	3.5%
Deferred outflows of resources	1,675,859	946,508	—	—	1,675,859	946,508	77.1%
Long-term liabilities outstanding	3,217,685	5,490,730	—	—	3,217,685	5,490,730	(41.4%)
Other liabilities	3,780,580	2,857,929	2,285,295	2,563,950	6,065,875	5,421,879	11.9%
Total liabilities	6,998,265	8,348,659	2,285,295	2,563,950	9,283,560	10,912,609	(14.9%)
Deferred inflows of resources	3,548,984	1,295,082	—	—	3,548,984	1,295,082	174%
Net position:							
Investment in capital assets	1,617,478	70,760	—	—	1,617,478	70,760	2,185.9%
Restricted	46,476,561	38,048,328	2,033,027,210	1,956,581,173	2,079,503,771	1,994,629,501	4.3%
Unrestricted	8,089,152	6,915,397	596,108,887	593,502,445	604,198,039	600,417,842	0.6%
<b>Total net position</b>	<b>\$ 56,183,191</b>	<b>45,034,485</b>	<b>2,629,136,097</b>	<b>2,550,083,618</b>	<b>2,685,319,288</b>	<b>2,595,118,103</b>	<b>3.5%</b>

Copies of the complete audited financial statements are available at [gefa.georgia.gov](http://gefa.georgia.gov).

## FINANCIAL HIGHLIGHTS

## FY2022 Statement of Net Position

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	GA. ENVIRON. LOAN ACQ. CORP
<b>ASSETS</b>				
Cash	\$ 1,649,518	12,383,470	14,032,988	305,174
Investments	52,674,841	1,032,298,117	1,084,972,958	65,557,370
Due from other governments	6,272,159	1,643,473	7,915,632	—
Internal balances	2,075,998	(2,075,998)	—	—
Accrued interest receivable	—	4,985,055	4,985,055	63,931
Loans receivable	—	1,582,187,275	1,582,187,275	17,064,664
Other Assets	18,834	—	18,834	—
Net OPEB asset	745,753	—	745,753	—
Capital assets, net of accumulated depreciation	1,617,478	—	1,617,478	—
<b>Total assets</b>	<b>65,054,581</b>	<b>2,631,421,392</b>	<b>2,696,475,973</b>	<b>82,991,139</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to other postemployment benefits	210,189	—	210,189	—
Related to pensions	1,465,670	—	1,465,670	—
<b>Total deferred outflows of resources</b>	<b>1,675,859</b>	<b>—</b>	<b>1,675,859</b>	<b>—</b>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	3,721,421	2,282,221	6,003,642	9,935
Accrued payroll	30,864	—	30,864	—
Due to other governments	28,295	3,074	31,369	30
Long-term liabilities:				
Compensated absences, current	148,675	—	148,675	—
Compensated absences, noncurrent	446,023	—	446,023	—
Net OPEB liability	217,331	—	217,331	—
Net pension liability	2,405,656	—	2,405,656	—
<b>Total liabilities</b>	<b>6,998,265</b>	<b>2,285,295</b>	<b>9,283,560</b>	<b>9,965</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to other postemployment benefits	1,307,213	—	1,307,213	—
Related to pensions	2,241,771	—	2,241,771	—
<b>Total deferred inflows of resources</b>	<b>3,548,984</b>	<b>—</b>	<b>3,548,984</b>	<b>—</b>
<b>NET POSITION</b>				
Investment in capital assets	1,617,478	—	1,617,478	—
Restricted for:				
Grant programs	3,165,641	—	3,165,641	—
Loan programs	43,310,920	2,033,027,210	2,076,338,130	—
Unrestricted	8,089,152	596,108,887	604,198,039	82,981,174
<b>Total net position</b>	<b>\$ 56,183,191</b>	<b>2,629,136,097</b>	<b>2,685,319,288</b>	<b>82,981,174</b>

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FINANCIAL HIGHLIGHTS

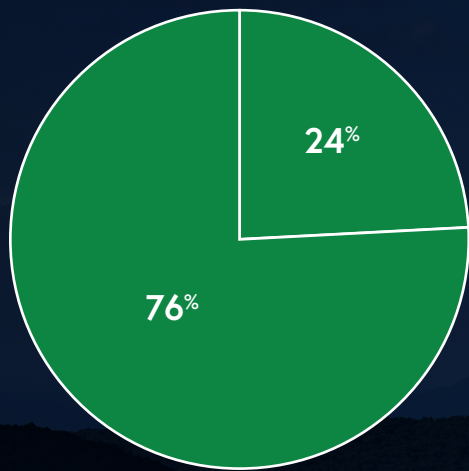
# FY2022 Statement of Activities

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENT ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNIT
<b>FUNCTIONS/PROGRAMS:</b>								
<b>GOVERNMENTAL ACTIVITIES:</b>								
General government	\$ 6,026,740	—	15,384,170	—	9,357,430	—	9,357,430	
Water and wastewater	12,610,052	2,528,981	9,886,280	—	(194,791)	—	(194,791)	
Energy and environment	10,244,293	—	10,182,185	—	(62,108)	—	(62,108)	
<b>Total governmental activities</b>	<b>28,881,085</b>	<b>2,528,981</b>	<b>35,452,635</b>	<b>—</b>	<b>9,100,531</b>	<b>—</b>	<b>9,100,531</b>	
<b>BUSINESS-TYPE ACTIVITIES:</b>								
Water and wastewater	12,365,506	—	12,365,506	—	—	—	—	
Storage tank maintenance	860,519	1,059,075	2,259	—	—	200,815	200,815	
Outdoor stewardship and land conservation	9,788,819	—	20,638,011	—	—	10,849,192	10,849,192	
General and administrative	321,506	30,050,132	40,167,268	—	—	69,895,894	69,895,894	
Total business-type activities	23,336,350	31,109,207	73,173,044	—	—	80,945,901	80,945,901	
<b>Total primary government</b>	<b>\$ 52,217,435</b>	<b>33,638,188</b>	<b>108,625,679</b>	<b>—</b>	<b>9,100,531</b>	<b>80,945,901</b>	<b>90,046,432</b>	
<b>COMPONENT UNIT:</b>								
Georgia Environmental Loan Acquisition Corporation	\$ 21,112	748,951	225,990	—				953,829
<b>Total Component Units</b>	<b>\$ 21,112</b>	<b>748,951</b>	<b>225,990</b>	<b>—</b>				
<b>GENERAL REVENUES:</b>								
Unrestricted investment earnings					\$ 153,820	—	153,820	—
Miscellaneous					660	273	933	—
Transfers					1,893,695	(1,893,695)	—	—
Total general revenues and transfers					2,048,175	(1,893,422)	154,753	953,829
<b>Change in net position</b>					<b>\$ 11,148,706</b>	<b>79,052,479</b>	<b>90,201,185</b>	<b>953,829</b>
Net position – July 1					45,034,485	2,550,083,618	2,595,118,103	82,027,345
Net position – June 30					\$ 56,183,191	2,629,136,097	2,685,319,288	82,981,174

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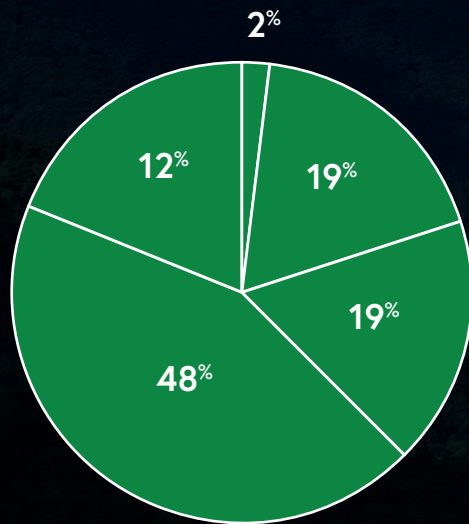
FINANCIAL HIGHLIGHTS

# 2022 Revenues and Expenses



## Fiscal Year 2022 Revenues

Charges for Services and Other Revenue*	\$33,638,188	24%
Investment Earnings, Unrestricted	\$154,753	0%
Operating Grants and Contributions	\$108,625,679	76%
<b>Total Revenues</b>	<b>\$142,418,620</b>	<b>100%</b>



## Fiscal Year 2022 Expenses

General Government	\$6,026,740	12%
Water and Wastewater	\$24,975,558	48%
Outdoor Stewardship and Land Conservation	\$9,788,819	19%
Energy and Environment	\$10,244,293	19%
Storage Tank Maintenance	\$860,519	2%
General and Administrative	\$321,506	0%
<b>Total Expenses</b>	<b>\$52,217,435</b>	<b>100%</b>

\*Includes restricted investment earnings

**ADMINISTRATION**

The Administration Division provides administrative support to staff, customers, and the board of directors; oversees office operations; and maintains the file management system for GEFA.

**HUMAN RESOURCES**

The Human Resources Division supports GEFA's workforce by developing, maintaining, and communicating office policies, employee benefits and compensation, and training and awards programs.

**LEGAL SERVICES**

The Legal Services Division functions as legal advisor to GEFA's business and personnel matters, including contracts, agreements, environmental and job safety standards, litigation, open records requests, and tax code requirements.

**FINANCIAL SERVICES**

The Financial Services Division provides financial underwriting and loan servicing for Georgia communities. The division also ensures compliance with state and federal accounting policies by preparing and submitting financial reports, monitoring division accounts, and managing GEFA's budget.

**INFORMATION TECHNOLOGY**

The Information Technology Division develops GEFA's internal and external technical architecture, facilitates secure electronic access to information and services, and protects information systems and data.

**PUBLIC AFFAIRS**

The Public Affairs Division educates internal and external stakeholders about GEFA's infrastructure and financing programs, and state energy, land, and water conservation initiatives and policies.

**BOARD OF DIRECTORS**

**Commissioner Scott Orenstein**  
Chairman  
Lowndes County

**Mayor Mike Young**  
Vice Chairman  
City of McRae-Helena

**Greg Griffin**  
Secretary  
State Auditor

**Mayor Jimmy Andrews**  
City of Sandersville

**Commissioner Eugene Cason**  
Dooly County

**Councilmember Christopher Hightower**  
City of Barnesville

**Commissioner Christopher Nunn**  
Georgia Department of  
Community Affairs

**Chairman Ted Rumley**  
Dade County Board of  
Commissioners

**Rick Story**  
At-Large Member

**Travis Turner**  
At-Large Member

**Commissioner Pat Wilson**  
Georgia Department of  
Economic Development

**SENIOR STAFF**

**Hunter Hill**  
Executive Director

**Kristofor Anderson**  
Director of Energy  
Resources

**Tammi Fuller**  
Director of Legal  
Services

**David Gipson**  
Director of Water  
Resources

**Jammie Harden**  
Director of Financial  
Services

**Shane Hix**  
Director of Public Affairs  
and Information Technology

**Glendale Jones**  
Director of Human  
Resources

**Susan Lucki**  
Director of Administration

*\*As of June 2022*



GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

# Annual Report

## 2022