



2023  
**Annual  
Report**



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.

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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 fiscal year 2023 (FY2023) annual report. Thanks to our dedicated and hardworking team, GEFA had a productive and busy year.

Having received an influx of federal funding, GEFA has put those resources to work for Georgians. Specifically, we have prioritized funding for communities with limited access to financial markets for the purpose of upgrading water and sewer infrastructure. Additionally, we worked closely with the Georgia Environmental Protection Division (EPD) to implement the federal mandate to inventory and replace lead service lines across the state. The state of Georgia is required to submit the initial statewide inventory on October 16, 2024.

To date, GEFA has provided almost \$6 billion in low-interest loans to cities, counties, and infrastructure authorities, which has supported more than 2,100 water, wastewater, solid waste, and land conservation projects across Georgia. In FY2023, there were 49 new loans with \$84.1 million in debt service savings.

GEFA understands it can be challenging for some communities to invest in infrastructure. Through an affordability scoring system, we help these communities receive financing by awarding principal forgiveness based on the affordability score. Two examples are the city of Lavonia and the city of Wrightsville.

The city of Lavonia was awarded a \$2.5 million Drinking Water State Revolving Fund loan to upgrade its water system. An interconnection with the city of Monroe will also serve as an emergency water supply for the city. This project will increase system pressure and improve the efficiency of the water system. The city will receive \$900,000 in principal forgiveness for this project based on the affordability score.

The city of Wrightsville was awarded a \$7.1 million Clean Water State Revolving Fund loan to upgrade its water pollution control plant that had reached the end of its useful life. The city will receive \$1.1 million in principal forgiveness for this project based on the affordability score.

GEFA also promotes energy efficiency and the use of renewable energy sources through several energy programs. In June 2023, the Energy Resources Division hosted an energy assurance tabletop exercise. The event brought together local, state, national, and industry partners to discuss statewide response and coordination efforts to energy security incidents. The feedback from this exercise was very informative in updating the State Energy Security Plan and to further strengthen public-private partnerships in the state.

The Weatherization Assistance Program provides free energy efficiency measures to the homes of low-income households in the state of Georgia. In FY2023, GEFA weatherized 692 homes positively impacting 1,189 Georgians.

In the next few years, GEFA will receive even more federal funds for energy and water projects. We are committed to working with federal, state, and local leaders to ensure these funds will be allocated to the communities that want and need them the most. GEFA has made great strides in program growth and development, which will have a long-term, positive impact on the state of Georgia.

Our work would not be possible without the support of Governor Kemp, the General Assembly, and many state agencies. We appreciate their support and look forward to continuing our work to protect Georgia's energy, land, and water resources.

Sincerely,



Hunter Hill, Executive Director

# Accomplishments

## Fiscal Year 2023

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.



# Conserving Georgia's Energy Resources



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



The Weatherization Assistance Program (WAP) weatherized 692 homes positively impacting 1,189 Georgians with an estimated energy savings of 20,276 MBtu



The Bipartisan Infrastructure Law provided almost \$2 million in WAP funding.



The Fuel Storage Tank Program provided maintenance and compliance assistance to 638 fuel storage tanks for 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.

# Improving Georgia's Water Resources



Projects financed by GEFA provided reliable water, wastewater, and solid waste service to more than 900,000 Georgians.



The Clean Water State Revolving Fund awarded 23 loans totaling \$309.4 million.



The Drinking Water State Revolving Fund awarded 18 loans totaling \$91.1 million.



The Bipartisan Infrastructure Law provided \$42.5 million in supplemental and base annual funding.



The Georgia Fund awarded seven loans totaling \$70.2 million.



The Georgia Reservoir Fund awarded one loan totaling \$328,000.



GEFA provided financing to 49 communities with \$84.1 million in debt service savings.

# Energy Resources

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.



# GEFA's Energy Assurance Tabletop Exercise

In recent years, emergencies and other threats impacting energy supply have become more frequent and costly. The Georgia Environmental Finance Authority (GEFA) recognizes these changes, and as part of its resiliency efforts, GEFA hosted a one-and-a-half-day energy emergency tabletop exercise. During this event, there were discussion panels, a working lunch, and a tabletop exercise based on fictitious emergency events.

Discussion panelists presented relevant topics concerning the national and state-level energy sector and included topics on Georgia's current energy preparedness initiatives, energy security at the regional and national level, energy interdependencies, and local impacts from extended outages.

The working lunch focused on impacts to critical infrastructure and energy restoration efforts that have been problematic across the country. The tabletop exercise scenario consisted of three modules based on events following a natural hazard event. The modules included physical attacks on substations, cybersecurity attacks on natural gas utilities, and restoration and recovery implications.

During the tabletop exercise, participating partners and government agencies demonstrated a strong



understanding of energy and cybersecurity emergency preparedness by referencing their actions and plans when responding to the fictitious scenario. These agencies highlighted the importance of educational training to stay ahead of future incidents and demonstrated the importance of response expectations, communication, and coordination between government agencies and the energy sector partners. Recovery and restoration efforts were demonstrated during the event by identifying the appropriate mutual assistance and aid agreements between impacted and unimpacted energy and regional partners.

## Energy Partners

- American Petroleum Institute
- Colonial Pipeline
- Georgia Power
- Georgia Systems Operations
- Georgia Transmission Corporation
- Oglethorpe Power
- Southern Company Gas

## Regional and Federal Partners

- Tennessee Department of Environment and Conservation
- Florida Department of Agriculture and Customer Services – Office of Energy
- National Association of State Energy Officials
- U.S. Department of Energy – Office of Cybersecurity, Energy Security, and Emergency Response
- U.S. Department of Transportation

## State and Local Partners

- Fulton County Emergency Management Agency
- Georgia Department of Agriculture
- Georgia Department of Human Services
- Georgia Department of Natural Resources
- Georgia Department of Transportation
- Georgia Emergency Management Agency
- Georgia Environmental Finance Authority
- Georgia Rural Water Association
- Georgia Technology Authority

# Water Resources

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.

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

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

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

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

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





## GEFA and Bryan County – A Historic Partnership

In May 2022, Governor Kemp and Hyundai Motor Group announced an investment of \$5.4 billion to build Hyundai's first fully dedicated electric vehicle (EV) and battery manufacturing facility at the Bryan County megasite. Construction on this 2,923-acre site is in full swing. When complete by late 2025, the site will have 11 buildings totaling more than 16 million square feet.

Creating jobs is one of the state's top priorities. Economic development affords Georgia citizens the opportunity to provide for themselves, their families, and to improve their quality of life. An integral part of keeping Georgia the No. 1 state for business is investing in critical infrastructure.

The Georgia Environmental Finance Authority provided a \$37.1 million Georgia Fund loan to Bryan County to install

new water and sewer infrastructure to serve anticipated industrial, commercial, and residential developments related to this facility.

Bryan County also received \$135 million in American Rescue Plan funds through the state and a \$15 million match from local governments in the region and the Savannah Harbor-Interstate 16 Corridor Joint Development Authority.

Batteries for the Hyundai EVs will be manufactured at the site through a partnership with LG Energy Solution. Together, the two companies plan to invest a total of \$7.59 billion. The facility will create 8,500 new jobs and manufacture 300,000 vehicles a year.

To date, this is the largest economic development project in Georgia history.

## FISCAL YEAR 2023

# Financial Highlights

The narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2023, 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 more than \$2.8 billion (net position). Of this amount, \$57.5 million was from governmental activities and \$2.8 billion was from business-type activities.
- GEFA's total net position increased by \$157.6 million. The net position in governmental activities increased by \$1.3 million while the net position of business-type activities increased by \$156.3 million.
- Total governmental revenues decreased by \$4.4 million from 2022. The decrease in revenue is mostly attributable to a decrease in operating grants and contributions due to a reporting entity change moving certain financial activities into proprietary fund types.
- Operating grants and contributions within business-type activities increased by \$81.1 million. This increase is mostly due to additional revenue from funding provided under the Bipartisan Infrastructure Law.

# FINANCIAL HIGHLIGHTS

## FY2023 Net Position

	PRIMARY GOVERNMENT						INCREASE (DECREASE) %
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL		
	2023	2022	2023	2022	2023	2022	
Current and other assets	\$ 65,116,798	63,437,103	2,790,548,092	2,631,421,392	2,845,664,890	2,694,858,495	5.6%
Capital assets	1,416,292	1,617,478	—	—	1,416,292	1,617,478	(12.4%)
Total assets	66,533,090	65,054,581	2,790,548,092	2,631,421,392	2,847,081,182	2,696,475,973	5.6%
Deferred outflows of resources	3,266,535	1,675,859	—	—	3,266,535	1,675,859	94.9%
Long-term liabilities outstanding	7,356,396	3,217,685	—	—	7,356,396	3,217,685	128.6%
Other liabilities	4,288,255	3,780,580	5,121,834	2,285,295	7,356,396	3,217,685	128.6%
Total liabilities	11,644,651	6,998,265	5,121,834	2,285,295	16,766,485	9,283,560	80.6%
Deferred inflows of resources	630,036	3,548,984	—	—	630,036	3,548,984	(82.2%)
Net position:							
Investment in capital assets	1,416,292	1,617,478	—	—	1,416,292	1,617,478	(12.4%)
Restricted	47,919,147	46,476,561	2,176,359,032	2,033,027,210	2,224,278,179	2,079,503,771	7.0%
Unrestricted	8,189,499	8,089,152	609,067,196	596,108,887	617,256,695	604,198,039	2.2%
<b>Total net position</b>	<b>\$ 57,524,938</b>	<b>56,183,191</b>	<b>2,785,426,228</b>	<b>2,629,136,097</b>	<b>2,842,951,166</b>	<b>2,685,319,288</b>	<b>5.9%</b>

The complete audited information is available at [gefa.georgia.gov](http://gefa.georgia.gov).

## FINANCIAL HIGHLIGHTS

## FY2023 Statement of Net Position

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	GA. ENVIRON. LOAN ACQ. CORP
<b>ASSETS</b>				
Cash	\$ 805,174	8,776,924	9,582,098	3,831
Investments	55,004,998	1,061,360,274	1,116,365,272	73,041,366
Due from other governments	8,439,576	6,030,850	14,470,426	—
Internal balances	384,613	(384,613)	—	—
Accrued interest receivable	—	5,398,924	5,398,924	46,546
Loans receivable	—	1,709,365,703	1,709,365,703	12,963,793
Other assets	7,250	—	7,250	—
Net OPEB asset	475,187	—	475,187	—
Capital assets, net of accumulated depreciation	1,416,292	—	1,416,292	—
<b>Total assets</b>	<b>66,533,090</b>	<b>2,790,548,062</b>	<b>2,857,081,152</b>	<b>86,055,536</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to other postemployment benefits	445,369	—	445,369	—
Related to pensions	2,821,166	—	2,821,166	—
<b>Total deferred outflows of resources</b>	<b>3,266,535</b>	<b>—</b>	<b>3,266,535</b>	<b>—</b>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	2,946,467	5,120,234	8,066,701	9,500
Accrued payroll	1,687	—	1,687	—
Due to other governments	—	1,600	1,600	11,674
Unearned revenue	1,340,101	—	1,340,101	—
Long-term liabilities:				
Compensated absences, current	115,399	—	115,399	—
Compensated absences, noncurrent	346,198	—	346,198	—
Net OPEB liability	347,165	—	347,165	—
Net pension liability	6,547,634	—	6,547,634	—
<b>Total liabilities</b>	<b>11,644,651</b>	<b>5,121,834</b>	<b>16,766,485</b>	<b>21,174</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to other postemployment benefits	468,044	—	468,044	—
Related to pensions	161,992	—	161,992	—
<b>Total deferred inflows of resources</b>	<b>630,036</b>	<b>—</b>	<b>630,036</b>	<b>—</b>
<b>NET POSITION</b>				
Investment in capital assets	1,416,292	—	1,416,292	—
Restricted for:				
Grant programs	2,746,164	—	2,746,164	—
Loan programs	45,172,983	2,176,359,032	2,221,532,015	—
Unrestricted	8,189,499	609,067,196	617,256,695	86,034,362
<b>Total net position</b>	<b>\$ 57,524,938</b>	<b>2,785,426,228</b>	<b>2,842,951,166</b>	<b>86,034,362</b>

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FINANCIAL HIGHLIGHTS

FY2023 Statement of Activities

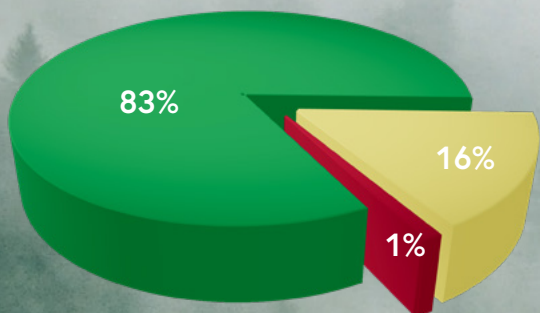
FUNCTIONS/PROGRAMS:	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICE	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNIT
<b>GOVERNMENTAL ACTIVITIES:</b>								
General government	\$ 7,104,565	—	13,738,914	—	6,634,349	—	6,634,349	
Water and wastewater	5,854,717	4,307,299	1,774,572	—	227,154	—	227,154	
Energy and environment	11,222,986	—	11,317,430	—	94,444	—	94,444	
<b>Total governmental activities</b>	<b>24,182,268</b>	<b>4,307,299</b>	<b>26,830,916</b>	<b>—</b>	<b>6,955,947</b>	<b>—</b>	<b>6,955,947</b>	
<b>BUSINESS-TYPE ACTIVITIES:</b>								
Water and wastewater	17,430,275	—	17,430,275	—	—	—	—	
Storage tank maintenance	862,673	1,036,800	16,357	—	—	190,484	190,484	
Outdoor stewardship and land conservation	18,796,868	—	29,106,365	—	—	10,309,497	10,309,497	
General and administrative	400,682	30,254,078	107,744,888	—	—	137,598,284	137,598,284	
<b>Total business-type activities</b>	<b>\$ 37,490,498</b>	<b>31,290,878</b>	<b>154,297,885</b>	<b>—</b>	<b>—</b>	<b>148,098,265</b>	<b>148,098,265</b>	
<b>Total primary government</b>	<b>\$ 61,672,766</b>	<b>61,672,766</b>	<b>181,128,801</b>	<b>—</b>	<b>6,955,947</b>	<b>148,098,265</b>	<b>155,054,212</b>	
<b>COMPONENT UNIT:</b>								
Georgia Environmental Loan Acquisition Corporation	\$ 36,567	551,389	2,524,397	—	—	—	—	3,039,219
<b>Total component units</b>	<b>\$ 36,567</b>	<b>551,389</b>	<b>2,524,397</b>	<b>—</b>				
<b>GENERAL REVENUES:</b>								
Unrestricted investment earnings					\$ 2,121,560	—	2,121,560	—
Miscellaneous					452,966	3,140	456,106	13,969
Transfers					(8,188,726)	8,188,726	—	—
Total general revenues and transfers					(5,614,200)	8,191,866	2,577,666	3,053,188
Changes in net position					\$ 1,341,747	156,290,131	157,631,878	3,053,188
<b>Net position – July 1</b>					<b>56,183,191</b>	<b>2,629,136,097</b>	<b>2,685,319,288</b>	<b>82,981,174</b>
<b>Net position – June 30</b>					<b>\$57,524,938</b>	<b>2,785,426,228</b>	<b>2,842,951,166</b>	<b>86,034,362</b>

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FINANCIAL HIGHLIGHTS

# 2023 Revenues and Expenses

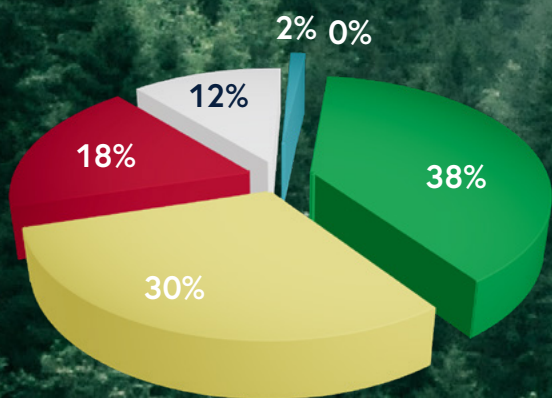
## Fiscal Year 2023 Revenues



Operating Grants and Contributions	\$181,128,801	83%
Charges for Services and Other Revenue*	\$36,054,283	16%
Investment earnings, unrestricted	\$2,121,560	1%
<b>Total Revenues</b>	<b>\$219,304,644</b>	<b>100%</b>

\* Includes restricted investment earnings

## Fiscal Year 2023 Expenses



Water and Wastewater	\$23,284,992	38%
Outdoor stewardship and land conservation	\$18,796,868	30%
Energy and Environment	\$11,222,986	18%
General Government	\$7,104,565	12%
Storage Tank Maintenance	\$862,673	2%
General and administrative	\$400,682	0%
<b>Total Expenses</b>	<b>\$61,672,766</b>	<b>100%</b>

**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 development 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 2023*

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

# Annual Report 2023

