2025
Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
A COMPONENT UNIT OF THE STATE OF GEORGIA

PREPARED BY FINANCIAL SERVICES DIVISION

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GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2025

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GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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INTRODUCTORY SECTION

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INTRODUCTORY SECTION

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November 17, 2025

To the Honorable Members of the Board,
Executive Director, and
Citizens of the State of Georgia:

We are pleased to present the Georgia Environmental Finance Authority's (the "Authority") Annual Comprehensive Financial Report (the "ACFR") for the fiscal year ended June 30, 2025. The financial statements included in this report conform with generally accepted accounting principles (GAAP) and are audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

The Financial Services Division prepared this report. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority's management. Management has established internal controls to ensure that the Authority fulfills its responsibility as custodian of public funds. The purpose of internal controls is to provide reasonable, but not absolute, assurance that Authority assets are safeguarded against loss through unauthorized use or disposition. The concept of reasonable assurance recognizes that the cost of controls should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgements by management.

The Authority's financial statements have been audited by Mauldin & Jenkins, LLC for the fiscal year ended June 30, 2025. The goal of an independent audit is to provide reasonable assurance the financial statements of the Authority are free of material misstatement. The independent auditors concluded, based upon the audit, that there was a reasonable basis for issuing an unmodified ("clean") opinion on the Authority's financial statements for the fiscal year ended June 30, 2025. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Authority was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards

governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued document.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A contains a narrative overview and analysis of the financial activities of the Authority. The Authority's MD&A can be found immediately following the independent auditors' report. This transmittal letter, which is designed to assist users in assessing the government's financial condition, should complement the MD&A and should be read from that perspective and in conjunction with all other sections of the Authority's ACFR.

Profile of the Authority

In 1983, the Governor and the Georgia General Assembly, acting on the 1982 recommendations of the Environmental Facilities Study Commission, created the Environmental Facilities Program and placed it in an existing agency called the Georgia Development Authority. The findings of the study commission identified the widening gap between local environmental infrastructure needs and the financial resources to pay for them. The Georgia General Assembly created the Georgia Environmental Facilities Authority in 1986 and transferred all the environmental facilities program assets and functions from the Georgia Development Authority to the Georgia Environmental Facilities Authority. In fiscal year 2010, the Georgia General Assembly renamed the Georgia Environmental Facilities Authority to the Georgia Environmental Finance Authority.

The Authority is a public corporation and an instrumentality of Georgia state government. There is an eleven-member board, eight appointed by the Governor and three who serve ex-officio. Three of the eight appointees are municipal officials, three are county officials and two are appointed from the state at large. The three ex-officio members are the Commissioner of the Georgia Department of Economic Development, the Commissioner of the Georgia Department of Community Affairs and the State Auditor.

The Authority is organized under the Official Code of Georgia Annotated (the "OCGA"), Title 50, Chapter 23 ("The Georgia Environmental Finance Authority Act"). The Authority's stated purpose is "to assist local governments in constructing, extending, rehabilitating, repairing and renewing environmental facilities, and to assist in the financing of such needs by providing grants, loans, bonds and other assistance to local governments" and eligible local authorities. Initially, the Authority was only authorized to make loans for water supply or wastewater treatment and related facilities. In 1989, legislation was passed that allowed the Authority to also make loans to fund solid waste management facilities.

In 2010, legislation was passed to allow the Authority to create a subsidiary organization for the purposes of carrying out certain powers of the Authority. As a result of this change, the Authority created the Georgia Environmental Loan Acquisition Corporation (the "Corporation"), a nonprofit organization, to purchase tax-exempt loans from the Authority through a loan securitization transaction. Proceeds from the sale, in conjunction with cash reserves, were used to remit funds back to the state treasury at the voluntary option of the Authority's board of directors. The Corporation is a component unit of the Authority and is discretely presented within the Authority's financial statements.

During the 2018 legislative session, the Georgia General Assembly passed House Bill 332 and House Resolution 238, establishing the Georgia Outdoor Stewardship Act. On November 6, 2018 Georgia voters passed the amendment with 83% support. This newly founded grant program provides a dedicated funding mechanism to support parks and trails and protect and acquire lands critical to wildlife, clean water, and outdoor recreation across the state of Georgia. The program became effective July 1, 2019. Per law, the Authority performs administrative and fiduciary roles for managing funds collected and disbursed on behalf of the program at the direction of the Georgia Department of Natural Resources, a partner state agency.

The Authority is comprised of two primary divisions: Water Resources (WRD) and Energy Resources (ERD). The divisions provide a wide range of services including loans, grants and subsidies to jurisdictions throughout the state for water supply and wastewater improvements, grants for energy conservation and household energy efficiency restorations, services for remediation of underground storage tanks, and grants or loans for conservation of land resources. Administrative divisions of the Authority also exist to support initiatives of these primary divisions.

Financial and Budgetary Matters

The Authority maintains budgetary controls to ensure compliance with its internal budget processes. The level of budgetary control is at the department/fund level. Expenditures may exceed the total for any department within a fund with approval by Executive Director. Transfers of budgeted amounts within a department shall require only approval of the Director of Financial Services at the request of another department head. Transfers between or among departments or funds, or an increase in the overall budget for a department or fund, shall require the approval of the Board of Directors in accordance with the Authority's bylaws. Department heads and management personnel are directed to operate within approved budgetary limits to avoid "emergency" situations, which would require supplemental approval by the Board of Directors.

Annual budgets are approved on a basis consistent with GAAP for the general and special revenue funds are integrated into the general ledgers of such funds. The Authority's proprietary funds are budgeted for management and control purposes. Each department prepares, in conjunction with the Financial Services Division, expenditure estimates, as well as special or one-time spending needs. The Financial Services Division estimates revenues based on planned expenditures and historical trends for all funds of the Authority. These budget requests are then reviewed internally and approved by the Executive Director, and later presented to the Authority's Board of Directors for approval in accordance with corporate bylaws.

Long-term Financial Planning and Major Initiatives

Since signage of the Bipartisan Infrastructure Law, now referred to as Infrastructure Investment and Jobs Act (BIL/IIJA), on November 15, 2021, the Authority has worked to implement several new programs under its purview, as well as maintain existing programs with increased levels of funding. Specifically, for its Energy Resources Division, the Authority received a combined $218.8 million for the Home Efficiency Rebates and High-Efficiency Appliance Home Rebate programs. Both programs had successful launches during the last half of fiscal year 2025.

At fiscal year-end, the Authority had provided 88 rebates for the Home Efficiency Rebates program totaling over $875 thousand; and for the High-Efficiency Appliance Home Rebate program, 255 rebates had been issued valued at more than $1.8 million. For both programs, these rebates were issued for work performed on consumer households. These programs span for an additional two to three years and for the upcoming fiscal year, there are plans to venture into providing rebates to multi-family units.

Existing programs such as the State Energy Program (SEP) and Weatherization Assistance Program (WAP) continued their efforts to provide funding to increase energy efficiency in commercial and residential properties, expending nearly $3 million for SEP and over $17.3 million for WAP.

For a consecutive year, the Authority received heightened levels of funding from the State of Georgia. During fiscal year 2024, $250 million was provided to capitalize the Authority's state administered loan program. For FY 2025, the Authority received another $200 million for this purpose, as well as $567.8 million dedicated to assisting water and wastewater needs in the coastal Georgia area as part of the state's initiative to expand economic growth and stability to rural and underdeveloped areas of Georgia. More importantly, the coastal Georgia funding is provided to boost areas near a project that the Authority provided over $100 million to help fund water and sewer facilities.

This upcoming year, the Authority will embark on engagements with the planned awardees for the coastal Georgia funding as well as continue to have historic levels of demand for water and sewer funding across the state. Currently, more than $3 billion of infrastructure water and wastewater projects have been identified and are desired by local governments throughout the state. The Authority will help play a partner role to those applicants in completing these projects.

Award

The Government Finance Officers Association of the United States and Canada (the "GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its ACFR for the fiscal year ended June 30, 2024.

To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We anticipate this year's ACFR will also qualify for this distinguished award.

Acknowledgements

This report could not have been prepared without the support and encouragement of the Authority's management, staff and members of its board. We are very appreciative for their dedication to sound responsible financial operations. In addition, any financial report is only as good as the accounting and financial records that supply its supporting data. The Authority's fiscal services division deserves special recognition for their dedication, knowledge, perseverance and attention to detail. Lastly, we would like to give a special thanks to the division directors; the administrative team for its contributions in the preparation of the ACFR and to our independent auditors, Mauldin & Jenkins, LLC, for their expertise, professionalism and dedication to ensure our audit was completed efficiently and timely.

Respectfully submitted,

Jammie Z. Harden, CGFM
Director of Financial Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Georgia Environmental Finance Authority

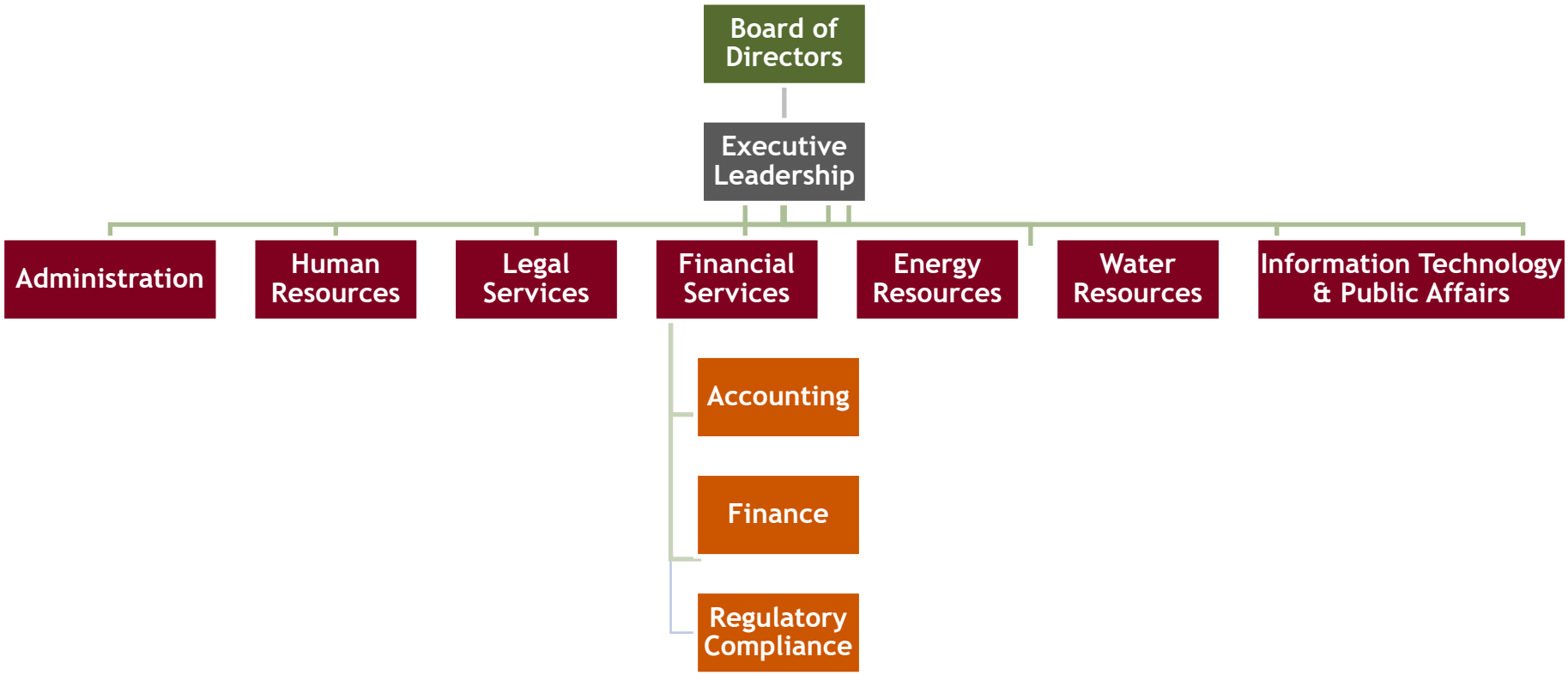
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
ORGANIZATIONAL CHART



GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)
List of Principal Officials and Authority Staff

AUTHORITY DEPARTMENT DIRECTORS

Administration
Susan Lucki

Energy Resources
Kristofor Anderson

Information Technology/Public Affairs
Shane Hix

Human Resources
Glendale Jones

Financial Services
Jammie Harden

Water Resources
Judy Adler

APPOINTED OFFICIALS

Executive Director
Hunter Hill

Chairman
Mike Young
Mayor - McRae-Helena, GA

Secretary, Ex-Officio
Greg Griffin
State Auditor

Member
Eugene Cason
Commissioner - Dooly County, GA

Member, Ex-Officio
Christopher Nunn
Commissioner - Georgia Department of Community Affairs

Vice Chairman, Member, At-Large
Ted Rumley
Dade County, GA

Member
Jimmy Andrews
Mayor - Sandersville, GA

Member
Christopher Hightower
Council - Barnesville, GA

Member, Ex-Officio
Pat Wilson
Commissioner - Georgia Department of Economic Development

Member
Scott Orenstein, Commissioner
Commissioner - Lowndes County, GA

Member, At-Large
Rick Story
Rabun County, GA

Member
Travis Turner
Chairman - White County Board of Commissioners

FINANCIAL SERVICES

Shelina Ali
Senior Financial Analyst

Gabriel Guerrero
Accountant II

Derek Sands, Jr.
Senior Financial Analyst

Chunling Yang
Senior Accountant

Wan Yi Chen
Senior AP & Payroll Specialist

Charlette Helvey
Senior Compliance Auditor

Gerald Wade
Senior Financial Analyst

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FINANCIAL SECTION

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FINANCIAL SECTION

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MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

The Members of the
Georgia Environmental Finance Authority
Atlanta, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **Georgia Environmental Finance Authority** (the "Authority"), a component unit of the State of Georgia, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Georgia Environmental Finance Authority, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Change in Accounting Principle

As described in Notes 1 and 12 to the financial statements, during the fiscal year ended June 30, 2025, the Authority adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards,* we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the pension liability and contribution schedules, and the OPEB liability and contribution schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 17, 2025

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Management's Discussion and Analysis

(Unaudited)

We, the management of the Georgia Environmental Finance Authority (the "Authority"), offer readers of these financial statements a narrative presentation of the Authority's financial performance for fiscal year (FY) ended June 30, 2025. This discussion and analysis examine in further detail the Authority's financial performance as a whole. Readers of this report are also encouraged to review the financial statements and notes to the financial statements to enhance their understanding of business activities conducted by the Authority.

Financial Highlights

Key financial highlights for the year ended June 30, 2025, include:

- 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 $4.3 billion (net position). Of this amount, $51.7 million was from governmental activities and approximately $4.23 billion was from business-type activities.
- The Authority's total net position increased by $980.5 million. The net position in governmental activities decreased by almost $6.45 million while the net position of business-type activities increased approximately $986.9 million.
- Total governmental revenues increased by $9.9 million. The increase in revenue is mostly attributable to an increase in administrative operations and program expenditures associated with the Bipartisan Infrastructure Law (BIL), primarily within the energy programs.
- Operating grants and contributions within business-type activities increased by $527.9 million. This increase is mostly due to a significant capitalization of $767.8 million from the state, which alone represents $517.8 million of this increase, more than doubling the funding provided in 2024. In addition, an increase of $4.3 million in interest income earned on loans receivables occurred most likely due to the volume increase in disbursement activity and loans generating construction interest.

The above financial highlights are explained further in the "financial analysis" section of this document.

Overview of the Financial Statements

This discussion and analysis section is intended to serve as an introduction to the Authority's basic financial statements. The Authority's financial statements contain three components: government-wide statements, fund financial statements and notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The Authority's annual comprehensive financial report includes two government-wide financial statements. These statements are intended to provide a broad overview of both long-term and short-term information about the Authority's overall financial position. Financial reporting at this level uses a financial perspective like that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first government-wide statement is the ***Statement of Net Position***, which is the government-wide statement that presents information that includes all the Authority's assets, deferred outflows or resources, liabilities, and deferred inflows of resources, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority, as a whole, is improving or deteriorating. Evaluation of the overall fiscal health of the Authority would extend to other nonfinancial factors such as new or changes in legislation over which the Authority has no direct control, changes in levels of federal or state funding, or a change in management's programmatic focus, in addition to the financial information provided in this report.

The second government-wide statement is the ***Statement of Activities***, which reports how the Authority's net position changed during the reported fiscal period. All current year's revenues and expenses are accounted for regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement that will

result in cash flows in future fiscal periods. One important purpose of the statement of activities is to show the financial reliance of the Authority's distinct activities or functions on the revenues provided by the state of Georgia and federal grantors, as well as that on the revenue streams from repayment of loans from our ever-growing customer base.

Both government-wide financial statements distinguish governmental activities of the Authority that are principally supported by federal or state appropriated grants from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general administrative operations of the Authority and those costs incurred for expenditure-driven grant programs, such as those incurred by the Energy Resources Division as well as those costs associated with administering the federal state revolving loan programs. Business-type activities include all operations of the Authority's lending programs, as well as activities associated with its fuel storage tank maintenance program. The government-wide financial statements are presented on pages 26 and 27 of this report.

Fund Financial Statements

A fund is an accounting unit used to maintain control over resources segregated for specific activities or objectives. The Authority uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Authority's most significant funds rather than the Authority as a whole. Major funds are separately reported while all other (nonmajor) funds are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

All the funds of the Authority can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are reported in the fund financial statements and include the same functions reported as governmental activities in the government-wide financial statements. However, the focus is different with fund financial statements providing a varied view of the Authority's governmental funds. These statements report short-

term fiscal accountability focusing on the use of the spendable resources. They account for items using the current financial resources measurement focus and the modified accrual basis of accounting which measures cash and all other financial assets that can readily be converted to cash. They are useful in evaluating annual financing requirements of governmental programs and the Authority's ability to commit spendable resources for near-term expenditures.

Since the government-wide focus includes the long-term view, comparisons between these two outlooks may provide insight into the long-term impact of short-term spending decisions. For this reason, reconciliation between the governmental activities (shown in the Statement of Net Position and Statement of Activities) and the governmental funds is provided at the bottom of the fund financial statements.

The Authority maintains eight (8) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Weatherization Assistance Program Fund, Clean Water SRF Administration Fund, the Drinking Water SRF Administration Fund, and the Appalachian Regional Commission Fund, which are considered major funds and are presented on pages 28-30 of this report. Data from other governmental funds are combined into a single, aggregated presentation. Individual data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds are reported in the fund financial statements and generally report those activities for which the Authority charges its customers a fee for the use of its financial resources or technical expertise. The Authority's proprietary funds are classified as enterprise funds. These enterprise funds essentially are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows associated with these distinct programs.

The Authority maintains six (6) individual enterprise funds. Information is presented separately in the enterprise fund statement of net position and in the enterprise fund statement of revenues, expenses, and changes in net

position for the Georgia Fund, Georgia Reservoir Fund, Storage Tank Maintenance Fund, Clean Water State Revolving Loan Fund, Drinking Water State Revolving Loan Fund, and the Georgia Outdoor Stewardship Program Fund, all of which are considered major funds of the Authority and are presented on pages 31-33 of this report. Individual fund data for the nonmajor enterprise fund is provided in the form of a combining statement elsewhere in this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information necessary for a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 34 of this report.

Supplementary information

In addition to the basic financial statements and accompanying note disclosures, this report also presents certain supplementary information concerning the Authority's funds. As mentioned previously, the Authority reports major funds in the basic financial statements. Combining and individual statements and schedules for nonmajor funds are presented in this section of this report beginning on page 86.

Government-wide Financial Analysis of the Authority

Year over year changes in net position trend information is accumulated on a consistent basis. This information trend will be observed, analyzed, and used to discuss the financial position of the Authority as a whole. Net position over time may serve as a useful indicator of the Authority's financial position. Net position of the Authority was greater than $4.2 billion at year-end, increasing by over 29 percent, a 13 percent increase over prior year. The major contributor for the increase was a $767.8 million infusion of cash appropriations for the state-funded loan program, of which $501.7 million is dedicated to Georgia's coastal region's water storage and delivery system improvements. In addition, other significant contributing factors to changes in the net position at year-end is that

there was increased revenue for interest earnings on loans provided increasing by over 14 percent. The increase in revenue is partly due to an increase in interest rates, plus a change in earnings' strategy to charge an additional two percent interest over the permanent interest rate while projects are in construction, a change implemented during fiscal year 2024.

Overall revenues of the Authority increased by $541.8 million while expenses increased by only $22.7 million for a net year-over-year operating increase of $519.1 million. The following table presents a summary of the Authority's net position:

GEFA
Net Position

	Primary Government				Total		Increase (Decrease)
	Governmental activities		Business-type activities				
	2025	2024 Restated	2025	2024	2025	2024 Restated	%
Assets:							
Current and other assets	$ 63,627,766	66,488,115	4,245,349,259	3,255,538,835	4,308,977,025	3,322,026,950	29.7%
Capital assets	1,053,884	1,234,495	-	-	1,053,884	1,234,495	(14.6%)
Total assets	64,681,650	67,722,610	4,245,349,259	3,255,538,835	4,310,030,909	3,323,261,445	29.7%
Deferred Outflows of resources	1,978,305	2,140,697	-	-	1,978,305	2,140,697	(7.6%)
Liabilities:							
Long-term liabilities outstanding	5,075,205	6,208,419	-	-	5,075,205	6,208,419	(18.3%)
Other liabilities	8,949,436	5,198,652	11,850,793	8,972,867	20,800,229	14,171,519	46.8%
Total liabilities	14,024,641	11,407,071	11,850,793	8,972,867	25,875,434	20,379,938	27.0%
Deferred Inflows of resources	917,333	286,420	-	-	917,333	286,420	220.3%
Net position:							
Investment in capital assets	1,053,884	1,234,495	-	-	1,053,884	1,234,495	(14.6%)
Restricted	42,278,211	48,831,805	2,558,813,654	2,368,345,390	2,601,091,865	2,417,177,195	7.6%
Unrestricted	8,385,886	8,103,516	1,674,684,812	878,220,578	1,683,070,698	886,324,094	89.9%
Total net position	$ 51,717,981	58,169,816	4,233,498,466	3,246,565,968	4,285,216,447	3,304,735,784	29.7%

The Authority's investment in capital assets is comprised of building improvements, computer equipment and furniture and fixtures. The Authority recognized $180.6 thousand in depreciation expense during fiscal year 2025. At year-end, investment in capital assets was over $1.05 million. These capital assets are used to provide services to the Authority and are not available for future spending.

There was a decrease in restricted net position of the Authority's governmental activites of approximately $6.6 million mostly due to the use of funds provided as match to the state revolving loan funds which increased by $11.1 million over fiscal year 2024.

There was an increase in restricted net position of the Authority's business-type activities of approximately $190.4 million, a decrease of approximately $1.6 million from the prior year's increase of $192 million, which was primarily held for the use of the Authority's federal loan programs.

In addition, unrestricted net position increased for the Authority as follows:

- Unrestricted net position for governmental activities increased by $282.4 thousand.
- Unrestricted net position for business-type activities increased by over $796.5 million.

The following table provides a summary of the changes in net position, with comparative data for the current and prior fiscal years:

GEFA
Changes in Net Position

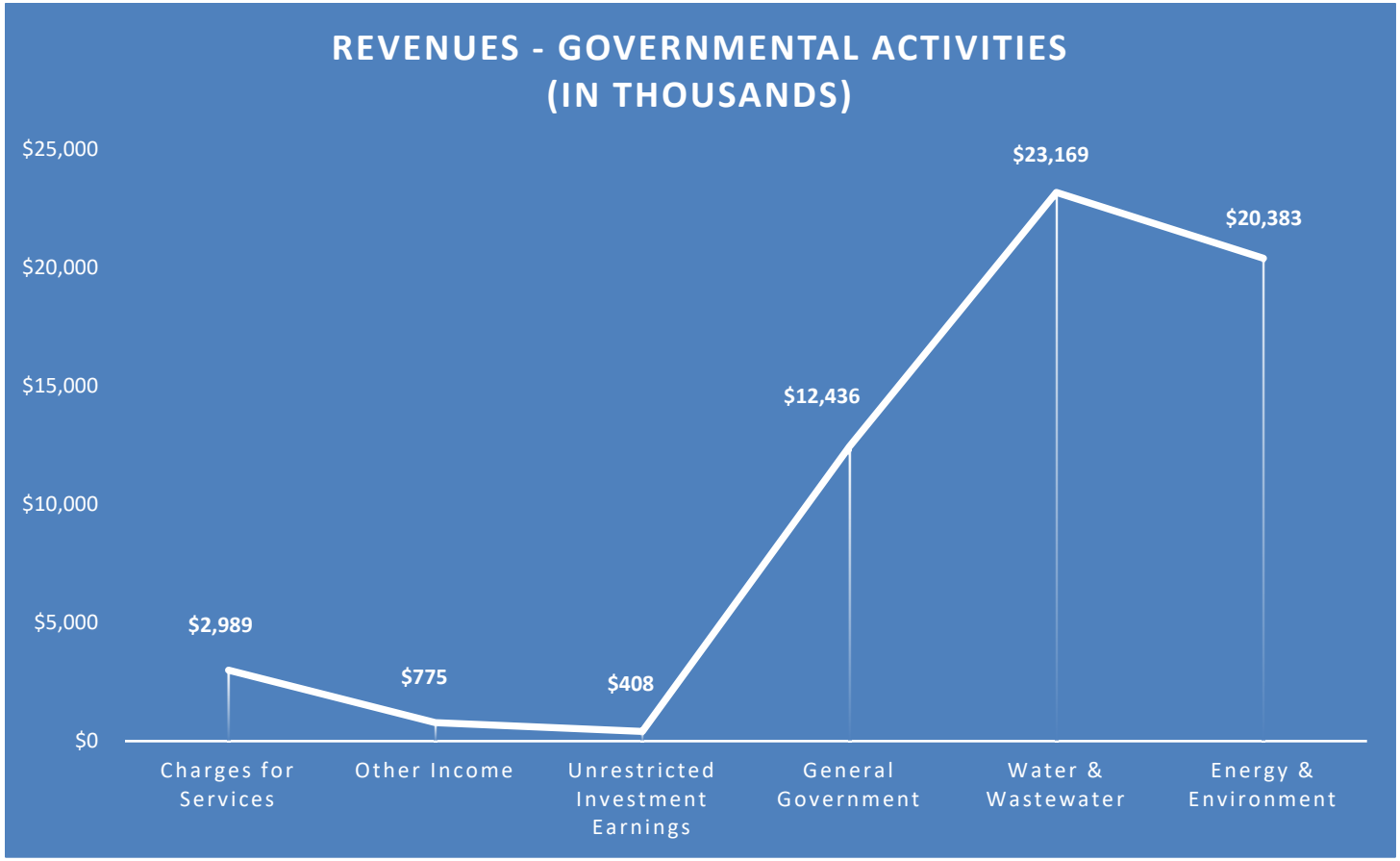
	Primary Government						Increase
	Governmental activities		Business-type activities				(Decrease)
	2025	2024	2025	2024	2025	2024	%
		Restated				Restated	
Revenues:							
Program revenues:							
Charges for services	$ 2,989,473	5,357,524	35,754,659	31,818,778	38,744,132	37,176,302	4.2%
Operating grants and contributions	55,988,494	40,581,637	992,488,713	464,581,376	1,048,477,207	505,163,013	107.6%
General revenues:							
Unrestricted investment earnings	408,190	3,255,957	-	-	408,190	3,255,957	(87.5%)
Other income	774,852	1,040,428	25,067	17,730	799,919	1,058,158	(24.4%)
Total revenues	60,161,009	50,235,546	1,028,268,439	496,417,884	1,088,429,448	546,653,430	99.1%
Expenses (net of indirect costs):							
General government	10,096,729	10,979,411	-	-	10,096,729	10,979,411	(8.0%)
Water & wastewater	4,357,725	9,308,284	44,653,813	24,969,516	49,011,538	34,277,800	43.0%
Outdoor stewardship & land conservation	-	-	19,364,659	22,593,543	19,364,659	22,593,543	(14.3%)
Energy & environment	28,539,899	16,399,347	-	-	28,539,899	16,399,347	74.0%
Storage tank maintenance	-	-	798,861	785,015	798,861	785,015	1.8%
General and administrative	-	-	137,099	151,808	137,099	151,808	(9.7%)
Total expenses	42,994,353	36,687,042	64,954,432	48,499,882	107,948,785	85,186,924	26.7%
Increase in net position before transfers	17,166,656	13,548,504	963,314,007	447,918,002	980,480,663	461,466,506	112.5%
Transfers	(23,618,491)	(13,221,738)	23,618,491	13,221,738	-	-	-
Increase in net position	(6,451,835)	326,766	986,932,498	461,139,740	980,480,663	461,466,506	112.5%
Net position - July 1	58,169,816	57,524,938	3,246,565,968	2,785,426,228	3,304,735,784	2,842,951,166	16.2%
Restatement	-	318,112	-	-	-	318,112	(100.0%)
Net position - June 30	$ 51,717,981	58,169,816	4,233,498,466	3,246,565,968	4,285,216,447	3,304,735,784	29.7%

Governmental Revenues

Charges for services within governmental activities decreased by 44 percent, or $2.4 million. These charges are for administrative fees retained outside of loan programs and are earned based on the value of loans executed during the fiscal year. The value of loans executed during 2025 decreased significantly from $451 million to $257

million that explains the large reduction in origination fees generated. Loans are approved at various times during the year, and thus these values fluctuate year-to-year.

Operating grants and contributions of the Authority's governmental activities increased by $15.4 million. The majority of this increase was related to an increase in program activity for grant programs and an increase in administrative expenditure-driven charges to support these programs. That particular segment of operating grants and contributions increased by $11.7 million, comprising 76 percent of the overall increase. The graph below provides an illustration of governmental funds revenues:

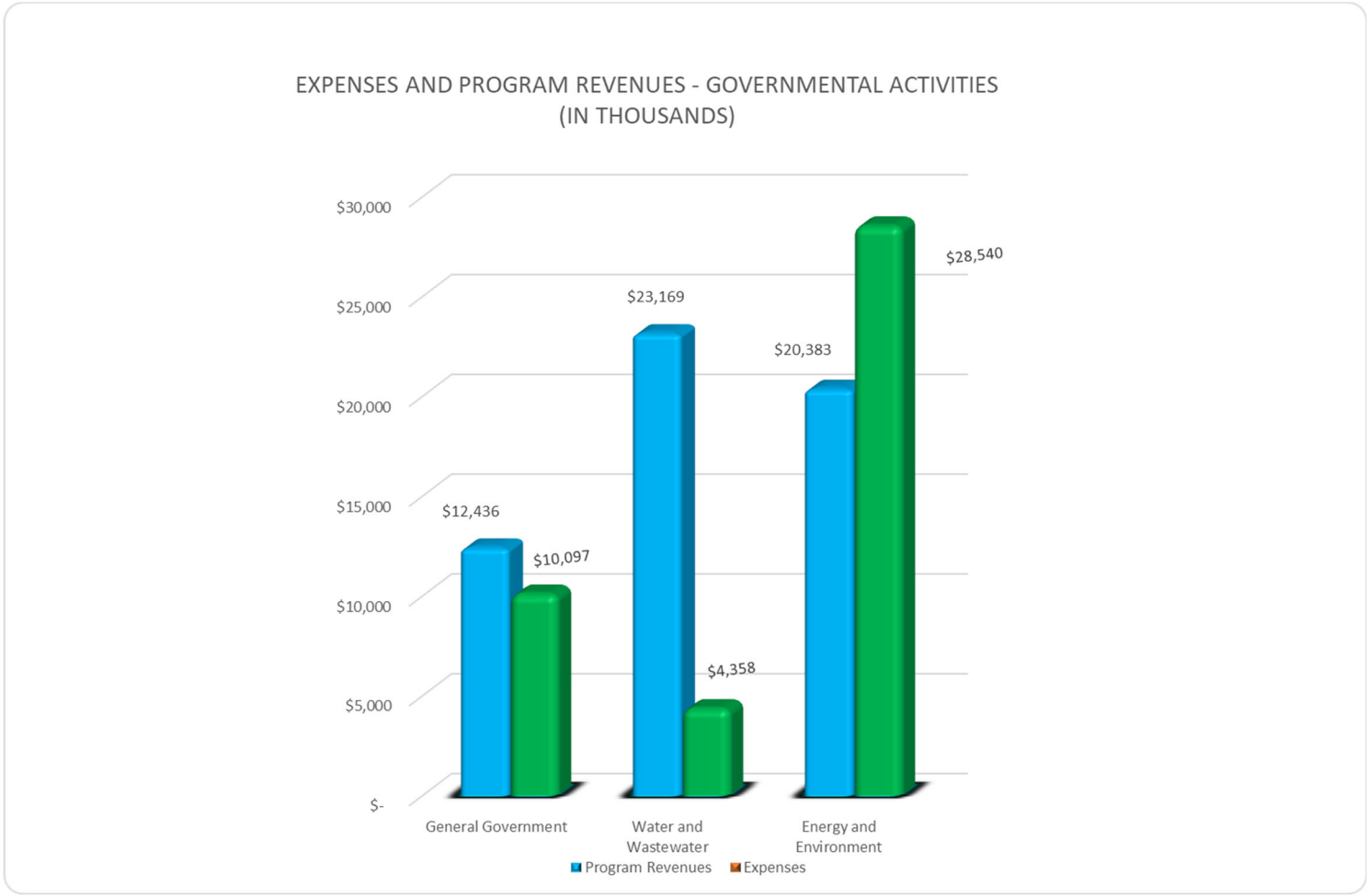


Unrestricted investment earnings of $408 thousand within governmental activities were reported during the year, reduced and realigned by over $2.85 million to correlate with their respective program revenues.

Governmental Functional Expenses

Expenses within the general government function decreased by nearly $883 thousand. The decrease is mostly attibutable to a decrease and realignment of certain costs to other functions within governmental activities, as basic govermental activities costs remained relatively the same or experienced slight increases across the board.

An illustration of governmental functional expenses is below:


EXPENSES AND PROGRAM REVENUES - GOVERNMENTAL ACTIVITIES
(IN THOUSANDS)
$30,000
$25,000
$20,000
$15,000
$10,000
$5,000
$-
$12,436
$10,097
$23,169
$4,358
$20,383
$28,540
General Government
Water and Wastewater
Energy and Environment
Program Revenues
Expenses

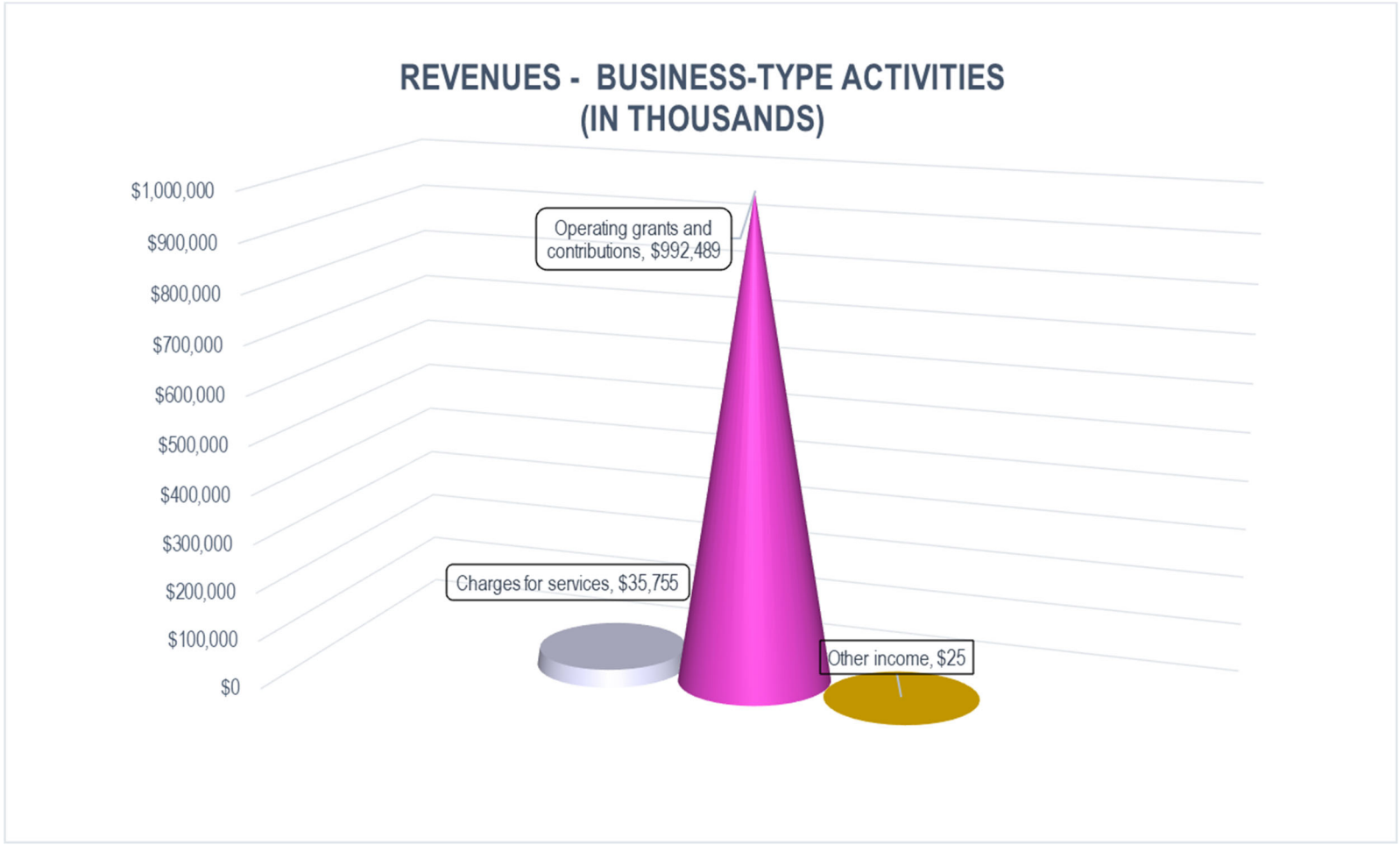
In addition, there was a decrease in the water and wastewater program function expenses of governmental activities of $4.95 million. The decrease is mostly impacted by a decrease in cost associated with the Authority's clean water septic-to-sewer grant program.

The energy and environment function had an increase in expenses of approximately $12.1 million. The increase is mostly due to an increase in the Weatherization Assistance Program charges, a realignment of general government costs that are directly tied to administration of the energy rebates programs, and modest increases in cost for other componets of the State Energy Program.

Business-type Activities: Revenues vs Expenses

Revenues

Total revenues for the business-type activities for the Authority for fiscal year 2025 were approximately $1.02 billion, increasing by $531.8 million. Charges for services increased by $3.93 million as interest rates charged on loans have increased in coordination with the Authority's change to its interest rate tier structure. In addition, the volume of loan disbursements has increased in direct response to larger loans executed in recent years causing the outstanding principal balance to be higher, thereby generating more revenue. There was an increase in operating grants and contributions revenue of over $527.9 million mostly stemming from the state providing a significant cash infusion along with an increase in federal funds drawn to cover the larger loans funded with the greater number of loan activities unter the BIL programs. Other income experienced a slight increase of $7 thousand due to charges related to a greater number of open records requests regarding the administration of BIL programs, as well as late fees charged as new borrowers get acclimated with repaying debt obligations of the Authority.


REVENUES - BUSINESS-TYPE ACTIVITIES
(IN THOUSANDS)
$1,000,000
$900,000
$800,000
$700,000
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
Operating grants and contributions, $992,489
Charges for services, $35,755
Other income, $25

Expenses

Expenses within the Authority's business-type activites increased by approximately $16.45 million during the fiscal year 2025.

Water and wastewater programs experienced an increase of $19.7 million. The increase is mostly due to an increase in contractual services to help administer base and BIL programs, an increase in funding provided for lead service line inventory projects, and an increase in principal forgivesness provided on loans.

Outdoor stewardship and land conservation had an decrease of $3.2 million due to decreased within the program ad year-to year fluctuations occur.

The storage tank maintenance program expenses experienced a slight increase of appromixately $13.8 thousand. Activity levels remained relatively the same as fiscal year 2024 and the increase is most likely a result of rising cost of materials used and tax assessments on goods.

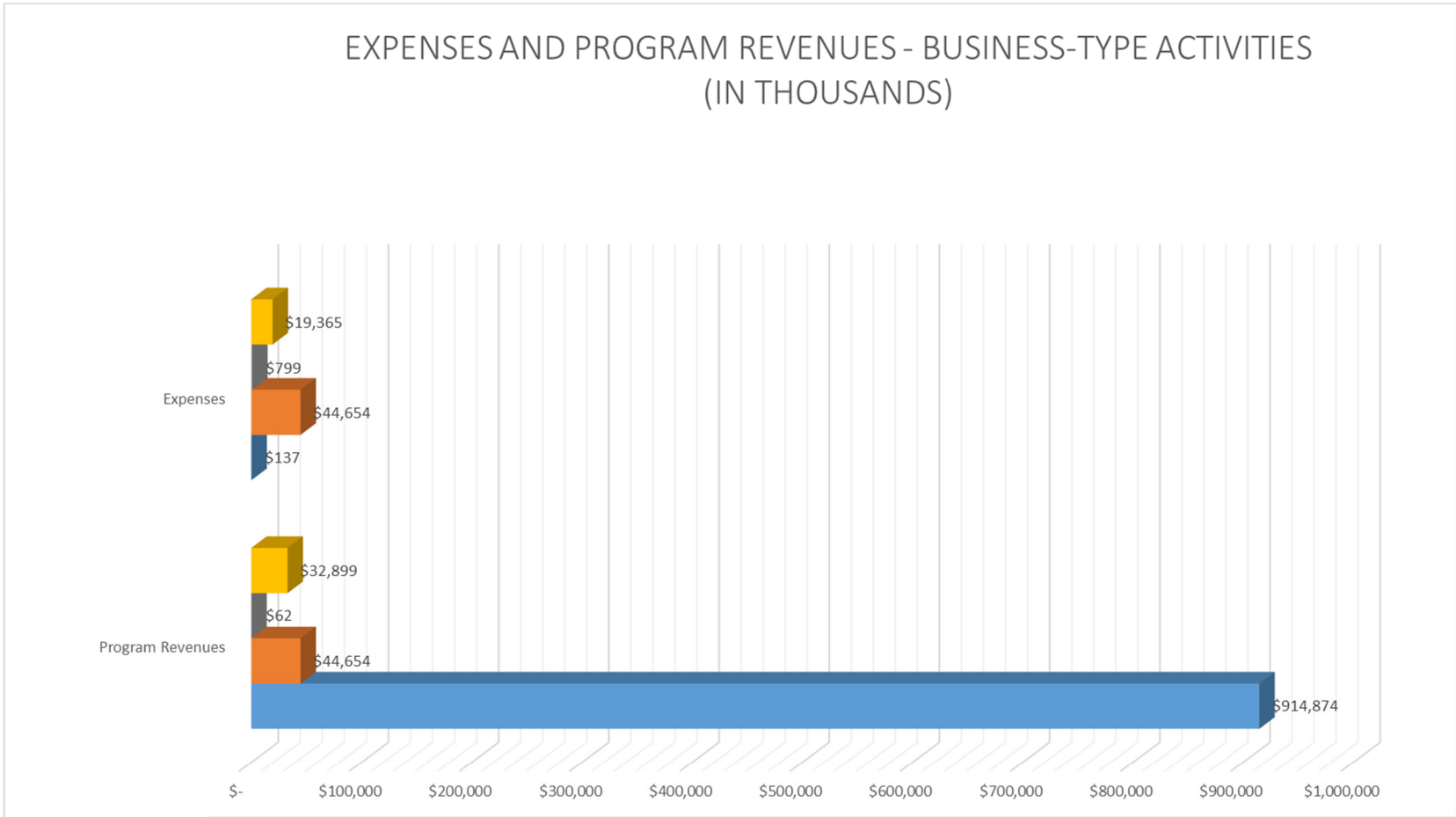
General and administrative services reflect those expenses incurred by the Authority to execute its business-type activities. These expenses decreased by 10 percent from those of the prior year, down by approximately $14.7 thousand mostly due to a reduction in investment management fees as balances on investment accounts decreased due to the larger volume of loan disbursements made from Authority's resources throughout the year.

The above details are illustrated in the following graph:

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Management's Discussion and Analysis

(Unaudited)



	Program Revenues	Expenses
Land Conservation	$32,899	$19,365
Storage Tank Maintenance	$62	$799
Water & Wastewater	$44,654	$44,654
General & Administrative	$914,874	$137

Financial Analysis of the Authority's Funds

Governmental Funds

As noted earlier, the focus of the Authority's governmental funds is to provide information on short-term inflows and outflows of spendable resources. This information is useful in assessing reserves available at the end of the year in comparison to upcoming financing requirements. Governmental funds reported ending fund balances of $53.7 million in fiscal year 2025, compared to $60.8 million in fiscal year 2024. Of these year-end totals, $12.4 million for fiscal year 2025 was unassigned and available for continued financing by the Authority.

The total ending fund balances of governmental funds show a decrease of $7.1 million, compared to the increase experienced in fiscal year 2024 of $454.5 thousand. This change is primarily due to increases in transfers of match funds to federal programs impacting the remaining available funding provided by the state.

Major Governmental Funds

The General Fund is the Authority's primary operating fund and the source of daily administrative operations. The General Fund's fund balance decreased by approximately $10.5 million during the current fiscal year as compared to the approximate $149 thousand increase from the previous year. The portion of fund balance restricted in the General Fund at year-end was approximately $1.1 million, which is lower than the unassigned fund balance. The decreasee can be attributed to increased activitiy with the federal loan programs requiring a greater amount of transfers of match funds provided to proprietary funds.

The General Fund's ending unassigned portion of fund balance was $12.4 million. The Authority's year-round cash flow within the General Fund is generally consistent with increased activity occurring at each quarter's end. The Authority relies very little on the unassigned portion of fund balance because administrative expenditures of the Authority are satisfied by either direct grants or contracts from federal and state sources or transfers from repayments streams of other funds that could statutorily satisfy administrative costs of the Authority. The Clean

Water State Revolving Administration Fund, Drinking Water State Revolving Adminstrative Fund and the Georgia Fund are the Authority's resources to cover administrative expenditures incurred within certain programs which are not directly funded by a dedicated revenue source, financing contract or grant. In addition, based on guidance from the programs, the Clean Water State Revolving Fund and Drinking Water State Revolving Funds may pay for administrative costs of the Authority for purposes that support their respective programs.

The Weatherization Assistance Program Fund serves as a special revenue fund to provide federal grant funds to nonprofit organizations throughout the state of Georgia in an effort to assist low income households achieve energy efficiencies in their homes. Revenues and expenditures typically net to zero as the funding is expenditure-driven and thus little fund balance had been reported for previous fiscal years. Total expenditures reported within this fund were $17.3 million. At the end of the fiscal year, $12.5 thousand remained as fund balance for future supplemental expenditures for the program.

The Clean Water State Revolving Administration Fund is a special revenue fund to report operations for revenues received for the ongoing administrative efforts of the Clean Water State Revolving Loan Fund. These funds are used to support general operations of the Authority and are received primarily from loan receipients, rather than a direct contribution from federal or state governments. Another source of income within this fund is income received from investments. The reported fund balance within this fund was approximately $30.8 million and is restricted for use. Total expenditures for this fund were $140 thousand. To finance general administrative costs and support loan activity, approximately $607 thousane was transferred to the General Fund to cover charges of the Authority associated with its federal Clean Water State Revolving Loan Fund program.

The Drinking Water State Revolving Administration Fund is a special revenue fund to report operations for revenues received for the ongoing administrative efforts of the Drinking Water State Revolving Loan Fund. These funds are used to support general operations of the Authority and are received primarily from loan receipients, rather than a direct contribution from federal or state governments. Another source of income within this fund is income received from investments. The reported fund balance within this fund was over $6.2 million and is restricted for

use. Total expenditures for this fund were approximately $175 thousand. To finance general administrative costs and support loan activity approximately $687.5 thousand was transferred to the General Fund to cover charges of the Authority associated with its federal Drinking Water State Revolving Loan Fund program.

The Appalachian Regional Commission Fund serves as a special revenue fund for programs providing federal grant funds for various infrastructure projects within the Appalachian Region of Georgia. The Authority reported approximately $839.7 thousand in expenditure-driven grant funds, for which revenue and expenditure activity typically nets to zero, and therefore no fund balance has been reported for fiscal year 2025.

The Proprietary Funds

The proprietary funds' statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Each of the fund statements gives detailed information about the fund's financial condition. The viability of the Authority's loan and fuel storage tank maintenance programs is evident by this year-end's changes in net position detailed below.

The Authority's proprietary funds report the activities of the loan, fuel storage tank maintenance, and outdoor stewardship programs. The net position of the proprietary funds increased approximately $986.9 million from business operations. The total interest income from loans for proprietary funds with a lending component for 2025 was approximately $34.27 million, which is approximately $4.32 million more than the prior year. The Authority continues to assess its revenue generating strategies in pursuit of maximizing earnings to protect the long-term viability of the funds.

The fuel storage tank maintenance program fund had total revenues of approximately $1.5 million primarily from fees charged customers for the maintenance of state-owned equipment. It reported net position of $462 thousand.

The outdoor stewardship program had total revenues of $30 million mostly from state appropriation intergovernental transfers from a partner agency.

Net position of the Authority's proprietary funds for federal programs are restricted for their respective purposes and are recycled into resources available to fund their core missions. Net position of the Authority's proprietary funds for state programs are typically unrestricted and can be used for the purposes they are held for, as authorized through current legislation, and recycled into resources available to fund their core missions. However, because the Authority serves in a fiduciary role for the funds received for the state's outdoor stewardship program that is legislatively assigned to the Georgia Department of Natural Resources, but provides financial oversight responsibilities to the Authority, the net position of this fund is restricted.

Budgetary Information

The Authority does not have a budget directly approved by citizens of the State of Georgia. Instead, its appropriation is included in the State of Georgia's budget as a line-item request within the Georgia Department of Community Affairs' budget under the Authority's enabling legislation. Capital outlay budgets for general obligation bonds are initiated directly by the Authority. Regardless, the Authority's management does utilize an operating budget across all funds and programs for financial analysis purposes throughout the year.

Capital Assets and Debt Administration

Capital Assets

The Authority's investment in capital assets for its governmental activities as of June 30, 2025 amounts to $1.05 million (net of accumulated depreciation). This investment in capital assets includes building improvements, computer equipment, furniture and fixtures. As of the close of the fiscal year, the Authority had no investment in capital assets of business-type activities because those activities are dedicated to the financing of loan and certain grant or subsidized projects and hold no depreciable assets. Additional information regarding the Authority's capital assets can be found in Note 7, page 59.

Long-term Debt

As of June 30, 2025, as demonstrated in the table below, the Authority had a total of approximately $5.1 million in outstanding long-term liabilities, an decrease of $1.5 million. The decrease is mostly attributed to valuation changes in the Authority's proportionate share of OPEB and pension liabilities. Of the amount outstanding, $34.1 thousand is classified as due within one year.

GEFA
Long-term Debt Obligations

Governmental Activities	Balance at June 30, 2025	Percentage of Total	Due Within One Year
Compensated absences	$ 136,359	3%	$ 34,090
Net pension liability	4,972,936	97%	—
Governmental long-term activities	$ 5,109,295		$ 34,090

Additional information regarding the Authority's long-term debt can be found in Note 5, page 56 and Note 8, pages 60-69.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances, comply with finance-related laws and regulations, and demonstrate the Authority's commitment to public accountability to all parties with an interest in its financial activities. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Georgia Environmental Finance Authority, Director, Financial Services Division, 47 Trinity Avenue SW, #5, Atlanta, GA 30334-9006.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Statement of Net Position
June 30, 2025

	Primary Government			Component Unit
	Governmental activities	Business-type activities	Total	Ga. Environ. Loan Acq. Corp.
Assets				
Cash	$ —	14,136,457	14,136,457	3,302
Investments	54,048,414	1,991,566,738	2,045,615,152	87,695,304
Due from other governments	17,396,355	10,836,040	28,232,395	—
Internal balances	(8,871,931)	8,871,931	—	—
Accrued interest receivable	—	3,939,059	3,939,059	23,386
Loans receivable	—	2,215,999,034	2,215,999,034	7,197,335
Other assets	3,628	—	3,628	—
Net OPEB assets	1,051,300	—	1,051,300	—
Capital assets, net of accumulated depreciation	1,053,884	—	1,053,884	—
Total assets	64,681,650	4,245,349,259	4,310,030,909	94,919,327
Deferred Outflows of Resources				
Related to other postemployment benefits	348,791	—	348,791	—
Related to pensions	1,629,514	—	1,629,514	—
Total deferred outflows of resources	1,978,305	—	1,978,305	—
Liabilities				
Accounts payable and accrued liabilities	8,576,931	11,850,793	20,427,724	10,000
Accrued payroll	2,860	—	2,860	—
Due to other governments	—	—	—	60
Unearned revenue	335,555	—	335,555	—
Compensated absences, current	34,090	—	34,090	—
Long-term liabilities:				
Compensated absences, net of current portion	102,269	—	102,269	—
Net pension liability	4,972,936	—	4,972,936	—
Total liabilities	14,024,641	11,850,793	25,875,434	10,060
Deferred Inflows of Resources				
Related to other postemployment benefits	357,232	—	357,232	—
Related to pensions	560,101	—	560,101	—
Total deferred inflows of resources	917,333	—	917,333	—
Net Position				
Investment in capital assets	1,053,884	—	1,053,884	—
Restricted for:				
Grant programs	3,026,589	—	3,026,589	—
Loan programs	38,200,322	2,558,813,654	2,597,013,976	—
OPEB items	1,051,300	—	1,051,300	—
Unrestricted	8,385,886	1,674,684,812	1,683,070,698	94,909,267
Total net position	$ 51,717,981	4,233,498,466	4,285,216,447	94,909,267

See accompanying notes to basic financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Statement of Activities
Year Ended June 30, 2025

Functions/Programs:	Expenses	Program revenues: Charges for services	Program revenues: Operating grants and contributions	Program revenues: Capital grants and contributions	Net (expense) revenue and changes in net position: Governmental activities	Net (expense) revenue and changes in net position: Business-type activities	Net (expense) revenue and changes in net position: Total	Component Unit
Governmental activities:								
General government	$ 10,096,729	—	12,435,886	—	2,339,157	—	2,339,157	
Water & wastewater	4,357,725	2,989,473	23,169,457	—	21,801,205	—	21,801,205	
Energy & environment	28,539,899	—	20,383,151	—	(8,156,748)	—	(8,156,748)	
Total governmental activities	42,994,353	2,989,473	55,988,494	—	15,983,614	—	15,983,614	
Business-type activities:								
Water & wastewater	44,653,813	—	44,653,813	—	—	—	—	
Storage tank maintenance	798,861	1,484,750	61,906	—	—	747,795	747,795	
Outdoor stewardship & land conservation	19,364,659	—	32,899,341	—	—	13,534,682	13,534,682	
General & administrative	137,099	34,269,909	914,873,653	—	—	949,006,463	949,006,463	
Total business-type activities	64,954,432	35,754,659	992,488,713	—	—	963,288,940	963,288,940	
Total primary government	$ 107,948,785	38,744,132	1,048,477,207	—	15,983,614	963,288,940	979,272,554	
Component Unit:								
Georgia Environmental Loan Acquisition Corporation	$ 12,649	322,389	4,020,805	—				4,330,545
Total Component Units	$ 12,649	322,389	4,020,805	—				
General revenues:								
Unrestricted investment earnings					$ 408,190	—	408,190	—
Miscellaneous					774,852	25,067	799,919	19,758
Transfers					(23,618,491)	23,618,491	—	—
Total general revenues and transfers					(22,435,449)	23,643,558	1,208,109	4,350,303
Change in net position					$ (6,451,835)	986,932,498	980,480,663	4,350,303
Net position – July 1					57,851,704	3,246,565,968	3,304,417,672	90,558,964
Change in accounting principle (see note 12)					318,112	—	318,112	—
Net position – July 1 restated					58,169,816	3,246,565,968	3,304,735,784	90,558,964
Net position – June 30					$ 51,717,981	4,233,498,466	4,285,216,447	94,909,267

See accompanying notes to basic financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Balance Sheet
Governmental Funds
June 30, 2025

Assets	General	Weatherization Assistance Program	Clean Water SRF Administration	Drinking Water SRF Administration	Appalachian Regional Commission	Nonmajor Governmental Funds	Total Governmental Funds
Investments	$ 8,830,379	—	33,590,273	8,697,208	—	2,930,554	54,048,414
Due from other governments	8,310,522	6,361,263	242,463	92,220	—	2,389,887	17,396,355
Due from other funds	9,040,020	67,841	—	—	—	43,352	9,151,213
Other assets	3,628	—	—	—	—	—	3,628
Total assets	$ 26,184,549	6,429,104	33,832,736	8,789,428	—	5,363,793	80,599,610
Liabilities and Fund Balances							
Liabilities:							
Accounts payable and accrued liabilities	$ 4,719,708	3,736,621	14,155	17,289	—	89,158	8,576,931
Accrued payroll	2,860	—	—	—	—	—	2,860
Due to other funds	7,913,374	2,344,418	2,982,496	2,522,300	—	2,260,556	18,023,144
Unearned revenue	—	335,555	—	—	—	—	335,555
Total liabilities	12,635,942	6,416,594	2,996,651	2,539,589	—	2,349,714	26,938,490
Fund balances:							
Restricted for grant programs	—	12,510	—	—	—	3,014,079	3,026,589
Restricted for loan programs	1,114,398	—	30,836,085	6,249,839	—	—	38,200,322
Unassigned	12,434,209	—	—	—	—	—	12,434,209
Total fund balances	13,548,607	12,510	30,836,085	6,249,839	—	3,014,079	53,661,120
Total liabilities and fund balances	$ 26,184,549	6,429,104	33,832,736	8,789,428	—	5,363,793	

Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	1,053,884
Deferred outflows of resources used as contributions related to other postemployment benefits are not reported in the governmental funds	348,791
Deferred outflows of resources used as contributions related to pensions are not reported in the governmental funds	1,629,514
Deferred inflows of resources used to accumulate other postemployment benefits valuation changes are not reported in the governmental funds	(357,232)
Deferred inflows of resources used to accumulate pension valuation changes are not reported in the governmental funds	(560,101)
Other assets not available in the current period and therefore are not reported in the governmental funds:	
Net OPEB asset - healthcare	215,429
Net OPEB asset - pension	835,871
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Compensated absences	(136,359)
Net pension liability	(4,972,936)
Net position of governmental activities	$ 51,717,981

See accompanying notes to basic financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

(A Component Unit of the State of Georgia)

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

	General	Weatherization Assistance Program	Clean Water SRF Administration	Drinking Water SRF Administration	Appalachian Regional Commission	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
State appropriations	$ 16,753,495	—	—	—	—	—	16,753,495
Administrative fees	—	—	1,985,204	1,004,269	—	—	2,989,473
Grant revenues	15,372,635	17,261,738	—	—	839,667	2,985,718	36,459,758
Interest income on investments	1,171,206	—	1,499,073	373,538	—	135,696	3,179,513
Miscellaneous	778,770	—	—	—	—	—	778,770
Total revenues	34,076,106	17,261,738	3,484,277	1,377,807	839,667	3,121,414	60,161,009
Expenditures:							
Current:							
General government	10,791,582	—	—	—	—	—	10,791,582
Water and wastewater programs	3,203,495	—	139,903	174,660	839,667	—	4,357,725
Energy programs	8,290,870	17,261,738	—	—	—	2,987,291	28,539,899
Total expenditures	22,285,947	17,261,738	139,903	174,660	839,667	2,987,291	43,689,206
Excess of revenues over expenditures	11,790,159	—	3,344,374	1,203,147	—	134,123	16,471,803
Other Financing Sources (Uses):							
Transfers in	3,964,226	—	—	—	—	—	3,964,226
Transfers out	(26,288,175)	—	(606,993)	(687,549)	—	—	(27,582,717)
Total other financing sources and uses	(22,323,949)	—	(606,993)	(687,549)	—	—	(23,618,491)
Net change in fund balances	(10,533,790)	—	2,737,381	515,598	—	134,123	(7,146,688)
Fund balances – July 1	24,082,397	12,510	28,098,704	5,734,241	—	2,879,956	60,807,808
Fund balances – June 30	$ 13,548,607	12,510	30,836,085	6,249,839	—	3,014,079	53,661,120

See accompanying notes to basic financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

Net change in fund balances - total governmental funds	$ (7,146,688)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation Expense	(180,611)
Expenses related to the change in accrued vacation reported in the governmental activities do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds.	8,154
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of:	
Changes in the other postemployment benefits liability and related amounts	348,836
Changes in the net pension liability and related amounts	518,474
Change in net position of governmental activities	$ (6,451,835)

See accompanying notes to basic financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Statement of Net Position
Enterprise Funds
June 30, 2025

	Georgia Fund	Georgia Reservoir Fund	Storage Tank Maintenance Fund	Clean Water State Revolving Loan Fund	Drinking Water State Revolving Loan Fund	Georgia Outdoor Stewardship Program	Total Enterprise Funds
Assets							
Current assets:							
Cash	$ 13,690,993	304,688	415	140,361	—	—	14,136,457
Investments	1,189,504,316	14,092,593	2,039,027	507,864,021	216,025,045	62,041,736	1,991,566,738
Due from other governments	277,500	963,096	645	—	9,594,799	—	10,836,040
Due from other funds	10,036,177	—	—	1,006,260	2,312,473	—	13,354,910
Accrued interest receivable	565,017	871,168	—	2,084,661	418,213	—	3,939,059
Total current assets	1,214,074,003	16,231,545	2,040,087	511,095,303	228,350,530	62,041,736	2,033,833,204
Noncurrent assets:							
Loans receivable	357,426,229	87,572,858	—	1,335,163,981	435,835,966	—	2,215,999,034
Total noncurrent assets	357,426,229	87,572,858	—	1,335,163,981	435,835,966	—	2,215,999,034
Total assets	1,571,500,232	103,804,403	2,040,087	1,846,259,284	664,186,496	62,041,736	4,249,832,238
Liabilities							
Current liabilities:							
Accounts payable and accrued liabilities	14,156	647,268	130,681	1,601,635	6,994,895	2,462,158	11,850,793
Due to other funds	417,966	2,815	1,447,024	2,144,029	417,551	53,594	4,482,979
Total current liabilities	432,122	650,083	1,577,705	3,745,664	7,412,446	2,515,752	16,333,772
Total liabilities	432,122	650,083	1,577,705	3,745,664	7,412,446	2,515,752	16,333,772
Net Position							
Restricted for:							
Loan or grant programs	—	—	—	1,842,513,620	656,774,050	59,525,984	2,558,813,654
Unrestricted	1,571,068,110	103,154,320	462,382	—	—	—	1,674,684,812
Total net position	$ 1,571,068,110	103,154,320	462,382	1,842,513,620	656,774,050	59,525,984	4,233,498,466

See accompanying notes to basic financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Enterprise Funds
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

	Georgia Fund	Georgia Reservoir Fund	Storage Tank Maintenance Fund	Clean Water State Revolving Loan Fund	Drinking Water State Revolving Loan Fund	Georgia Outdoor Stewardship Program	Total Enterprise Funds
Operating Revenues:							
Grant income - program administration	$ —	—	—	—	17,091,690	—	17,091,690
Charges for services – interest income on loans receivable	6,180,561	1,463,814	—	21,654,692	4,970,842	—	34,269,909
Administrative and preventative maintenance fees	891,650	—	1,484,750	—	—	—	2,376,400
State contract revenues	—	3,857,259	—	—	—	29,948,943	33,806,202
Contributions and donations	—	—	—	—	—	84,931	84,931
Miscellaneous	50	—	—	24,070	947	—	25,067
Total operating revenue	7,072,261	5,321,073	1,484,750	21,678,762	22,063,479	30,033,874	87,654,199
Operating Expenses:							
Water and wastewater programs	90,000	3,857,259	—	9,518,061	31,188,493	—	44,653,813
Storage tank maintenance programs	—	—	798,861	—	—	—	798,861
Outdoor stewardship and land conservation	—	—	—	—	—	19,364,659	19,364,659
General and administrative	123,544	6,817	718	—	—	6,020	137,099
Total operating expenses	213,544	3,864,076	799,579	9,518,061	31,188,493	19,370,679	64,954,432
Operating income (loss)	6,858,717	1,456,997	685,171	12,160,701	(9,125,014)	10,663,195	22,699,767
Nonoperating Revenues (Expenses):							
Federal grant contributions	—	—	—	59,302,845	53,662,590	—	112,965,435
State appropriations	767,800,000	—	—	—	—	—	767,800,000
Interest income on investments	20,365,910	587,121	61,906	26,591,866	9,376,535	2,865,467	59,848,805
Total nonoperating revenue (expense)	788,165,910	587,121	61,906	85,894,711	63,039,125	2,865,467	940,614,240
Income before capital grants and transfers	795,024,627	2,044,118	747,077	98,055,412	53,914,111	13,528,662	963,314,007
Transfers in	—	—	—	10,450,800	15,837,375	—	26,288,175
Transfers out	(725,884)	—	(625,704)	(1,272,937)	—	(45,159)	(2,669,684)
Changes in net position	794,298,743	2,044,118	121,373	107,233,275	69,751,486	13,483,503	986,932,498
Total net position – July 1	776,769,367	101,110,202	341,009	1,735,280,345	587,022,564	46,042,481	3,246,565,968
Total net position – June 30	$ 1,571,068,110	103,154,320	462,382	1,842,513,620	656,774,050	59,525,984	4,233,498,466

See accompanying notes to basic financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Statement of Cash Flows - Proprietary Fund Types - Enterprise Funds
Year Ended June 30, 2025

	Georgia Fund	Georgia Reservoir Fund	Storage Tank Maintenance Fund	Clean Water State Revolving Loan Fund	Drinking Water State Revolving Loan Fund	Georgia Outdoor Stewardship Program	Total Enterprise Funds
Cash flows from operating activities:							
Interest payments received on loans receivable	$ 6,144,031	1,247,679	—	21,136,335	4,402,976	—	32,931,021
Administrative fee payments received	651,700	—	1,509,405	—	—	—	2,161,105
Setaside federal grant receipts	—	—	—	—	10,096,795	—	10,096,795
Contributions from Georgia citizens	—	—	—	—	—	84,931	84,931
State contract payments received	—	5,672,111	—	—	—	29,948,943	35,621,054
Payments to service providers	(206,994)	(5,470,153)	(733,306)	(9,077,401)	(26,499,469)	(17,451,333)	(59,438,656)
Internal activity – payments from other funds	1,241	—	553,986	13,950,589	2,305,380	—	16,811,196
Internal activity – payments to other funds	(6,232,083)	(271,890)	—	—	(5,394,399)	(78,237)	(11,976,609)
Miscellaneous receipts and changes in due from other governments	—	—	(851)	—	—	—	(851)
Net cash provided by (used in) operating activities	357,895	1,177,747	1,329,234	26,009,523	(15,088,717)	12,504,304	26,289,986
Cash flows from noncapital financing activities:							
Federal grant contributions	—	—	—	59,302,845	53,662,590	—	112,965,435
State contributions	767,800,000	—	—	—	—	—	767,800,000
Transfers in	—	—	—	10,450,800	15,837,375	—	26,288,175
Transfers out	(725,884)	—	(625,704)	(1,272,937)	—	(45,159)	(2,669,684)
Net cash provided by (used in) noncapital financing activities	767,074,116	—	(625,704)	68,480,708	69,499,965	(45,159)	904,383,926
Cash flows from investing activities:							
Interest income on investments	20,365,910	587,121	61,906	26,591,866	9,376,535	2,865,467	59,848,805
Originations of and advances on loans receivable	(46,756,536)	(1,181,868)	—	(305,575,317)	(48,520,317)	—	(402,034,038)
Principal payments received on loans receivable	18,849,409	1,954,434	—	69,389,497	15,430,704	—	105,624,044
Net cash provided by (used in) investing activities	(7,541,217)	1,359,687	61,906	(209,593,954)	(23,713,078)	2,865,467	(236,561,189)
Net (decrease) increase in cash and cash equivalents	759,890,794	2,537,434	765,436	(115,103,723)	30,698,170	15,324,612	694,112,723
Cash and cash equivalents at beginning of year	443,304,515	11,859,847	1,274,006	623,108,105	185,326,875	46,717,124	1,311,590,472
Cash and cash equivalents at end of year	$ 1,203,195,309	14,397,281	2,039,442	508,004,382	216,025,045	62,041,736	2,005,703,195
Reconciliation to the statement of net position:							
Cash	$ 13,690,993	304,688	415	140,361	—	—	14,136,457
Investments	1,189,504,316	14,092,593	2,039,027	507,864,021	216,025,045	62,041,736	1,991,566,738
	$ 1,203,195,309	14,397,281	2,039,442	508,004,382	216,025,045	62,041,736	2,005,703,195
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	$ 6,858,717	1,456,997	685,171	12,160,701	(9,125,014)	10,663,195	22,699,767
Change in assets and liabilities:							
Due from other governments	(240,000)	1,814,853	(851)	(786,236)	(3,869,479)	—	(3,081,713)
Accrued interest receivable	(36,530)	(216,135)	—	(518,357)	(46,623)	—	(817,645)
Due from other funds	1,241	—	553,986	13,950,589	2,305,380	—	16,811,196
Due to other funds	(6,232,083)	(271,890)	—	—	(5,394,399)	(78,237)	(11,976,609)
Accrued liabilities	6,550	(1,606,078)	90,928	1,202,826	1,041,418	1,919,346	2,654,990
Net cash provided by (used in) operating activities	$ 357,895	1,177,747	1,329,234	26,009,523	(15,088,717)	12,504,304	26,289,986

See accompanying notes to basic financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Notes to Basic Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies

(a) Organization

The Georgia Environmental Finance Authority (the "Authority") was created by an Act of the State of Georgia (the "State") in 1986 as the successor agency to the Georgia Development Authority Environmental Facilities Program. The primary mission of the Authority is to provide funding to eligible municipalities, counties, water and sewer authorities, and solid waste authorities in the state for construction and expansion of public water, sewer, and solid waste facilities.

The Governor of the State of Georgia appoints eight (8) members of the Authority's Board and three (3) ex-officio members are designated by the Authority's enabling legislation. Due to the extent of its fiscal dependency on the State, the Authority is considered a component unit of the State.

The Authority has control over the Division of Energy Resources (the "DOER"), which provides administration for statewide energy conservation programs including weatherization of homes for low-income citizens and retrofitting of HVAC systems for schools and other state facilities.

Additionally, the Authority has control over the Clean Water and Drinking Water State Revolving Loan Fund (the "SRF"), which was previously administered by the Georgia Environmental Protection Division (the "EPD"). EPD retained compliance responsibility for capitalization grants issued by the United States Environmental Protection Agency (the "EPA") applicable to Federal fiscal years 1988-1993 until such grants were fully expended. The Authority is the recipient of and is responsible for the administration of capitalization grants applicable to Federal fiscal years 1994 and beyond. The Authority and EPD have signed a reciprocal agreement concerning technical and financial administration of the SRF. This agreement places ownership of the fund with the Authority in accordance with Sections 12-5-38.1 and 50-23-5 of the *Official Code of Georgia Annotated* (the "OCGA"). As a result, the full amount of assets, liabilities, and net position

of the fund are included in the financial statements of the Authority in the Clean Water SRF and in the Drinking Water SRF.

The SRF was initially established for the purpose of making loans to local governments for construction of publicly owned wastewater treatment facilities and was funded through capitalization grants from EPA under the authority of the Clean Water Act. In 1996, the U.S. Congress passed the Safe Drinking Water Act and added a Drinking Water SRF program. The program was established for the purpose of making loans to local governments for construction of publicly owned water supply facilities and is funded through capitalization grants from the EPA under the authority of the Safe Drinking Water Act. To receive capitalization grants from both programs, a recipient state must agree to provide state funds for qualifying projects equal to 20% of the capitalization grant amount. In order to provide the matching requirement for the Clean Water SRF program, the Authority has dedicated qualifying loans from its existing state funded loan portfolio and certain interest earnings on loan repayments and transferred these loans and interest earnings to the SRF. In some instances, the matching requirement is met by amounts appropriated, and paid, by the state, the Authority's current method for meeting the 20% match requirement. The results of these transactions are displayed on the financial statements of the major enterprise funds – the Clean Water State Revolving Loan Fund, the Clean Water State Match Revolving Loan Fund, the Drinking Water State Revolving Loan Fund, and the Drinking Water State Match Revolving Loan Fund.

Effective July 1, 1995, the Fuel Storage Tank Management Group (the "FST") formerly part of the EPD was brought under the control of the Authority. This unit is engaged in the disposal and/or remediation of state-owned fuel tanks to mandated EPA standards. Therefore, local governments do not benefit directly from this program. Pursuant to the bond issuance from which the proceeds to fund FST remediation efforts were derived, the Authority is not authorized to receive and expend bond funds for the program. Thus, the Authority has entered into an agreement with the Georgia State Financing and Investment Commission (the "GSFIC") and the Georgia Building Authority (the "GBA") to act as agents to receive and expend funds under

this program. However, the Authority administers this program and determines fund recipients. GSFIC and GBA only act as receiving and paying agents. Therefore, the only activity reflected on the Authority's books is for the cost of the operation of the unit. FST bond funds received by GSFIC and expended by GBA were not accounted for on the Authority's books prior to fiscal year 2009. Effective fiscal year 2009, the Authority began reporting activity of the FST and that activity is reflected in the nonmajor enterprise fund – Storage Tank Maintenance Fund.

In 2010, the Authority's governing legislation was amended to provide for the creation of subsidiary corporations to carry out any of its corporate purposes and to permit it to transfer to the State of Georgia any funds not needed for its corporate purposes. In July 2010, the Authority created the Georgia Environmental Loan Acquisition Corporation (the "Corporation") as a subsidiary organization pursuant to such provisions of law for the purpose of acquiring a portion of the Authority's loan portfolio and issuing bonds secured by the acquired loans to finance their purchase.

During fiscal year 2015, the Authority agreed to become the Registered State Basic Agency (RSBA) for the U. S. Appalachian Regional Commission (ARC). Under this agreement, the Authority receives federal funds to make grants to local governments for construction of or upgrades to wastewater treatment facilities specifically in the Appalachia region of Georgia.

Reporting Entity – Component units are legally separate organizations for which the State's or Authority's elected or appointed officials are financially accountable. In accordance with criteria in GASB Statements Nos. 14, 39 and 61, the Authority qualifies for treatment as a component unit of the State of Georgia; therefore, the Authority's financial statements are included in the State of Georgia's combined financial statements as a discretely presented component unit.

Discretely Presented Component Unit

Financial accountability is the ability of the Authority to appoint a voting majority of an organization's governing board and to impose its will upon the organization or when there exists the potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government. When the Authority does not appoint a voting majority of organization's governing body, GASB standards require inclusion in the financial reporting entity if an organization is fiscally dependent upon the Authority, its resources are held for the direct benefit of the Authority or can be accessed by the Authority, and a potential financial benefit or burden relationship exists or the relationship is such that it would be misleading to exclude it. In accordance with GASB Statements No. 14 and 61, the Corporation qualifies for treatment as a component unit because it is a legally separate, tax-exempt organization, the majority of whose board is appointed by the Authority, for which the Authority can impose its will on the Corporation by virtue of having the same management personnel, and whose economic resources are directly accessible by the Authority. As such, the Authority presents within these statements the Corporation as a discretely presented component unit.

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position of the Corporation are reported discretely in the Authority's financial statements as required by government accounting standards. Complete separate financial statements for the Corporation may be obtained at Director, Financial Services Division, 47 Trinity Avenue SW, #5, Atlanta, GA 30334-9006.

(b) Government-Wide and Fund Financial Statements

The Authority presents government-wide financial statements which are prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements (i.e. the statement of net position and the statement of activities) do not provide information by fund, but distinguish between the Authority's governmental activities and business type activities. Significantly, the

statement of net position includes noncurrent assets and liabilities, and deferred outflows and inflows of resources, and the government-wide statement of activities reflects depreciation expenses on the Authority's capital assets and changes in long-term liabilities and deferred outflows and inflows of resources. Also, for the most part, the effect of the interfund activity is removed from these statements. Net position in the statement of net position is distinguished between amounts invested in capital assets (net of any related debt), amounts that are restricted for use by third parties or outside requirements, and amounts that are unrestricted.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use, or benefit from the services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment, and 3) interest income that is restricted for use on a particular function or segment. Unrestricted interest income and other items not properly included among program revenues are reported as general revenues.

In addition to the government-wide financial statements, the Authority has prepared separate financial statements for governmental funds and proprietary funds. Governmental fund financial statements use the modified accrual basis of accounting and the current financial resources measurement focus and proprietary fund financial statements use the accrual basis of accounting and the economic resources measurement focus.

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash

flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are considered measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 90 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under usual accrual accounting. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant certifications and requirements have been met.

The Authority reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund.

Weatherization Assistance Program Fund – This fund is used to account for the Authority's grants to local governments and nonprofit entities to be used for the weatherization of low- and moderate-income citizen's homes, as well as aid in paying utility bills for these citizens. Part of this program is known as the Integrated Resources Program (the "IRP") and is funded by contributions from the Georgia Power Company pursuant to an order of the Georgia Public Service Commission. Other financing is provided by Federal grants from the Department of Energy and the Department of Health and Human Services and petroleum violation escrow funds.

Clean Water SRF Administration Fund – This fund is used to account for assets held by the Authority for the future administration of the Clean Water State Revolving Loan Fund program. The assets were collected from loan origination fees and are to be used to administer the monitoring of projects funded by loans to local governments for waste water treatment plants.

Drinking Water SRF Administration Fund – This fund is used to account for assets held by the Authority for the future administration of the Drinking Water State Revolving Loan Fund program. The assets were collected from loan origination fees and are to be used to administer the monitoring of projects funded by loans to local governments for water supply projects.

Appalachian Regional Commission Fund - This fund is used to account for federal funds awarded to recipients in the State of Georgia's high priority Appalachia development area. Projects must meet or address certain specific program goals to: (1) increase job opportunities and per capita income in Appalachia to reach parity with the nation; (2) strengthen the capacity of the people of Appalachia to compete in the global economy; (3) develop and improve Appalachia's infrastructure to make the Region economically competitive; and (4) build the Appalachian Development Highway System to reduce Appalachia's isolation.

The Authority reports the following major enterprise funds:

Georgia Fund – This fund is used to account for loans to local governments for water, sewer, and solid waste improvements. Its revenues are derived from interest income on loans receivable and interest income on investments. The original funding for these loans is provided through state appropriations or general obligation bonds.

Georgia Reservoir Fund - This fund is used to account for activities and monies associated with grants and loans to governments specific to the construction of reservoirs and other eligible water supply operations and systems. Its revenues are derived from the interest income on loans receivable and interest income on investments. The original funding for these grants and loans is provided through state appropriations or general obligation bonds.

Storage Tank Maintenance Fund - This fund is used to account for activities and monies associated with collection of fees charged state agencies for the ongoing preventative maintenance of fuel storage facilities. In addition, funding passed through the Georgia State Financing and Investment Commission for the removal or upgrading of the same such facilities. Its revenues are derived from the direct funding as mentioned and interest earnings on investments.

Clean Water State Revolving Loan Fund – This fund is used to account for loans to local governments for wastewater treatment projects. The original funding for these loans is provided through federal capitalization grants. The fund's revenues are derived from interest income on loans receivable and interest income on investments. Effective July 1, 2022, this fund also comprises all activities associated with the Clean Water SRF, including disbursements on loans with state match funding. The federal government requires the state to match 20% of the funds contributed to the Clean Water SRF in order to receive the full funding available for wastewater treatment projects.

Drinking Water State Revolving Loan Fund – This fund is used to account for loans to local governments for water supply projects. These loans are intended to primarily fund projects which promote compliance with the Safe Drinking Water Act. The original funding for these loans is provided through federal capitalization grants. The fund's revenues are derived from interest income on loans receivable and interest income on investments. Effective July 1, 2022, this fund also comprises all activities associated with the Drinking Water SRF, including disbursements on loans with state match funding, as well as the

setaside accounts provided as part of the overall grant funding. The federal government requires the state to match 20% of the funds contributed to the Drinking Water State Revolving Loan Fund in order to receive the full funding available for drinking water treatment projects. The setaside accounts incorporated in this fund are:

i. Drinking Water SRF Small PWS Technical Assistance Fund – these activities account for the Authority's "set-aside" grants used for various safe drinking water projects. Financing is provided through the Federal Drinking Water capitalization grant. States may provide assistance, including technical assistance, to public water systems as part of a capacity development strategy under Section 1420 (c) of the Act. States may use up to 2% of the capitalization grant amount for these activities.

ii. Drinking Water SRF State Program Setasides Fund – these activities account for the Authority's "set aside" grants used for various safe drinking water projects. Financing is provided through the Federal Drinking Water capitalization grant. States can use 10% of their capitalization grants to provide funding for certain activities that aid state programs such as administration of the Public Water Supervision Program (the "PWSS").

iii. Drinking Water SRF Local Assistance Setasides Fund – these activities account for the Authority's "set aside" grants used for various safe drinking water projects. Financing is provided through the Federal Drinking Water capitalization grant. States may provide assistance, including technical assistance, to public water systems as part of a capacity development strategy under Section 1420 (c) of the Act. States may use up to 15% of the capitalization grant amount for these activities, provided not more than 10% of the capitalization grant amount is used for any one activity. This fund accounts for local assistance to various private and public contractors.

Georgia Outdoor Stewardship Act Program Fund - This fund is used to account for activities and monies associated with funds provided by taxes derived for the purposes of the Georgia Outdoor Stewardship Program. It provides grants and loans approved by the Georgia Department of Natural Resources and authorized by The Georgia Outdoor Stewardship Act. Program funds will be disbursed for the purpose of providing stewardship to state parks; state lands and wildlife management areas; to support local parks and trails; and to protect critical conservation lands. Eligible applicants include qualified local governments (as determined by the Department of Community Affairs), constituted recreation authorities, state agencies and nongovernmental entities with a core mission of conservation.

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements, except for the net activity between the governmental and business-type activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations. The principal operating revenue of each of the Authority's enterprise funds is interest income on loans outstanding and fee charges for providing training and technical assistance to UST and AST operators. In addition, grant revenues received to assist in administering programs through contractual services are considered operating revenues. Operating expenses for the enterprise funds include direct general and administrative expenses of administering the programs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. General administrative overhead expenses are recorded in the general government function within the governmental activities.

When multiple resources are available for use, it is the Authority's policy to use resources in the following order: (1) restricted, (2) committed, (3) assigned, and (4) unassigned, for those items recorded within the governmental funds. For net position, restricted resources are used when available, prior to unrestricted

resources. Nonspendable resources are utilized in accordance with requirements for those resources to be expended, i.e. billing terms, normal consumption, or payment schedules.

(d) Cash Equivalents

For purposes of the statement of cash flows, all investments with original maturity dates of three months or less are considered cash equivalents.

(e) Loans Receivables

Loans receivables are stated at their unpaid principal balance less undisbursed portion of loans in process. Additionally, certain loan programs utilized by the Authority allow for forgiveness of a certain portion of the principal amount of the loan or provide a subsidized portion of the loan to communities who meet eligibility criteria to qualify as "disadvantaged" communities under federal poverty guidelines. The expected forgiven amount or subsidized portion has been expensed by the Authority as the overall loans are disbursed and this amount is not included in the loans receivable at year end.

The evaluation of the need for an allowance for loan losses is based on management's evaluation of the loan portfolio, current economic conditions, payment history and other such factors which, in management's judgment, deserve recognition in estimating loan losses. As of June 30, 2025, the Authority does not have a basis for establishing such a provision based on these criteria.

(f) Interfund Activity

All outstanding balances between funds are reported as due from/to other funds in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

(g) Due from Other Governments

Due from other governments include the following:

as of June 30, 2025		
Entity or Entity Type		Amount
Nonprofit Organizations	$	341,015
State of Georgia Local Governments		612,183
State of Georgia State Organizations		4,751,842
U. S. Appalachian Regional Commission		28,830
U. S. Department of Energy		11,134,897
U. S. Environmental Protection Agency		11,363,628
Total	$	28,232,395

(h) Capital Assets

General capital assets are those assets not specifically related to activities reported in proprietary funds. These assets generally result from expenditures of governmental funds. The Authority reports these assets in the governmental activities' column of government-wide statement of net position but does not report these assets in the Authority's fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The Authority's capital assets include various types of computer equipment and furniture and fixtures and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than $10,000 and an estimated useful life in excess of two years. Contributions or donations of capital assets received from federal, state, or local resources are recorded as contributions when received and are stated at

acquisition value. Additions, improvements, and expenditures that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed and therefore not capitalized.

Capital assets of the Authority are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Building Improvements	10
Computer equipment	5
Furniture and fixtures	5

(i) Investments

Investments consist of funds on deposit in the Georgia Fund 1 and the Georgia Fund 1 Plus, which are State of Georgia investment pools. The Georgia Fund 1 and Georgia Fund 1 Plus are external investment pools managed by the State of Georgia's Office of the State Treasurer. The Georgia Fund 1 and Georgia Fund 1 Plus, created by OCGA 36-83-8, are stable asset value investment pools, which follow Standard and Poor's criteria for AAAf rated money market funds and are regulated by the Georgia Office of the State Treasurer. The pools are not registered with the SEC as an investment company. The pools' primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share value). The asset value is calculated weekly to ensure stability. The pools distribute earnings (net of management fees) on a monthly basis and determine participants' shares sold and redeemed based on $1 per share. The pools also adjust the values of their investments to fair value as of year-end, and the Authority's investments in the Georgia Fund 1 and Georgia Fund 1 Plus are reported at fair value.

(j) Income Taxes

The Authority is exempt from Federal income taxes as an integral part of a state government. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

(k) Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Sick pay is accumulated in accordance with GASB 101 and an estimate for that time to be used during employment has been accrued. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time-off or some other means.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

(l) Risk Management

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; workers' compensation; and natural disasters.

The Authority is a member of the State of Georgia Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program for various state agencies. The Authority pays an annual premium to the state for its insurance coverage. For the year ended June 30, 2025, the Authority paid premiums totaling $27,800, which included premiums for cyber insurance.

(m) Fund Balance

(1) Government-wide statements – Equity is classified as net position and displayed in three components:

(a) Investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other debt attributable to the acquisition, construction, or improvement of those assets, if any.

(b) Restricted net position – Consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.

(c) Unrestricted net position – All other assets that do not meet the definition of "restricted" or "investment in capital assets."

(2) Fund financial statements - Governmental fund balance is classified as fund balance. Fund balance can have one of five primary classifications: (1) nonspendable, (2) restricted, (3) committed, (4) assigned or (5) unassigned. Nonspendable fund balance includes amounts that cannot be spent and are, therefore, not included in the current year appropriation. Restricted fund balance includes amounts that are restricted to very specific purposes and cannot be redeployed for other purposes. The Authority considers restricted first and then unrestricted amounts spent when expenditures have been incurred for purposes for which both restricted and unrestricted fund balance is available. These restrictions are either externally imposed by outside parties or by constitutional provisions or enabling legislation. Committed fund balance represents amounts that have internally imposed restrictions mandated by formal action of the Authority's Board, with removal of the commitment only if by formal action of the Authority's Board. Assigned fund balance represents amounts that are constrained by the Authority's intent that they will

be used for specific purposes which may be so designated by the Authority's Executive Director, as appointed by the Board, or governing Board. The Authority's governmental fund balances are comprised of restricted and unassigned amounts. Amounts restricted represent appropriated amounts provided by the State to execute certain grant programs of the Authority and cash appropriations or general obligation bond proceeds of the state provided to be a match resource to the federally-funded state revolving loan funds. Unassigned fund balance represents residual amounts that are available for further appropriation and expenditure for general governmental purposes. Unassigned fund balance is only available for the Authority's General Fund.

Proprietary fund equity is classified the same as in the government-wide statements as fund net position.

(n) Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted within the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resource and the reported amount of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

(o) Future Accounting Pronouncements

The Authority and its component unit will adopt the following new accounting pronouncements in future years, if applicable:

Statement	Statement Applicability	Effective Date June 30
No. 103	Financial Reporting Model Improvements	2026
No. 104	Disclosure of Certain Capital Assets	2026

Management is in the process of determining the effect, if any, that the adoption of these Statements will have on the Authority's or its component unit's financial position or the disclosures in its financial statements.

(p) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Employees' Retirement System (ERS) and additions to/deductions from ERS's fiduciary net position have been determined on the same basis as they are reported by ERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(q) Other Post-employment Benefits

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Georgia State Employees Postemployment Benefit Fund (State OPEB Fund) and the State Employees' Assurance Department Retired and Vested Inactive Members Trust Fund (SEAD-OPEB) and additions to/deductions

from the State OPEB Fund's and SEAD-OPEB's fiduciary net position have been determined on the same basis as they are reported by the State OPEB Fund and SEAD-OPEB. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(2) Budgetary Information

The Authority does not have a budget directly approved by citizens of the State of Georgia. Instead, its appropriation is included in the State of Georgia's budget as a line-item request within the Department of Community Affairs' budget under the Authority's enabling legislation. However, the Authority's management does utilize a budget for its General Fund to be used for financial analysis purposes throughout the year. The Authority received state appropriation of $784,553,495, as amended. Of this appropriation, $271,125 was due at June 30, 2025.

(3) Deposits and Investments

Primary Government

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of bank failure, the Authority's deposits may not be returned to it. The Authority has a formal deposit policy with its selected custodian, or an agent acting on behalf of the custodian, for custodial credit risk as required by the State of Georgia which insures balances over the FDIC insurance at 110% of that overage. The Authority's bank balances at June 30, 2025 of $14,136,457 were entirely insured by FDIC insurance or collateralized by investment securities held by the Authority's agent in the Authority's name.

Investments

Credit Risk - Statutes authorize the Authority to invest in obligations of the State of Georgia, obligations of the U.S. Treasury and U.S. Agencies, certificates of deposit, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, and State operated investment pools. The State operated investment pool is authorized to invest in the same types of securities.

As shown below, the Authority's investments at June 30, 2025 were categorized by credit risk as follows:

Investment	Fair Value	Duration (Years)	Credit Quality
Georgia Fund 1	$1,023,892,987	0.14	AAAf
Georgia Fund 1 Plus	1,021,722,165	0.10	Not Rated
Total fair value	$2,045,615,152		

Interest Rate Risk – Interest rate risk is associated with changes in interest rates that adversely affect an investment's fair value. Since the price of a bond fluctuates inversely with market interest rates, the price of the bond held in a portfolio will decline if market interest rates rise. At June 30, 2025, interest rate risk is represented in the above table as "Duration (Years)" for each investment classification. The Authority's Investment Policy has been developed around those policies set forth by the State of Georgia. The Authority has structured its investment portfolio with investments having maturity dates at or prior to the time cash is prudently projected to be required to meet disbursement needs, thereby avoiding the need to sell securities prior to their maturity. This structure has been achieved by providing investments in the Georgia Fund 1 and Georgia Fund 1 Plus. The Authority's investment policy further outlines that the portfolio for investments in U.S. Treasuries and U.S. Agencies is limited to maturities with a maximum of five years from the date of purchase, although the Authority did not have any long-term investments at June 30, 2025.

Fair Value Measurements – Generally accepted accounting principles establish a fair value hierarchy based on the valuation inputs used to measure the fair value of an asset. The Georgia Fund 1 and Georgia Fund 1 Plus are investment pools that do not meet the criteria of GASB Statement No. 79 and are thus valued at fair value in accordance with GASB Statement No. 31. As a result, the Authority does not disclose the investment in the Georgia Fund 1 or Georgia Fund 1 Plus within the fair value hierarchy.

Component Unit

Custodial Credit Risk

The Corporation maintains cash balances in bank accounts at multiple banks. These balances, at times, may exceed federal insured limits. Custodial credit risk is the risk that, in the event of bank failure, the Corporation's deposits may not be returned to it. The Corporation has a formal deposit policy with its selected custodian, or an agent acting on behalf of the custodian, for custodial credit risk as required by the State of Georgia which insures balances over the FDIC insurance at 110% of that overage. The Corporation's bank balances of $3,302 on June 30, 2025 were entirely insured by FDIC insurance or collateralized by investment securities held by the Corporation's agent in the Corporation's name.

Investments

Credit Risk – Statutes authorize the Corporation to invest in obligations of the State of Georgia, obligations of the U.S. Treasury and U.S. Agencies, certificates of deposit, repurchase agreements, rate guarantee agreements, and State operated investment pools. The operated investment pool is authorized to invest in the same types of securities.

As shown below, the Corporation's investments on June 30, 2025 were categorized by credit risk as follows:

Investment	Fair Value	Duration (Years)	Credit Quality
Georgia Fund 1	$3,539,121	0.14	AAAf
Georgia Fund 1 Plus	84,156,183	0.10	n/a
Total fair value	$87,695,304		

Interest Rate Risk – Interest rate risk is associated with changes in interest rates that adversely affect an investment's fair value. Since the price of a bond fluctuates inversely with market interest rates, the price of the bond held in a portfolio will decline if market interest rates rise. On June 30, 2025, interest rate risk is represented in the above table as "Duration (Years)" for each investment classification. The Corporation's Investment Policy has been developed around those policies set forth by the State of Georgia. The Corporation has structured its investment portfolio with investments having maturity dates at or prior to the time cash is prudently projected to be required to meet disbursement needs, thereby avoiding the need to sell securities prior to their maturity. This structure has been achieved by providing investments in the Georgia Fund 1 and Georgia Fund 1 Plus. The Corporation's investment policy further outlines that the portfolio for investments in U.S. Treasuries and U.S. Agencies are limited to maturities with a maximum of five years from the date of purchase.

Fair Value Measurements – Generally accepted accounting principles establish a fair value hierarchy based on the valuation inputs used to measure the fair value of an asset. The Georgia Fund 1 and Georgia Fund 1 Plus are investment pools that do not meet the criteria of GASB Statement No. 79 and are thus valued at fair value

in accordance with GASB Statement No. 31. As a result, the Corporation does not disclose the investment in the Georgia Fund 1 or Georgia Fund 1 Plus within the fair value hierarchy.

(4) Loans Receivables

Loans receivable at June 30, 2025 are summarized as follows:

Classification	Amount
Water and wastewater facility and conservation projects	$3,313,266,228
Undisbursed portion of projects in process	($1,097,267,194)
Outstanding principal balance	$2,215,999,034

At June 30, 2025, the Authority had commitments to fund projects, excluding the undisbursed portion of loans in process, totaling $192,626,349.

In accordance with certain loan programs, the Authority expensed a forgiven portion of loans in the amount of $8,485,923 in the Clean Water State Revolving Loan Fund and $11,682,869 in the Drinking Water State Revolving Loan Fund during fiscal year 2025. Included in the principal forgiveness for the Drinking Water State Revolving Loan Fund was $5,068,116 expensed specifically for the Lead Service Line Replacement Program. The Authority also manages a Small and Disadvantaged Communities Drinking Water Grant Program. During fiscal year 2025, there was $1,156,628 expensed for this program to its awarded recipient.

Additionally, the Authority provided grant funds from the Appalachian Regional Commission in the amount of $839,667 that were used partly in conjunction with loan projects of the Authority or stand-alone projects that have been environmentally approved as water infrastructure facilities projects. As these amounts are expensed and forgiven or granted, they are not included in the unpaid principal balance above.

Based on management's evaluation of the loan portfolio, current economic factors, past payment history and other relevant factors, including the borrowers' ability to repay and the Authority's remedies to enforce repayment, a provision for potential loan losses has not been provided. Such remedies include the ability of the Authority to compel rate and fee increases and/or the full faith and credit pledge of the borrower to be used at the Authority's discretion.

(5) Long-Term Liabilities

Primary Government

Compensated Absences:

The Authority's long-term liabilities activity for the year ended June 30, 2025, was as follows:

The Authority had $35,465 in additions that were included in compensated absences representative of vacation pay earned by employees or addition of new staff and reductions of $43,619 to compensated absences due to employee terminations or vacation hours used by employees. Compensated absences, as well as the net OPEB and pension liabilities, are liquidated by those funds that have salary and wage expenditures, typically the General Fund.

Description	Restated Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Amount due within one year
Governmental activities					
Compensated absences	$ 144,513	35,465	43,619	136,359	34,090
Net pension liability	5,936,120	1,020,653	1,983,837	4,972,936	—
Total Governmental activities	$ 6,619,056	1,056,118	2,027,456	5,109,295	34,090

(6) Interfund Receivables, Payables and Transfers

Interfund activity as of June 30, 2025, is as follows:

Due from/to other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Clean Water SRF Administration	$ 2,510,541
	Drinking Water SRF Administration	2,466,866
	Georgia Fund	417,966
	Storage Tank Maintenance Fund	1,447,024
	Clean Water State Revolving Loan Fund	2,144,029
	Georgia Outdoor Stewardship Program Act Fund	53,594
Nonmajor governmental funds	Nonmajor governmental funds	43,352
Weatherization Assistance Program	Nonmajor governmental funds	67,841
Georgia Fund	General Fund	5,539,581
	Weatherization Assistance Program	2,344,418
	Nonmajor governmental funds	2,149,363
	Georgia Reservoir Fund	2,815
Clean Water State Revolving Loan Fund	General Fund	61,320
	Clean Water SRF Administration	471,955
	Drinking Water SRF Administration	55,434
	Drinking Water State Revolving Loan Fund	417,551
Drinking Water State Revolving Loan Fund	General Fund	2,312,473
	Total	$ 22,506,123

The outstanding balances between funds result mainly from the time lag between the dates that (1) Interfund goods and services are provided, or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Interfund transfers:

Transfers-in Fund	Transfers-out Fund	Amount
General Fund	Clean Water SRF Administration	$606,993
	Drinking Water SRF Administration	687,549
	Georgia Fund	725,884
	Storage Tank Maintenance Fund	625,704
	Clean Water State Revolving Loan Fund	1,272,937
	Georgia Outdoor Stewardship Program	45,159
Clean Water State Revolving Loan Fund	General Fund	10,450,800
Drinking Water State Revolving Loan Fund	General Fund	15,837,375
	Total	$30,252,401

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary operations, including amounts provided as matching funds for various grant and loan programs. In general, transfers to the General Fund are made to satisfy costs associated with personnel and overhead from their respective funding source. Transfers from the General Fund to proprietary funds are made to satisfy required state match to federal loan

programs. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

(7) Capital Assets

The Authority's capital asset activity for the year ended June 30, 2025 was as follows:

Asset category	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Cost:				
Building Improvements	$ 1,475,983	—	—	1,475,983
Computer equipment	525,476	—	—	525,476
Fixtures & office equipment	309,107	—	—	309,107
Total cost	2,310,566	—	—	2,310,566
Building Improvements	332,096	147,599	—	479,695
Computer equipment	483,952	13,024	—	496,976
Fixtures & office equipment	260,023	19,988	—	280,011
Total accumulated depreciation	1,076,071	180,611	—	1,256,682
Total net capital assets	$ 1,234,495	(180,611)	—	1,053,884

Depreciation expense of $180,611 was charged to the general government function.

(8) Retirement Plans

The Georgia Environmental Finance Authority participates in a retirement plan administered by the State of Georgia dependent upon employee eligibility: Employees' Retirement System of Georgia (the System). This system issues a separate, publicly available financial report that includes the applicable financial statements and required supplementary information. The report may be obtained by visiting the following website:

Employees' Retirement System - www.ers.ga.gov

The significant provisions of this retirement plan are described below. More detailed information can be found in the plan agreement and related legislation. The plan, including benefit and contribution provisions, was established, and can be amended by State law.

Employees' Retirement System of Georgia

The System is comprised of individual retirement systems and plans covering substantially all employees of the State of Georgia except for teachers and other employees covered by the Teachers Retirement System. One of the plans within the System, the Employees' Retirement System of Georgia Plan (ERS), is a cost-sharing multiple-employer defined benefit pension plan that was established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State and its political subdivisions. ERS is directed by a Board of Trustees and has the powers and privileges of a corporation. ERS acts pursuant to statutory direction and guidelines, which may be amended prospectively for new hires but for existing members and beneficiaries may be amended in some respects only subject to potential application of certain constitutional restraints against impairment of contract. Title 47 of the OCGA assigns the responsibility to establish and amend the benefit provisions to the State Legislature.

The benefit structure of ERS is established by the Board of Trustees under statutory guidelines under three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Unless the employee elects otherwise, an employee who currently maintains membership with ERS based upon State employment that started prior to July 1, 1982, is an "old plan" member subject to the plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982, but prior to January 1, 2009, are "new plan" members subject to the modified plan provisions. Effective January 1, 2009, newly hired State employees, as well as rehired State employees who did not maintain eligibility for the "old" or "new" plan, are members of the GSEPS. Members of the GSEPS plan may also participate in the GSEPS 401(k) defined contribution component described below. ERS members hired prior to January 1, 2009, also have the option to irrevocably change their membership to the GSEPS plan.

Under the old plan, new plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon a formula adopted by the Board of Trustees for such purpose. The formula considers the monthly average of the member's highest 24 consecutive calendar months of salary, the number of years of creditable service, and the member's age at retirement. Annually, postretirement cost-of-living adjustments may be made to members' benefits provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

Member contribution rates are set by law. Member contributions under the old plan are 4% of annual compensation up to $4,200 plus 6% of annual compensation in excess of $4,200. Under the old plan, the Authority pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these Authority contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The Authority is required to contribute at a specified percentage of active member payroll established by the Board of Trustees and determined annually in accordance with an actuarial valuation and minimum funding standards as provided by law. These Authority contributions are not at any time refundable to the member or his/her beneficiary.

Members become vested after 10 years of service. Upon termination of employment, member contributions with accumulated interest are refundable upon request by the member. However, if an otherwise vested member terminates and withdraws his/her member contributions, the member forfeits all rights to retirement benefits.

The Authority's contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2025 was 29.20% of annual covered payroll for old and new plan members and 25.51% for GSEPS members. The Authority's contributions to ERS totaled $1,032,879 for the year ended June 30, 2025. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the Authority reported a liability for its proportionate share of the net pension liability in the amount of $4,972,936. The net pension liability was measured as of June 30, 2024. The total pension liability

used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. The Authority's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2024. At June 30 2024, the Authority's proportion was 0.110464%, which was an increase of .010958% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Authority recognized pension expense of $514,648. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ERS Deferred Outflows of Resources & Deferred Inflows of Resources

		Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$	266,552	—
Net difference between projected and actual earnings on pension plan investments		—	560,101
Changes in proportion and differences between Authority contributions and proportionate share of contributions		330,083	—
Employer contributions subsequent to measurement date		1,032,879	—
Total	$	1,629,514	560,101

Authority contributions subsequent to the measurement date of $1,032,879 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2026	$181,549
2027	413,944
2028	(340,857)
2029	(218,102)
2030	—
Thereafter	—
Total	$36,534

Actuarial assumptions: The total pension liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 - 6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Cost of living adjustment	1.05% annually

Mortality rates are as follows:

• The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.

• The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward(+)/ Setback (-)	Adjustment To Rates
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	1.50%
Domestic large equities	46.40	9.10
Domestic small equities	1.10	13.00
International developed market equities	13.60	9.10
International emerging market equities	3.90	11.10
Alternatives	5.00	10.60
Total	100.00%	

* Rates shown are net of inflation

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Authority and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate: The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.00 %, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 %) or 1-percentage-point higher (8.00 %) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Authority's proportionate share of the net pension liability	$ 7,492,328	4,972,936	2,854,132

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report which is publicly available at www.ers.ga.gov/financials.

The Authority had $87,848 payable to the pension plan as of June 30, 2025.

GSEPS 401(k) Defined Contribution Component of ERS

In addition to the ERS defined benefit pension described above, GSEPS members may also participate in the Peach State Reserves 401(k) defined contribution plan and receive an employer matching contribution. The 401(k) plan is administered by the System and was established by the Georgia Employee Benefit Plan Council in accordance with State law and Section 401(k) of the IRC. The GSEPS segment of the 401(k) plan was established by State law effective January 1, 2009. Plan provisions and contribution requirements specific to GSEPS can be amended by State law. Other general 401(k) plan provisions can be amended by the ERS Board of Trustees as required by changes in federal tax law or for administrative purposes. The State was not required to make significant contributions to the 401(k) plan prior to GSEPS because most members under other segments of the plan either were not State employees or were not eligible to receive employer contributions.

The GSEPS plan includes automatic enrollment in the 401(k) plan at a contribution rate of 5% of salary unless the participating member elects otherwise. The member may change such level of participation at any time. In addition, the member may make such additional contributions as he or she desires, subject to limitations imposed by federal law. During the 2022 Legislative session, the Georgia General Assembly approved a change to the GSEPS 401(k) employer match structure. The new structure increased the match and added a year of service component. Effective July 1, 2022, the employer match is dollar per dollar, up to 5% of pay, and GSEPS member with at least six years of service who are contributing a minimum of 5%, will get an additional half percent employer match for every full year of service in excess of five years, up to a maximum of 9%.

GSEPS employer contributions are subject to a vesting schedule, which determines eligibility to receive all or a portion of the employer contribution balance at the time of any distribution from the account after separation from all State service. Vesting is determined based on the following schedule:

Less than 1 year	0%
1 year	20%
2 years	40%
3 years	60%
4 years	80%
5 or more years	100%

Employee contributions and earnings thereon are 100% vested at all times. The 401(k) plan also allows participants to roll over amounts from other qualified plans to their respective account in the 401(k) plan on approval of the 401(k)-plan administrator. Such rollovers are 100% vested at the time of transfer. Participant contributions are invested according to the participant's investment election. If the participant does not make an election, investments are automatically defaulted to a Lifecycle fund based on the participant's date of birth.

The participants may receive the value of their vested accounts upon attaining age 59.5, qualifying financial hardship, or retirement or other termination of service (employer contribution balances are only eligible for distribution upon separation from service). Upon the death of a participant, his or her beneficiary shall be entitled to the vested value of his or her accounts. Distributions are made in installments or in a lump sum.

The Authority's employer and employee GSEPS contributions were as follows for the last three years:

GSEPS Contributions by Year

Year	Annual Employer Contribution	Annual Employee Contribution
2025	$ 130,054	$ 182,577
2024	109,734	200,195
2023	82,349	98,261

(9) Other Post-employment Benefits

The Authority participates in the following State of Georgia other postemployment benefit (OPEB) plans:

Administered by Department of Community Health (DCH):
Georgia State Employees Post-employment Health Benefit Fund (State OPEB Fund)

Administered by the System:
State Employees' Assurance Department (SEAD)
– For retired and vested inactive (SEAD-OPEB)

Effective July 1, 2017, the Authority implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* which significantly changed the Authority's accounting for OPEB amounts. The information disclosed in this note is presented in accordance with this new standard.

The net OPEB asset, and related deferred outflows of resources, deferred inflows of resources, and OPEB Expense for the plans are summarized below.

Classification	State OPEB Fund	SEAD-OPEB	Total
Net OPEB asset	($215,429)	($835,871)	($1,051,300)
Deferred outflows of resources related to OPEB	$345,433	$3,358	$348,791
Deferred inflows of resources related to OPEB	$253,501	$103,731	$357,232
OPEB Expense	($68,127)	($128,310)	($196,437)

Georgia State Employees Post-employment Health Benefit Fund (State OPEB Fund)
Plan Description:

Employees of State organizations as defined in §45-18-25 of the *Official Code of Georgia Annotated* (O.C.G.A.) are provided OPEB through the State OPEB Fund - a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund of the State of Georgia and administered by a Board of Community Health (Board). Title 45 of the *O.C.G.A.* assigns the authority to establish and amend the benefit terms of the group health plan to the Board. The State OPEB Fund is included in the State of Georgia Annual Comprehensive Financial Report which is publicly available and can be obtained at https://sao.georgia.gov/comprehensive-annual-financial-reports.

Benefits:

The State OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for employees of State organizations (including technical colleges) and other entities authorized by law to contract with the State of Georgia Department of Community Health (DCH) for inclusion in the plan. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System (ERS), Georgia Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS) or Public School Employees Retirement System (PSERS). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement (HRA), Health Maintenance Organization (HMO) and a High Deductible Health Plan (HDHP). The State OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the State OPEB Fund is permitted.

Contributions:

As established by the Board of Community Health, the State OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions required and made to the State OPEB Fund from the Authority were $152,399 for the year ended June 30, 2025. Active employees are not required to contribute to the State OPEB Fund.

OPEB (Assets) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025, the Authority reported an asset of $215,429 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2024. The total OPEB asset used to calculate the net OPEB asset was based on an actuarial valuation as of June 30, 2023. An expected total OPEB asset as of June 30, 2024 was determined using standard roll-forward techniques. The Authority's proportion of the net OPEB asset was actuarially determined based on employer contributions to the State OPEB Fund during the fiscal year ended June 30, 2024. At June 30 2024, the Authority's proportion was 0.085463%, which was an increase of 0.07736% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Authority recognized OPEB expense of ($68,127). At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 58,322	$ 87,340
Changes in plan assumptions	100,643	254
Net difference between projected and actual earnings on OPEB plan investments	-	158,917
Changes in proportion and differences between Authority contributions and proportionate share of contributions	34,069	6,990
Authority contributions subsequent to the measurement date	152,399	-
Total	$ 345,433	$ 253,501

Authority contributions subsequent to the measurement date of $152,399 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB asset in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2026	($27,003)
2027	31,273
2028	(26,251)
2029	(36,486)
2030	0
Thereafter	0
Total	($58,467)

Actuarial assumptions:

The total OPEB asset as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

Inflation	2.50%
Salary increases	3.00 - 6.75%, including inflation
Long-term expected rate of return	7.00%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate	6.75%
Ultimate trend rate	4.50%
Year of Ultimate trend rate	2032

Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 105% for males and 108% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted 103% for males and 106% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjusted 106% for males and 105% for females) with the MP-2019 Projection scale applied generationally.

The actuarial assumptions used in the June 30, 2023 valuation are based on the results of the most recent actuarial experience studies for the pension systems, which covered the five-year period ending June 30, 2019 and adopted by the pension Board on December 17, 2020.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience done concurrently with the June 30, 2023 valuation.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for the major asset class is summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	2.60%
Equities	70.00%	9.10%
Total	100.00%	

* Rates shown are net of inflation

Discount rate:

In order to measure the total OPEB liability, as of June 30, 2024, for the State OPEB fund, a discount rate of 7.00% was used, the same as last year's rate. The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was

applied to all periods of projected benefit payments to determine the total OPEB liability. Projected future benefit payments for all current plan members were projected through 2123.

Sensitivity of the Authority's proportionate share of the net OPEB asset to changes in the discount rate:

The following presents the collective net OPEB asset of the participating employers calculated using the discount rate of 7.00% as well as what the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate (amounts in thousands):

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Authority's proportionate share of the net OPEB asset	$ (14,284)	$ (215,429)	$ (388,532)

Sensitivity of the Authority's proportionate share of the net OPEB asset to changes in the healthcare cost trend rate:

The following presents the collective net OPEB liability (asset) of the participating employers, as well as what the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (amounts in thousands):

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Authority's proportionate share of the net OPEB liability (asset)	$ (416,287)	$ (215,429)	$ 20,643

Detailed information about the OPEB plan's fiduciary net position is available in the Annual Comprehensive Financial Report (ACFR) which is publicly available at https://sao.georgia.gov/comprehensive-annual-financial-reports.

State Employees' Assurance Department Retired and Vested Inactive Members Trust Fund (SEAD-OPEB):

Plan Description:

SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend Title 47 of the O.C.G.A., related to retirement, so as to establish a fund for the provision of term life insurance to retire and vested inactive members of ERS, LRS, and GJRS. The plan is a cost-sharing multiple-employer defined benefit other postemployment benefit plan. Title 47 of the *O.C.G.A.* assigns the authority to establish and amend the benefit terms to a Board of Trustees for the SEAD-OPEB. The SEAD-OPEB trust fund accumulates the premiums received from the aforementioned retirement plans, including interest earned on deposits and investments of such payments. The SEAD-OPEB trust fund is included in ERS financial statements which are publicly available and can be obtained at www.ers.ga.gov/financials.

Benefits:

Members in the ERS prior to January 1, 2009 and members in LRS or GJRS prior to July 1, 2009 are eligible for participation in the SEAD-OPEB plan. Effective July 1, 2009, no newly hired members of any Georgia public retirement system are eligible for term life insurance under the SEAD-OPEB. The amount of insurance for a retiree with creditable service prior to April 1, 1964 is the full amount of insurance in effect on the date of retirement. The amount of insurance for a service retiree with no creditable service prior to April 1, 1964 is 70% of the amount of insurance in effect at age 60 or at termination, if earlier. Life insurance proceeds are paid in a lump sum to the beneficiary upon death of the retiree.

Contributions:

Georgia law provides that employee contributions to the plan shall be in an amount established by the Board of Trustees not to exceed one-half of 1% of the member's earnable compensation. Georgia law also establishes that the Board of Trustees determines the amount of any required contributions from the employer. No employer contributions required or made for the fiscal year ended June 30, 2025.

OPEB (Assets) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025, the Authority reported an asset of $835,871 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2024. The total OPEB asset used to calculate the net OPEB asset was based on an actuarial valuation as of June 30, 2023. An expected total OPEB asset as of June 30, 2024 was determined using standard roll-forward techniques. The Authority's proportion of the net OPEB asset was actuarially determined based on member salaries reported to the SEAD-OPEB during the fiscal year

ended June 30, 2024. At June 30 2024, the Authority's proportion was 0.148927%, which was an increase of 0.018729% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Authority recognized OPEB expense of ($128,310). At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,358	$ -
Changes in plan assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	74,535
Changes in proportion and differences between Authority contributions and proportionate share of contributions	-	29,196
Employer contributions subsequent to the measurement date	-	-
Total	$ 3,358	$ 103,731

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2026	($66,748)
2027	40,358
2028	(45,180)
2029	(28,803)
2030	0
Thereafter	0
Total	($100,373)

Actuarial assumptions:

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 - 6.75%, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate	N/A

Mortality rates are as follows:

• The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.

• The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward(+)/ Setback (-)	Adjustment To Rates
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	1.50 %
Domestic large equities	46.40	9.10
Domestic small equities	1.10	13
International developed market equities	13.60	9.10
International emerging market equities	3.90	11.10
Alternatives	5.00	10.60
Total	100.00%	

* Rates shown are net of inflation

Discount rate:

The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Authority's proportionate share of the net OPEB liability to changes in the discount rate:

The following presents the Authority's proportionate share of the net OPEB liability calculated using the discount rate of 7.00%, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
Authority's proportionate share of the net OPEB liability (asset)	$ (640,155)	$ (835,871)	$ (996,678)

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report which is publicly available at www.ers.ga.gov/financials.

(10) Lease Commitments

The Authority has negotiated a twelve-month intergovernmental agreement with another state authority. The agreement does not convey the right to use facilities beyond an annual period.

Lease Fiscal Year	Amount
2026	$ 491,915

Total office space rental expenses for the year ended June 30, 2025 were $491,915.

(11) Contingencies and Commitments on Liabilities & Violations of Finance-Related Legal or Contractual Provisions

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

The Authority reviews all outstanding claims and judgments to determine if any estimated liabilities should be accrued at year-end. Based on management's experience of the review of claims and judgments, it has been determined that there were no material claims and judgments outstanding at June 30, 2025. In addition, management believes there were no material violations of finance-related legal or contractual provisions by the Authority during the current fiscal year.

(12) Restatement of Net Position

The Authority restated ending net position as of June 30, 2024 by an addition of $318,112 to implement GASB Statement No. 101, *Compensated Absences*. The restatement was necessary to appropriately report the valuation of compensated absences for the previous year. The Authority has adjusted reported accumulated vacation and sick leave in accordance with the new standard, as demonstrated below:

	Governmental Activities
Net position at 6/30/24, as previously reported	$ 57,851,704
Change in accounting principle	318,112
Net position 6/30/24, as restated	$ 58,169,816

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REQUIRED SUPPLEMENTARY INFORMATION

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REQUIRED SUPPLEMENTARY INFORMATION

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GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

(A Component Unit of the State of Georgia)

Required Supplementary Information
Schedule of Authority's Proportionate Share of the Net Pension Liability
Employees' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Authority's proportion of the net pension liability	0.110464%	0.099506%	0.980410%	0.102854%	0.097641%	0.099912%	0.107992%	0.114292%	0.126735%	0.128659%
Authority's proportionate share of the net pension liability	$4,972,936	$5,936,120	$6,547,634	$2,405,656	$4,115,526	$4,122,900	$4,439,587	$4,641,781	$5,995,098	$5,212,488
Authority's covered payroll during the measurement period	$3,511,931	$2,910,733	$2,552,888	$2,630,633	$2,617,732	$2,672,774	$2,893,545	$2,928,171	$3,077,893	$3,085,566
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	141.60%	169.03%	224.95%	94.23%	156.45%	154.26%	153.43%	158.52%	194.78%	169.55%
Plan fiduciary net position as a percentage of the total pension liability	78.75%	71.20%	67.44%	87.62%	76.21%	76.74%	76.68%	76.33%	72.34%	76.20%

Source: Employees' Retirement System of Georgia and the Authority's Fiscal Services Division.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

(A Component Unit of the State of Georgia)

Required Supplementary Information
Schedule of Authority's Contributions
Employees' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	$1,032,879	$953,259	$846,772	$591,178	$607,990	$607,084	$624,077	$683,396	$697,566	$728,438
Contributions in relation to the contractually required contribution	$1,032,879	$953,259	$846,772	$591,178	$607,990	$607,084	$624,077	$683,396	$697,566	$728,438
Contribution deficiency (excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Authority's covered payroll during the current fiscal year	$3,838,356	$3,511,931	$2,910,733	$2,552,888	$2,630,633	$2,617,732	$2,672,774	$2,893,545	$2,928,171	$3,077,893
Contributions as a percentage of its covered-employee payroll	26.91%	27.14%	29.09%	23.16%	23.11%	23.19%	23.35%	23.62%	23.82%	23.67%

Source: Employees' Retirement System of Georgia and the Authority's Fiscal Services Division

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)
Notes to Required Supplementary Information
For the Year Ended June 30, 2025

***Changes of assumptions*:** On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal, and salary increases. The expectation of retired life mortality was changed from the RP-2000 Mortality Tables to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018, and most recently amended on June 18, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021 Total Pension Liability.

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded variable Cost-of-Living Adjustment (COLA) for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism using the System's asset performance. After studying the parameters of this new policy, the assumption for future COLAs was set at 1.05%. Previously, no future COLAs were assumed. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
STATE OPEB FUND
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY (ASSET)

	2025	2024	2023	2022	2021	2020	2019	2018
Authority's proportion of the net OPEB liability (asset) (%)	0.085463%	0.077727%	0.772650%	0.079071%	0.073499%	0.075854%	0.086572%	0.089360%
Authority's proportion of the net OPEB liability (asset) ($)	$ (215,429)	220,311	347,165	217,331	827,156	941,589	2,264,366	3,640,710
Authority's covered payroll	$ 3,012,827	2,514,963	2,261,406	2,288,508	2,114,967	2,032,458	2,560,630	2,534,348
Authority's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-7.15%	8.76%	15.35%	9.50%	39.11%	46.33%	88.43%	143.65%
Plan fiduciary net position as a percentage of the total OPEB liability	110.27%	87.75%	80.03%	87.58%	59.71%	56.57%	31.48%	17.34%

Notes to the Schedule:
The schedule will present 10 years of information once it is accumulated.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
STATE OPEB FUND
SCHEDULE OF CONTRIBUTIONS

		2025	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	$	152,399	384,245	138,116	108,629	119,967	110,607	405,571	434,224
Contributions in relation to the contractually required contribution		152,399	384,245	138,116	108,629	119,967	110,607	405,571	434,224
Contribution deficiency (excess)	$	-	-	-	-	-	-	-	-
Authority's covered payroll	$	3,219,873	3,012,827	2,514,963	2,261,406	2,288,508	2,114,967	2,032,458	2,560,630
Contributions as a percentage of covered payroll		4.73%	12.75%	5.49%	4.80%	5.24%	5.23%	19.95%	16.96%

Notes to the Schedule:
The schedule will present 10 years of information once it is accumulated.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATIN
STATE OPEB FUND
NOTES TO THE SCHEDULE

***Changes of benefit terms*:** There have been no changes in benefit terms.

Changes in assumptions:

- 6/30/2023 valuation: Medicare health care trend rates were updated.
- 6/30/2022 valuation: The tobacco use assumption and aging factors were revised.
- 6/30/2020 valuation: Decremental assumptions were changed to reflect the Employees Retirement Systems experience study.
- 6/30/2019 valuation: The inflation assumption was lowered from 2.75% to 2.50% in anticipation of the upcoming ERS Experience Study. Additionally, decremental assumptions were changed to reflect the Teachers Retirement Systems experience study. Approximately 6.0% of employees are members of the Teachers Retirement System.
- 6/30/2017 valuation: The participation assumption, tobacco use assumption and morbidity factors were revised.
- 6/30/2015 valuation: Decremental and underlying inflation assumptions were changed to reflect the Retirement Systems' experience studies.
- 6/30/2012 valuation: A data audit was performed, and data collection procedures and assumptions were changed.
- The discount rate was updated from 3.09% as of June 30, 2016 to 3.60% as of June 30, 2017; to 5.22% as of June 30, 2018; to 7.30% as of June 30, 2019; to 7.06% as of June 30, 2020; and to 7.00% as of June 30, 2021.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SEAD - OPEB
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY (ASSET)

	2025	2024	2023	2022	2021	2020	2019	2018
Authority's proportion of the net OPEB liability (asset) (%)	0.148927%	0.130198%	0.129272%	0.121098%	0.112842%	0.109624%	0.126785%	0.130236%
Authority's proportion of the net OPEB liability (asset) ($)	$ (835,871)	(574,180)	(475,187)	(745,753)	(320,492)	(309,978)	(343,139)	(338,490)
Authority's covered payroll	$ 1,493,901	1,340,040	1,324,143	1,312,702	1,344,567	1,398,220	1,755,181	1,896,579
Authority's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-55.95%	-42.85%	-35.89%	-56.81%	-23.84%	-22.17%	-19.55%	-17.85%
Plan fiduciary net position as a percentage of the total OPEB liability	155.14%	144.49%	138.03%	164.76%	129.20%	129.73%	129.46%	130.17%

Notes to the Schedule:
The schedule will present 10 years of information once it is accumulated.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SEAD-OPEB
SCHEDULE OF CONTRIBUTIONS

	2025	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	$ -	-	-	-	-	-	-	-
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-
Authority's covered payroll	$ 1,462,256	1,493,901	1,340,040	1,324,143	1,312,702	1,344,567	1,398,220	1,755,181
Old-New Plan ERS Contributions Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to the Schedule:
The schedule will present 10 years of information once it is accumulated.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATIN
SEAD-OPEB
NOTES TO THE SCHEDULE

***Changes of assumptions*:** On December 17, 2015, the Board of Trustees adopted recommended changes to the economic and demographic assumptions utilized by the Plan. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed from the RP-2000 Mortality Tables to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the Systems based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes were first reflected in the calculation of the June 30, 2021 Total OPEB Liability.

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SUPPLEMENTARY INFORMATION

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SUPPLEMENTARY INFORMATION

(TAB BACK)

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted for specified purposes.

State Energy Program Fund

This fund is used to account for the Authority's grants to other government agencies for projects working on the development of alternative sources of energy. Financing is provided through federal grants and petroleum violation fees.

Energy Investments Fund

This fund is used to account for the Authority's monies from previous years required to be used in each of the other energy related special revenue funds. Financing is provided through interest income on investments held by the Authority from collections of petroleum violation fees and public utility contributions in previous years.

Energy Efficiency Programs BIL & IRA

This fund is used to account for the Authority's funding to administer the programs that promote energy efficiency that were legislatively approved through the Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act (IRA) by the U.S. Congress and subsequently signed into laws.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

(A Component Unit of the State of Georgia)

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

Assets	State Energy Program	Energy Investments	Energy Efficiency Programs BIL & IRA	Total Nonmajor Governmental Funds
Investments	$ —	2,930,554		2,930,554
Due from other governments	2,347,809	—	42,078	2,389,887
Due from other funds	43,352	—	—	43,352
Total assets	$ 2,391,161	2,930,554	42,078	5,363,793
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	$ 47,970	—	41,188	89,158
Due to other funds	2,147,723	111,943	890	2,260,556
Total liabilities	2,195,693	111,943	42,078	2,349,714
Fund balances:				
Restricted for grant programs	195,468	2,818,611	—	3,014,079
Total fund balances	195,468	2,818,611	—	3,014,079
Total liabilities and fund balances	$ 2,391,161	2,930,554	42,078	5,363,793

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

(A Component Unit of the State of Georgia)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2025

	State Energy Program	Energy Investments	Energy Efficiency Programs BIL & IRA	Total Nonmajor Governmental Funds
Revenues:				
Grant revenues	$ 2,943,640	—	42,078	2,985,718
Interest income on investments	—	135,696	—	135,696
Total revenues	2,943,640	135,696	42,078	3,121,414
Expenditures:				
Current:				
Energy programs	2,943,640	1,573	42,078	2,987,291
Total expenditures	2,943,640	1,573	42,078	2,987,291
Excess of revenues over expenditures	—	134,123	—	134,123
Net change in fund balances	—	134,123	—	134,123
Fund balances – July 1	195,468	2,684,488	—	2,879,956
Fund balances – June 30	$ 195,468	2,818,611	—	3,014,079

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STATISTICAL SECTION

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STATISTICAL SECTION

(TAB BACK)

GEORGIA ENVIRONMENTAL FINANACE AUTHORITY

Statistical Section

This part of the Georgia Environmental Finance Authority's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health. This information has not been audited by the independent auditor.

Contents **Page**

Financial Trends 99

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity 106

These schedules contain information to help the reader assess the Authority's most significant own-source revenue, interest income on loans receivable.

Debt Capacity 109

This schedule presents information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

Demographic and Economic Information 111

This schedule offers demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place for its most significant programs, the environmental loan programs.

Operating Information 112

Theses schedules contain information about the Authority's operations and resources to help the reader understand how the Authority's financial information relates to the services the Authority provides and the activities it performs.

Sources

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Government-wide Net Position by Category [1]
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities										
Investment in capital assets	$ 1,053,884	$ 1,234,495	$ 1,416,292	$ 1,617,478	$ 70,760	$ 132,977	$ 216,060	$ 287,852	$ 145,931	$ 182,945
Restricted for:										
Loan programs	38,200,322	45,332,151	45,172,983	43,310,920	35,048,073	37,430,463	36,982,494	32,536,148	33,945,845	32,316,803
Grant programs	3,026,589	2,892,466	2,746,164	3,165,641	3,000,255	2,711,769	4,727,010	4,624,447	4,609,944	4,442,876
OPEB items	1,042,300	607,188	-	-	-	-	-	-	-	-
Unrestricted	8,394,886	8,103,516	8,189,499	8,089,152	6,915,397	6,105,901	5,332,849	4,149,357	3,297,732	3,272,896
Subtotal Governmental Activities Net Position	$ 51,717,981	$ 58,169,816	$ 57,524,938	$ 56,183,191	$ 45,034,485	$ 46,381,110	$ 47,258,413	$ 41,597,804	$ 41,999,452	$ 40,215,520
Business-type Activities										
Restricted for:										
Loan or grant programs	$ 2,558,813,654	$ 2,368,345,390	$ 2,176,359,032	$ 2,033,027,210	$ 1,956,581,173	$ 1,882,645,322	$ 1,803,070,372	$ 1,717,827,489	$ 1,638,492,840	$ 1,576,901,260
Unrestricted	1,674,684,812	878,220,578	609,067,196	596,108,887	593,502,445	591,543,622	584,007,781	567,363,335	564,547,340	554,378,003
Subtotal Business-type Activities Net Position	$ 4,233,498,466	$ 3,246,565,968	$ 2,785,426,228	$ 2,629,136,097	$ 2,550,083,618	$ 2,474,188,944	$ 2,387,078,153	$ 2,285,190,824	$ 2,203,040,180	$ 2,131,279,263
Net Position										
Investment in capital assets	$ 1,053,884	$ 1,234,495	$ 1,416,292	$ 1,617,478	$ 70,760	$ 132,977	$ 216,060	$ 287,852	$ 145,931	$ 182,945
Restricted for:										
Loan programs	38,200,322	45,332,151	45,172,983	43,310,920	35,048,073	37,430,463	36,982,494	32,536,148	33,945,845	32,316,803
Grant programs	3,026,589	2,892,466	2,746,164	3,165,641	3,000,255	2,711,769	4,727,010	4,624,447	4,609,944	4,442,876
OPEB items	1,051,300	607,188	-	-	-	-	-	-	-	-
Loan or grant programs	2,558,813,654	2,368,345,390	2,176,359,032	2,033,027,210	1,956,581,173	1,882,645,322	1,803,070,372	1,717,827,489	1,638,492,840	1,576,901,260
Unrestricted	1,683,070,698	886,324,094	617,256,695	604,198,039	600,417,842	597,649,523	589,340,630	571,512,692	567,845,072	557,650,899
Total Net Position	$ 4,285,216,447	$ 3,304,735,784	$ 2,842,951,166	$ 2,685,319,288	$ 2,595,118,103	$ 2,520,570,054	$ 2,434,336,566	$ 2,326,788,628	$ 2,245,039,632	$ 2,171,494,783

Notes:

[1]Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is passed by the Authority.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Government-wide Expenses, Program Revenues, and Net (Expense)/Revenue by Function/Program Last Ten Fiscal Years (accrual basis of accounting)

Functions/Programs	2025			2024			2023			2022			2021		
	Expenses	Program Revenues	Net (Expense)/ Revenue[1]	Expenses	Program Revenues	Net (Expense)/ Revenue[1]	Expenses	Program Revenues	Net (Expense)/ Revenue[1]	Expenses	Program Revenues	Net (Expense)/ Revenue[1]	Expenses	Program Revenues	Net (Expense)/ Revenue[1]
Governmental Activities															
General Government	$ 10,096,729	$ 12,435,886	$ 2,339,157	$ 10,979,411	$ 6,507,536	$ (4,471,875)	$ 7,104,565	$ 13,738,914	$ 6,634,349	$ 6,026,740	$ 15,384,170	$ 9,357,430	$ 5,305,547	$ 9,126,969	$ 3,821,422
Water and wastewater programs	4,357,725	26,158,930	21,801,205	9,308,284	22,885,437	13,577,153	5,854,717	6,081,871	227,154	12,610,052	12,415,261	(194,791)	11,042,170	12,163,229	1,121,059
Land conservation programs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy programs	28,539,899	20,383,151	(8,156,748)	16,399,347	16,546,188	146,841	11,222,986	11,317,430	94,444	10,244,293	10,182,185	(62,108)	10,207,792	10,209,850	2,058
Subtotal Governmental Activities	42,994,353	58,977,967	15,983,614	36,687,042	45,939,161	9,252,119	24,182,268	31,138,215	6,955,947	28,881,085	37,981,616	9,100,531	26,555,509	31,500,048	4,944,539
Business-type Activities															
Water and wastewater programs	44,653,813	44,653,813	-	24,969,516	24,969,516	-	17,430,275	17,430,275	-	12,365,506	12,365,506	-	12,544,218	12,544,218	-
Outdoor stewardship & land conservation[2]	19,364,659	32,899,341	13,534,682	22,593,543	32,599,797	10,006,254	18,796,868	29,106,365	10,309,497	9,788,819	20,638,011	10,849,192	4,328,655	16,399,960	12,071,305
Storage tank maintenance programs	798,861	1,546,656	747,795	785,015	1,567,865	782,850	862,673	1,053,157	190,484	860,519	1,061,334	200,815	904,241	1,075,539	171,298
General and administrative[3]	137,099	949,143,562	949,006,463	151,808	437,262,976	437,111,168	400,682	137,998,966	137,598,284	321,506	70,217,400	69,895,894	230,575	57,505,298	57,274,723
Subtotal Business-type Activities	64,954,432	1,028,243,372	963,288,940	48,499,882	496,400,154	447,900,272	37,490,498	185,588,763	148,098,265	23,336,350	104,282,251	80,945,901	18,007,689	87,525,015	69,517,326
Total Governmental and Business-type Activities	$ 107,948,785	$ 1,087,221,339	$ 979,272,554	$ 85,186,924	$ 542,339,315	$ 457,152,391	$ 61,672,766	$ 216,726,978	$ 155,054,212	$ 52,217,435	$ 142,263,867	$ 90,046,432	$ 44,563,198	$ 119,025,063	$ 74,461,865

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Government-wide Expenses, Program Revenues, and Net (Expense)/Revenue by Function/Program Last Ten Fiscal Years (accrual basis of accounting)

(continued)

Functions/Programs	2020 Expenses	2020 Program Revenues	2020 Net (Expense)/ Revenue[1]	2019 Expenses	2019 Program Revenues	2019 Net (Expense)/ Revenue[1]	2018 Expenses	2018 Program Revenues	2018 Net (Expense)/ Revenue[1]	2017 Expenses	2017 Program Revenues	2017 Net (Expense)/ Revenue[1]	2016 Expenses	2016 Program Revenues	2016 Net (Expense)/ Revenue[1]
Governmental Activities															
General Government	$ 5,210,778	$ 12,582,559	$ 7,371,781	$ 5,262,199	$ 11,170,444	$ 5,908,245	$ 6,394,339	$ 10,687,318	$ 4,292,979	$ 7,434,445	$ 14,071,835	$ 6,637,390	$ 6,404,371	$ 14,240,940	$ 7,836,569
Water and wastewater programs	12,442,827	11,743,383	(699,444)	8,319,314	9,115,332	796,018	8,587,806	8,251,478	(336,328)	8,781,032	7,798,947	(982,085)	8,603,578	7,460,396	(1,143,182)
Land conservation programs	-	-	-	29,391	61,248	31,857	763	23,009	22,246	747	28,213	27,466	10,730	34,203	23,473
Energy programs	8,166,627	7,780,006	(386,621)	7,585,937	7,609,679	23,742	5,681,449	5,652,636	(28,813)	5,191,460	5,288,821	97,361	4,847,120	4,789,765	(57,355)
Subtotal Governmental Activities	25,820,232	32,105,948	6,285,716	21,196,841	27,956,703	6,759,862	20,664,357	24,614,441	3,950,084	21,407,684	27,187,816	5,780,132	19,865,799	26,525,304	6,659,505
Business-type Activities															
Water and wastewater programs	10,782,265	10,782,265	-	22,094,234	22,094,234	-	12,186,247	12,186,247	-	10,202,019	10,202,019	-	9,907,354	9,907,354	-
Outdoor stewardship & land conservation[2]	857	82,063	81,206	-	-	-	-	-	-	-	-	-	-	-	-
Storage tank maintenance programs	732,388	1,099,512	367,124	731,863	1,125,983	394,120	581,179	1,130,014	548,835	613,774	981,211	367,437	594,788	984,480	389,692
General and administrative[3]	123,799	78,701,257	78,577,458	91,712	99,223,772	99,132,060	323,937	80,815,571	80,491,634	190,514	67,183,829	66,993,315	787,360	65,253,611	64,466,251
Subtotal Business-type Activities	11,639,309	90,665,097	79,025,788	22,917,809	122,443,989	99,526,180	13,091,363	94,131,832	81,040,469	11,006,307	78,367,059	67,360,752	11,289,502	76,145,445	64,855,943
Total Governmental and Business-type Activities	$ 37,459,541	$ 122,771,045	$ 85,311,504	$ 44,114,650	$ 150,400,692	$ 106,286,042	$ 33,755,720	$ 118,746,273	$ 84,990,553	$ 32,413,991	$ 105,554,875	$ 73,140,884	$ 31,155,301	$ 102,670,749	$ 71,515,448

Notes:

[1]The fluctuations in net (expense)/revenue is attributed to variations in interest earnings rate experienced over the past three years, receipt (non-receipt) of contributions from external funders and changes in expense activity levels for supported programs.

[2]State law changed effective July 1, 2019 which transferred all funds of the State Land Conservation Fund to the Georgia Outdoor Stewardship Act Fund.

[3]Program revenues significantly increased in fiscal year 2024 due to an infusion of cash appropriations provided to the Georgia Fund, as well as increased federal funds drawn for the Clean Water State Revolving Loan Fund and Drinking Water State Revolving Loan Fund.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Government-wide General Revenues and Other Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net (Expense), Total Governmental and Business-type Activities										
Governmental activities	$ 15,983,614	$ 9,252,119	$ 6,955,947	$ 9,100,531	$ 4,944,539	$ 6,285,716	$ 6,759,862	$ 3,950,084	$ 5,780,132	$ 6,659,505
Business-type activities[2]	963,288,940	447,900,272	148,098,265	80,945,901	69,517,326	79,025,788	99,526,180	81,040,469	67,360,752	64,855,943
Total Governmental and Business-type Activities	979,272,554	457,152,391	155,054,212	90,046,432	74,461,865	85,311,504	106,286,042	84,990,553	73,140,884	71,515,448
General revenues and other changes in net position										
Governmental Activities:										
Unrestricted investment earnings	408,190	3,255,957	2,121,560	153,820	71,435	799,364	1,138,063	608,836	256,976	123,269
Miscellaneous	774,852	1,040,428	452,966	660	14,749	122,270	122,086	114,624	60,451	18,533
Transfers to business-type activities[1]	(23,618,491)	(13,221,738)	(8,188,726)	1,893,695	(6,377,348)	(8,084,653)	(2,359,402)	(1,106,700)	(4,313,627)	(5,566,465)
Subtotal Governmental Activities	(22,435,449)	(8,925,353)	(5,614,200)	2,048,175	(6,291,164)	(7,163,019)	(1,099,253)	(383,240)	(3,996,200)	(5,424,663)
Business-type Activities:										
Miscellaneous	25,067	17,730	3,140	273		350	1,747	3,475	86,538	58,211
Transfers from governmental activities	23,618,491	13,221,738	8,188,726	(1,893,695)	6,377,348	8,084,653	2,359,402	1,106,700	4,313,627	5,566,465
Subtotal Business-type Activities	23,643,558	13,239,468	8,191,866	(1,893,422)	6,377,348	8,085,003	2,361,149	1,110,175	4,400,165	5,624,676
Changes in Net Position										
Governmental activities	(6,451,835)	326,766	1,341,747	11,148,706	(1,346,625)	(877,303)	5,660,609	3,566,844	1,783,932	1,234,842
Business-type activities[2]	986,932,498	461,139,740	156,290,131	79,052,479	75,894,674	87,110,791	101,887,329	82,150,644	71,760,917	70,480,619
Total Changes in Net Position	$ 980,480,663	$ 461,466,506	$ 157,631,878	$ 90,201,185	$ 74,548,049	$ 86,233,488	$ 107,547,938	$ 85,717,488	$ 73,544,849	$ 71,715,461

Notes:

[1]Transfers to business-type activities is highly driven by activity of construction loan projects. Therefore, on a year-to-year basis fluctuations in amounts may occur.

[2]Net position experienced a significant increase in fiscal year 2024 due to an infusion of cash appropriations provided to the Georgia Fund, as well as increased federal funds drawn for the Clean Water State Revolving Loan Fund and Drinking Water State Revolving Loan Fund. For fiscal year 2025, the Authority again received significant capitalization of funding from the state of Georgia for the Georgia Fund.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund										
Nonspendable for prepaid items	$ -	$ -	$ 1,200	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted for loan programs	1,114,398	11,648,188	11,499,206	11,885,386	5,152,064	10,722,800	11,509,489	5,118,559	7,115,935	5,833,708
Restricted for grant programs	-	-	-	513,921	286,427	-	-	-	-	-
Unassigned	12,434,209	12,434,209	12,433,009	12,434,209	12,434,209	12,434,209	12,434,209	12,434,209	8,434,209	8,434,209
Total general fund balance	$ 13,548,607	$ 24,082,397	$ 23,933,415	$ 24,833,516	$ 17,872,700	$ 23,157,009	$ 23,943,698	$ 17,552,768	$ 15,550,144	$ 14,267,917
Weatherization Assistance Program Fund										
Restricted for grant programs	$ 12,510	$ 12,510	$ 12,510	$ 12,510	$ 12,510	$ 12,510	$ 43,278	$ 68,807	$ 123,942	$ 1,727
Total weatherization assistance program fund balance	$ 12,510	$ 12,510	$ 12,510	$ 12,510	$ 12,510	$ 12,510	$ 43,278	$ 68,807	$ 123,942	$ 1,727
Clean Water SRF Administration Fund										
Restricted for loan programs	$ 30,836,085	$ 28,098,704	$ 28,299,804	$ 26,215,876	$ 24,972,587	$ 22,988,965	$ 21,993,649	$ 24,722,400	$ 23,066,886	$ 22,868,087
Total clean water SRF administration fund balance	$ 30,836,085	$ 28,098,704	$ 28,299,804	$ 26,215,876	$ 24,972,587	$ 22,988,965	$ 21,993,649	$ 24,722,400	$ 23,066,886	$ 22,868,087
Drinking Water SRF Administration Fund										
Restricted for loan programs	$ 6,249,839	$ 5,734,241	$ 5,373,973	$ 5,209,658	$ 4,923,423	$ 3,718,698	$ 3,479,356	$ 2,695,189	$ 3,763,024	$ 3,615,008
Total drinking water SRF administration fund balance	$ 6,249,839	$ 5,734,241	$ 5,373,973	$ 5,209,658	$ 4,923,423	$ 3,718,698	$ 3,479,356	$ 2,695,189	$ 3,763,024	$ 3,615,008
Nonmajor Governmental Funds										
Restricted for loan programs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted for grant programs	3,014,079	2,879,956	2,733,654	2,639,210	2,701,317	2,699,259	4,683,732	4,555,640	4,486,002	4,441,149
Total nonmajor governmental fund balance	$ 3,014,079	$ 2,879,956	$ 2,733,654	$ 2,639,210	$ 2,701,317	$ 2,699,259	$ 4,683,732	$ 4,555,640	$ 4,486,002	$ 4,441,149
Total governmental fund balances	$ 53,661,120	$ 60,807,808	$ 60,353,356	$ 58,910,770	$ 50,482,537	$ 52,576,441	$ 54,143,713	$ 49,594,804	$ 46,989,998	$ 45,193,888

Notes:

None.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Changes in Fund Balances, Governmental Funds [1]
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
State of Georgia appropriations	$ 16,753,495	$ 1,253,495	$ 997,068	$ 1,179,922	$ 1,679,922	$ 809,755	$ 788,495	$ 788,495	$ 838,495	$ 983,495
State general obligation bond proceeds	-	14,465,000	10,600,000	12,000,000	5,100,000	9,500,000	8,000,000	8,000,000	10,000,000	10,000,000
Administrative fees	2,989,473	5,357,524	4,307,299	2,528,982	4,370,649	1,667,208	2,537,389	2,364,541	1,107,133	1,569,471
Grant revenues	36,459,758	24,714,801	15,136,160	22,265,923	20,346,304	20,084,124	16,502,894	13,399,323	15,196,649	13,929,568
Public donations	-	-	-	-	-	-	61,248	23,009	28,213	34,203
Interest income on investments	3,179,513	3,402,769	2,219,248	160,608	74,608	844,225	1,204,740	647,909	274,302	131,836
Miscellaneous	778,770	1,041,956	452,966	660	14,749	122,270	122,086	114,624	60,451	18,533
Total revenues	$ 60,161,009	$ 50,235,545	$ 33,712,741	$ 38,136,095	$ 31,586,232	$ 33,027,582	$ 29,216,852	$ 25,337,901	$ 27,505,243	$ 26,667,106
Expenditures										
General government	$ 10,791,582	$ 10,851,726	$ 6,997,937	$ 7,111,959	$ 6,052,826	$ 5,900,747	$ 6,348,489	$ 7,147,461	$ 7,411,914	$ 6,718,395
Water and wastewater programs	4,357,725	9,308,282	5,854,717	12,610,051	11,042,170	12,442,827	8,319,314	8,587,806	8,781,032	8,603,578
Land conservation programs	-	-	-	-	-	-	29,391	763	747	10,730
Energy programs	28,539,899	16,399,347	11,222,986	10,244,292	10,207,792	8,166,627	7,585,937	5,681,449	5,191,460	4,847,120
Capital outlay, general government	-	-	5,789	1,635,255	-	-	25,410	208,916	10,353	96,775
Total expenditures	43,689,206	36,559,355	24,081,429	31,601,557	27,302,788	26,510,201	22,308,541	21,626,395	21,395,506	20,276,598
Excess of revenues over (under) expenditures	16,471,803	13,676,190	9,631,312	6,534,538	4,283,444	6,517,381	6,908,311	3,711,506	6,109,737	6,390,508
Other Financing Sources (Uses)										
Transfers in[2]	$ 3,964,226	$ 4,015,385	$ 5,210,028	$ 7,769,535	$ 4,876,976	$ 5,288,131	$ 9,180,040	$ 10,208,556	$ 5,328,291	$ 4,482,282
Transfers out[2]	(27,582,717)	(17,237,123)	(13,398,754)	(5,875,840)	(11,254,324)	(13,352,784)	(11,539,442)	(11,315,256)	(9,641,918)	(10,048,747)
Total other financing sources (uses)	(23,618,491)	(13,221,738)	(8,188,726)	1,893,695	(6,377,348)	(8,064,653)	(2,359,402)	(1,106,700)	(4,313,627)	(5,566,465)
Net change in fund balances[3]	$ (7,146,688)	$ 454,452	$ 1,442,586	$ 8,428,233	$ (2,093,904)	$ (1,547,272)	$ 4,548,909	$ 2,604,806	$ 1,796,110	$ 824,043

Notes:

[1]The Authority has no bond debt outstanding within the governmental funds and thus no debt service calculations as a percentage of noncapital expenditures.

[2]Transfers-in and out are based on activity experienced within the match loan programs. Fluctuations are based on activity on a year-to-year basis.

[3]Fluctuations may occur year-to-year with net change in fund balance primarily due to loan program demand to match the federal loan programs. Monies are deposited into the general fund and held until the funds are needed to fund project disbursements. In addition, the level of funding provided by the State of Georgia for this same purpose may vary depending upon approved legislation for the respective fiscal period and receipt of those monies.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Government-wide Program Revenues[1] by Category
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities										
Charges for Services	$ 2,989,473	$ 5,357,524	$ 4,307,299	$ 2,528,981	$ 4,370,649	$ 1,667,208	$ 2,537,389	$ 2,364,541	$ 1,107,133	$ 1,569,471
Operating Grants and Contributions[2]	55,988,494	40,581,637	26,830,916	35,452,635	27,129,399	30,438,740	25,419,314	22,249,900	26,080,683	24,955,833
Subtotal Governmental Activities Program Revenues	58,977,967	45,939,161	31,138,215	37,981,616	31,500,048	32,105,948	27,956,703	24,614,441	27,187,816	26,525,304
Business-type Activities										
Charges for Services	35,754,659	31,818,778	31,290,878	31,109,207	20,953,642	28,187,827	30,130,879	30,289,832	30,813,230	32,743,403
Operating Grants and Contributions[2]	992,488,713	464,581,376	154,297,885	73,173,044	66,571,373	62,477,270	92,313,110	63,842,000	47,553,829	43,402,042
Subtotal Business-type Activities Program Revenues	1,028,243,372	496,400,154	185,588,763	104,282,251	87,525,015	90,665,097	122,443,989	94,131,832	78,367,059	76,145,445
Governmental and Business-type Activities										
Charges for Services	38,744,132	37,176,302	35,598,177	33,638,188	25,324,291	29,855,035	32,668,268	32,654,373	31,920,363	34,312,874
Operating Grants and Contributions[2]	1,048,477,207	505,163,013	181,128,801	108,625,679	93,700,772	92,916,010	117,732,424	86,091,900	73,634,512	68,357,875
Total Governmental and Business-type Activities Program Revenues	$ 1,087,221,339	$ 542,339,315	$ 216,726,978	$ 142,263,867	$ 119,025,063	$ 122,771,045	$ 150,400,692	$ 118,746,273	$ 105,554,875	$ 102,670,749

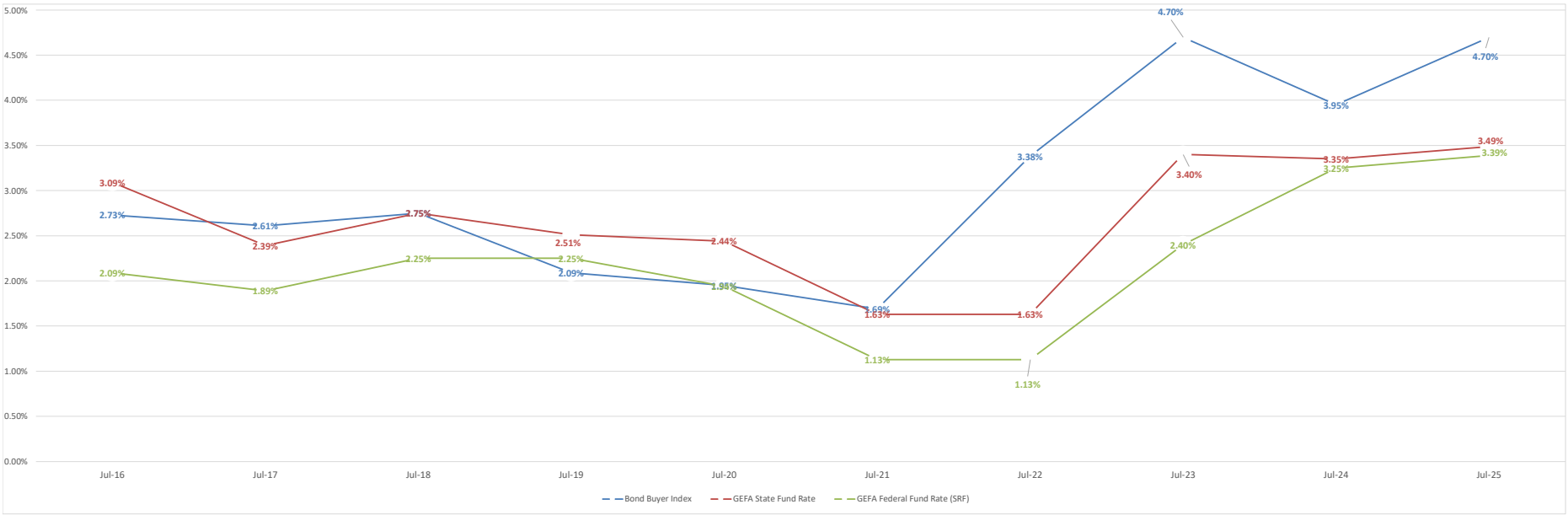
Notes:

[1]Program revenues are related to specific activities of the Authority. Their sources are either fees, interest earnings, charges for services or grants/intergovernmental revenues restricted to a specific purpose.

[2]Operating grants and contributions increased significantly in fiscal year 2024 due to an infusion of cash appropriations provided to the Georgia Fund, as well as increased federal funds drawn for the Clean Water State Revolving Loan Fund and Drinking Water State

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Annual Loan Program Interest Rate History
Last Ten Fiscal Years



Georgia Fund Loan Program

Date	Interest Rate (%)	Closing Fee (%)[2]
06/2025	3.49	1.50
06/2024	3.35	1.25
06/2023	3.40	1.25
06/2022	1.63	1.00
06/2021	1.63	1.00
06/2020	2.44	1.00
06/2019	2.09	1.00
06/2018	2.75	1.00
06/2017	2.39	1.00
06/2016	3.09	1.00

Bond Buyer Index

Date	Interest Rate (%)
06/2025	4.70
06/2024	3.95
06/2023	4.70
06/2022	3.38
06/2021	1.69
06/2020	1.95
06/2019	2.51
06/2018	2.75
06/2017	2.61
06/2016	2.73

SRF Rate and Fee History

Date	Interest Rate (%)	Closing Fee (%)
06/2025	3.39	1.50
06/2024	3.25	1.25
06/2023	2.40	1.25
06/2022	1.13	1.00
06/2021	1.13	1.00
06/2020	1.94	1.00
06/2019	2.25	1.00
06/2018	2.25	1.00
06/2017	1.89	1.00
06/2016	2.09	1.00

Sources:

The Authority's Financial Services Division and the Bond Buyer and Federal Reserve at: www.federalreserve.gov/releases/h15/data.htm

Note:

[1]State fund loan rates are established at each state bond sale date, or determined by market analysis.

[2]The closing fee was established to assist the Georgia Fund in offsetting certain general and administrative expenses associated with program management, as well as other originating, processing, underwriting and servicing loans for that program.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Principal Loans Receivable Payers
Fiscal Year 2025 and Nine Years Prior (2016)

	2025			2016		
BORROWER	**PRINCIPAL BALANCE OUTSTANDING[1]**	**RANK**	**% OF TOTAL PRINCIPAL BALANCE OUTSTANDING**	**PRINCIPAL BALANCE OUTSTANDING[1]**	**RANK**	**% OF TOTAL PRINCIPAL BALANCE OUTSTANDING**
ATLANTA	$ 177,458,986	1	8.01%	$ 168,222,435	1	13.29%
BRYAN COUNTY	77,870,311	4	3.51%	-	-	-
CLAYTON COUNTY WATER AUTHORITY	77,122,781	5	3.48%	-	-	-
COBB COUNTY BOARD OF COMMISSIONERS	60,847,758	8	2.75%	140,956,890	2	11.14%
COLUMBUS WATER WORKS	-	-	-	27,280,719	9	2.16%
DEKALB COUNTY	82,167,044	3	3.71%	-	-	-
GAINESVILLE	56,900,230	9	2.57%	-	-	-
GRIFFIN	66,226,205	6	2.99%	-	-	-
GWINNETT COUNTY	-	-	-	44,016,066	5	3.48%
HALL COUNTY	-	-	-	28,313,615	7	2.24%
HENRY COUNTY WATER AUTHORITY	97,517,644	2	4.40%	48,363,822	4	3.82%
NEWTON COUNTY WATER AND SEWERAGE AUTHORITY	52,077,680	10	2.35%	-	-	-
PAULDING COUNTY	62,986,223	7	2.84%	-	-	-
RICHMOND HILL	-	-	-	25,814,458	10	2.04%
THE CONSERVATION FUND	-	-	-	42,586,815	6	3.37%
VALDOSTA	-	-	-	83,537,295	3	6.60%
WALTON COUNTY WATER AND SEWER AUTHORITY	-	-	-	27,344,067	8	2.16%
TOTAL PRINCIPAL PAYERS	$ 811,174,862		36.61%	$ 636,436,181		50.29%
ALL OTHER PAYERS	1,404,824,172		63.39%	629,030,542		49.71%
TOTAL PAYERS	$ 2,215,999,034		100.00%	$ 1,265,466,723		100.00%

Source:

The Authority's Financial Services Division.

Notes:

[1]Loans principal balance represents principal amounts due the Authority.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Interest Revenue by Fund [1]
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022	2021[2]	2020	2019	2018	2017	2016
Georgia Fund	$ 6,180,561	$ 5,512,404	$ 6,062,140	$ 6,221,572	$ 4,472,501	$ 6,462,077	$ 6,979,921	$ 6,900,559	$ 7,612,073	$ 8,602,541
Georgia Reservoir Fund	1,463,814	1,394,783	1,112,516	1,309,606	875,199	634,560	319,129	178,179	130,726	128,533
Clean Water State Revolving Loan Fund	21,654,692	18,631,662	18,311,311	16,496,647	10,660,458	14,567,989	16,042,224	16,109,771	16,252,646	16,832,178
Clean Water State Match Revolving Loan Fund[3]	-	-	-	1,879,852	1,236,926	2,138,675	2,498,469	2,634,478	2,803,616	2,992,291
Drinking Water State Revolving Loan Fund	4,970,842	4,415,303	4,155,317	3,216,395	1,972,474	2,542,040	2,516,341	2,362,872	2,241,651	2,171,464
Drinking Water State Match Revolving Loan Fund[4]	-	-	-	597,479	413,424	550,442	567,220	565,433	622,967	726,294
Total interest revenue	$ 34,269,909	$ 29,954,152	$ 29,641,284	$ 29,721,551	$ 19,630,982	$ 26,895,783	$ 28,923,304	$ 28,751,292	$ 29,663,679	$ 31,453,301

Source:

The Authority's Financial Services Division.

Notes:

[1]Interest revenues are derived from charges for services relative to specific activities of the Authority. Their source is interest income on loan receivables.

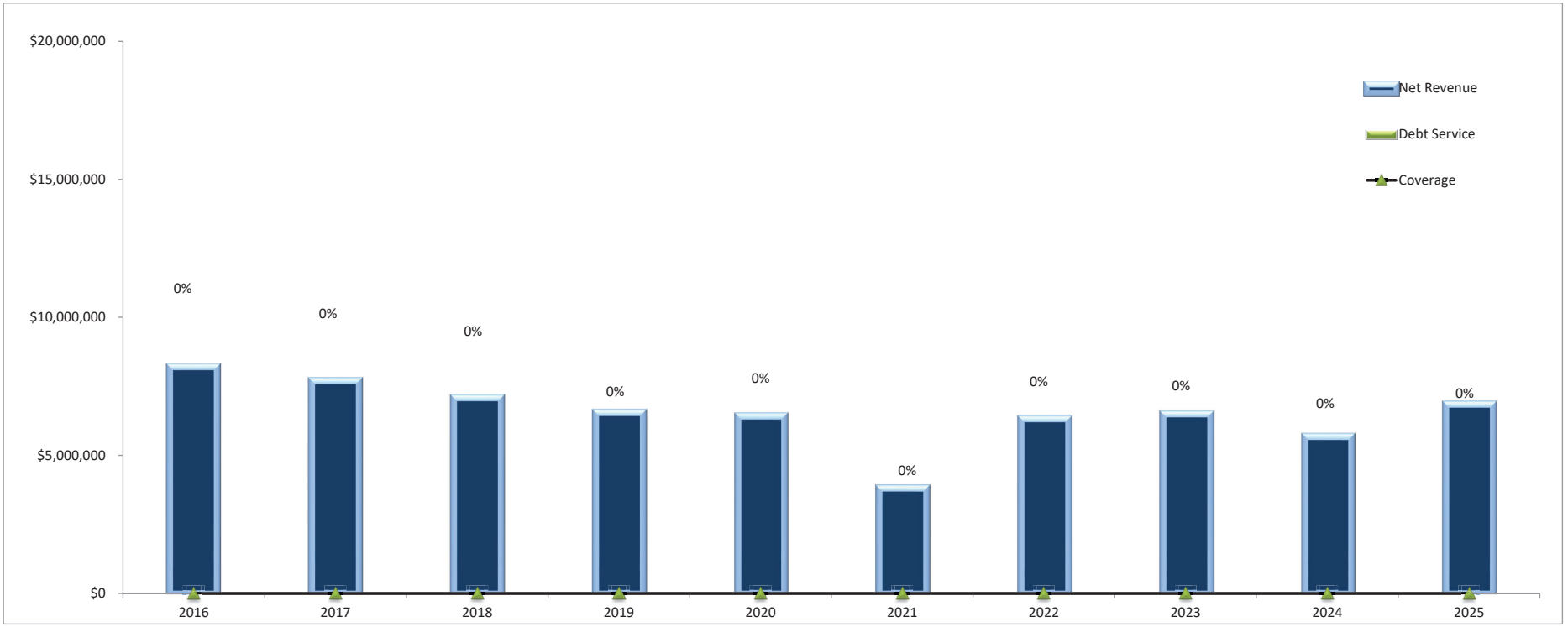
[2]The Authority offered a six-month forbearance period to participating borrowers due to the ongoing COVID-19 pandemic. Therefore, interest revenue experienced a significant decrease in FY 2021.

[3]The Authority combined the Clean Water State Match fund with the Clean Water Federal fund in FY 2023.

[4]The Authority combined the Drinking Water State Match fund with the Drinking Water Federal fund in FY 2023.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Schedule of Revenue Bond Coverage
Last Ten Fiscal Years



10-year trend	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net Revenue	$8,212,945	$7,710,421	$7,095,954	$6,563,253	$6,432,246	$3,834,266	$6,337,133	$6,514,631	$5,688,511	$6,858,717
Debt Service	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Coverage	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Schedule of Revenue Bond Coverage
Last Ten Fiscal Years

(continued)

	NET REVENUE AVAILABLE FOR DEBT SERVICE REQUIREMENTS							
FISCAL YEAR	GROSS REVENUE	OPERATING EXPENSES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	TOTAL	COVERAGE	OUTSTANDING DEBT
2025	$7,072,261	$213,544	$6,858,717	-	-	-	**0.00%**	-
2024	$5,856,880	$168,369	$5,688,511	-	-	-	**0.00%**	-
2023	$6,674,933	$160,302	$6,514,631	-	-	-	**0.00%**	-
2022	$6,550,152	$213,019	$6,337,133	-	-	-	**0.00%**	-
2021	$4,721,011	$886,745	$3,834,266	-	-	-	**0.00%**	-
2020	$6,674,969	$242,723	$6,432,246	-	-	-	**0.00%**	-
2019	$7,085,221	$521,968	$6,563,253	-	-	-	**0.00%**	-
2018	$7,324,549	$228,595	$7,095,954	-	-	-	**0.00%**	-
2017	$7,797,172	$86,751	$7,710,421	-	-	-	**0.00%**	-
2016	$8,929,377	$716,432	$8,212,945	-	-	-	**0.00%**	-

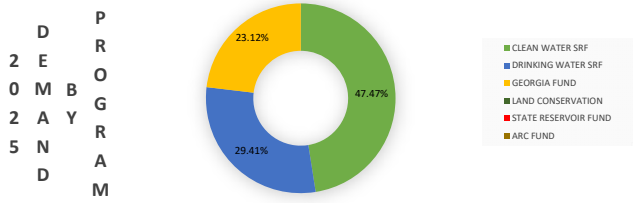
Source:

The Authority's Financial Services Division.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Demand by Program [1]
Last Ten Fiscal Years

Year	State of Georgia Population	Estimated Population Impacted	Number of Jurisdictions	Number of Projects	Program: Clean Water State Revolving Loan Fund[2]	Percent of Total	Drinking Water State Revolving Loan Fund[2]	Percent of Total	Georgia Fund	Percent of Total	Land Conservation	Percent of Total	State Reservoir Fund	Percent of Total	ARC Fund	Percent of Total	Totals
2025	11,297,300	844,492	111	124	122,047,100	47.47%	75,598,193	29.41%	59,443,360	23.12%	-	0.00%	-	0.00%	-	0.00%	257,088,653
2024	11,180,878	735,047	55	61	326,766,125	72.36%	97,339,400	21.55%	27,499,200	6.09%	-	0.00%	-	0.00%	-	0.00%	451,604,725
2023	11,029,227	448,710	44	48	275,085,900	64.92%	78,066,763	18.42%	70,235,278	16.58%	-	0.00%	328,445	0.08%	-	0.00%	423,716,386
2022	10,912,876	896,931	69	86	190,419,840	62.36%	67,014,205	21.95%	29,858,000	9.78%	17,600,000	5.76%	-	0.00%	461,936	0.15%	305,353,981
2021	10,799,566	3,037,855	76	103	275,290,600	57.30%	174,093,550	36.24%	26,851,005	5.59%	-	0.00%	-	0.00%	4,200,000	0.87%	480,435,155
2020	10,710,017	1,006,000	60	85	93,436,000	48.82%	74,459,800	38.90%	21,871,400	11.43%	1,325,000	0.69%	-	0.00%	300,000	0.16%	191,392,200
2019	10,617,423	1,816,835	70	84	164,070,900	60.35%	89,668,000	32.98%	12,330,000	4.54%	28,600	0.01%	500,000	0.18%	5,282,159	1.94%	271,879,659
2018	10,519,475	1,194,103	72	87	169,772,100	54.92%	50,205,000	16.24%	52,399,000	16.95%	16,477,000	5.33%	20,000,000	6.47%	300,000	0.09%	309,153,100
2017	10,429,379	752,328	74	75	54,896,370	42.66%	49,960,883	38.82%	16,933,851	13.16%	5,700,000	4.43%	-	0.00%	1,200,000	0.93%	128,691,104
2016	10,310,371	778,827	78	75	113,747,904	50.38%	22,803,361	10.10%	30,997,414	13.73%	21,892,562	9.70%	36,352,250	16.09%	-	0.00%	225,793,491



Source:

The Authority's Financial Services Division and Environment Departments. State of Georgia Population obtained from the State of Georgia's Comprehensive Annual Financial Report at: https://sao.georgia.gov/comprehensive-annual-financial-reports.

Notes:

[1]GEFA is a component unit of the state of Georgia and does not have statutory taxing authority. Therefore, the demographic and economic information contained in the Authority's financial report does not encompass statistical data regarding the geographical area it serves; this information is contained in the State of Georgia's Comprehensive Annual Financial report at: www.audits.state.ga.us.

[2]Amounts presented include twenty percent allocated to their respective matching loan programs. Includes Land Conservation loans.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Full-time Equivalent State Authority Employees by Identifiable Activity
Last Ten Fiscal Years

Function/Program	Full-Time Equivalent Employees as of June 30									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Governmental activities:										
Executive Administration	3.5	4.5	4.5	5.5	3.5	3.5	3.5	5	5	5
Energy programs	9	8	7	6	6	6	6	6	6	6
Fuel storage tank and alternative fuels programs	2	2	2	2	2	2	2	2	3	2
Information technology	0.5	0.5	0.5	0.5	0.5	1.5	2.5	1	4	4
Accounting support	2.5	3.0	2.5	2.5	3.5	3	3.5	3	3	3
Other administrative support	3	4	3	4	4	4	5	5	4	4
Total FTE - Governmental Activities	20.5	22.0	19.5	20.5	19.5	20	22.5	22	25	24
Business-type activities:										
Waste and wastewater programs	13	11	9	6	8	8	8	7	9	10
Accounting and finance support	5.5	6.0	5.5	5.5	5.5	5	5.5	6	6	6
Total FTE - Business Type Activities	18.5	17.0	14.5	11.5	13.5	13	13.5	13	15	16
Totals	39	39	34	32	33	33	36	35	40	40

Sources:

The Authority's Human Resources and Financial Services Divisions.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Operating Indicators by Function [1]
Last Ten Fiscal Years

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Energy programs										
Clients served	2,739	1,611	1,189	2,664	1,321	1,197	1,069	745	1,309	1,170
Homes weatherized	1,002	961	692	1,367	772	683	643	458	752	814
Carbon dioxide (CO_2) reductions (tons)[2]	2,665	2,560	1,799	3,623	2,046	1,810	1,698	1,214	49,892	851
Energy saved (million BTU)[3]	29,348	28,157	20,206	40,053	22,619	20,832	19,551	13,969	22,936	24,827
Water and wastewater programs										
Jobs created[3]										
Construction	12,854	23,672	20,030	12,872	23,326	9,569	8,048	15,460	6,375	11,290
Permanent	6,684	12,309	10,415	6,693	12,129	4,976	4,185	8,039	3,315	5,871
Private wells eliminated	-	10	-	-	-	-	6,025	946	284	59
Sewer lines (linear feet):										
Added	47,000	93,601	211,599	109,039	126,175	79,060	121,840	56,400	95,544	5,200
Upgraded	14,000	21,819	73,006	82,218	772,903	90,100	68,600	105,761	83,694	100,000
Septic tanks removed	-	-	323	946	-	32	5	185	121	15
New customers added	20,100	27,120	603	20,367	29,573	10,057	114,370	2,313	906	101

Sources:

The Authority's Energy and Water Resources Divisions.

Notes:

[1]Information presented is based on estimates.

[2]Per U. S. Department of Energy guidance, carbon dioxide emissions are reduced by an average of one metric ton per weatherized home.

[3]Jobs created for construction & permanent were derived from formula used by Water Resources Division which is listed below:
Number of construction jobs and number permanent jobs per $1B in lending.
Total loan executions per fiscal year/$1 billion = multiplier
multiplier * total construction jobs =number of construction jobs
multiplier * total permanent jobs= number of permanent jobs

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government										
Building improvements[1]	Suite	Suite	Suite	Suite	n/a	n/a	n/a	n/a	n/a	n/a
Computer equipment	6	6	8	12	6	12	12	10	6	5
Furniture and Fixtures	4	4	4	3	1	5	5	5	4	4

Source:

The Authority's Financial Services and Information Technology Divisions.

Notes:

[1] Building improvements were made in 2022 to newly acquired office suite and do not constitute a number of assets.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND *GOVERNMENT AUDITING STANDARDS*

FISCAL YEAR ENDED JUNE 30, 2025

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Members of the
Georgia Environmental Finance Authority
Atlanta, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **Georgia Environmental Finance Authority** (the "Authority"), a component unit of the State of Georgia, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 17, 2025. Our report also includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences.*

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 17, 2025

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

The Members of the
Georgia Environmental Finance Authority
Atlanta, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Georgia Environmental Finance Authority's (the "Authority"), a component unit of the State of Georgia, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the fiscal year ended June 30, 2025. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Authority as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 17, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 17, 2025, except for our opinion on the schedule of expenditures of federal awards, for which the date is December 10, 2025

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)
Schedule of Expenditures of Federal Awards

Fiscal Year Ended June 30, 2025

Federal Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Award/ Contract Number	Federal Expenditures	Expenditures to Sub-Recipients	Amount Provided for Administration
U.S. Appalachian Regional Commission:					
Direct programs:					
Appalachian Area Development	23.002	ARC20C18427	$ 5,000	5,000	—
Appalachian Area Development	23.002	ARC20C20127	1,000	1,000	—
Appalachian Area Development	23.002	ARC20C20489	342,411	342,411	—
Appalachian Area Development	23.002	ARC20C21051	214,478	214,478	—
Appalachian Area Development	23.002	ARC20C21052	276,779	276,779	—
Appalachian Area Development	23.002	GA-18010	21,249	—	21,249
Total U.S. Appalachian Regional Commission			860,917	839,668	21,249
U.S. Department of Energy:					
Direct programs:					
State Energy Program	81.041	EE0009477	883,154	146,514	736,640
State Energy Program-BIL	81.041	EE0010066	413,037	29,900	383,137
State Energy Program-BIL	81.041	EE0010333	9,058	—	9,058
State Energy Program-BIL	81.041	SE0000030	5,619,078	942,521	4,676,557
State Energy Program-BIL	81.041	SE0000086	6,284,110	1,824,704	4,459,406
Total State Energy Program			13,208,437	2,943,639	10,264,798
Weatherization Assistance for Low-Income Persons	81.042	EE0009896	4,756,606	4,181,279	575,327
Weatherization Assistance for Low-Income Persons-BIL	81.042	EE0009981	7,439,904	6,811,487	628,417
Weatherization Assistance for Low-Income Persons	81.042	SE0001817	219,074	—	219,074
Total Weatherization Assistance for Low-Income Persons			12,415,584	10,992,766	1,422,818
Energy Efficiency and Conservation Block Grant Program	81.128	SE0000585	93,281	42,078	51,203
Grid Infrastructure Deployment and Resilience	81.254	GD0000011	31,294	—	31,294
Pass-Through programs - Southeast Energy Efficiency Alliance:					
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	SEEA-192	5,459	—	5,459
Total U.S. Department of Energy			25,754,055	13,978,483	11,775,572
U.S. Department of Health and Human Services:					
Pass-Through programs - State of Georgia Department of Human Resources:					
Low-Income Home Energy Assistance Program	93.568	DHS-42700-040-0000113078	2,019,879	1,956,045	63,834
Low-Income Home Energy Assistance Program	93.568	DHS-42700-040-0000118278	4,905,487	4,312,926	592,561
Total U.S. Department of Health and Human Services			6,925,366	6,268,971	656,395
U.S. Environmental Protection Agency:					
Direct programs:					
Clean Water State Revolving Fund:					
State Revolving Funds (Clean Water)-BIL	66.458	4C02D66423	1	1	—
State Revolving Funds (Clean Water)-BIL	66.458	4C02D66424	38,451,000	38,451,000	—
State Revolving Funds (Clean Water)-BIL	66.458	4X02D40322	963,082	963,082	—
State Revolving Funds (Clean Water)	66.458	CS13000124	13,803,000	13,803,000	—
State Revolving Funds (Clean Water)-ASADRA	66.458	SS01D17720	6,085,762	6,085,762	—
Total State Revolving Funds (Clean Water)			59,302,845	59,302,845	—

(continued)

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)
Schedule of Expenditures of Federal Awards

Fiscal Year Ended June 30, 2025

Federal Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Award/ Contract Number	Federal Expenditures	Expenditures to Sub-Recipients	Amount Provided for Administration
Assistance for Small and Disadvantaged Communities					
Drinking Water Grant Program	66.442	4802D64823	1,063,221	1,063,221	—
Drinking Water Grant Program	66.442	LS02D37522	93,407	93,407	—
Total Assistance for Small and Disadvantaged Communities			1,156,628	1,156,628	—
Drinking Water State Revolving Fund:					
State Revolving Funds (Drinking Water)-BIL	66.468	4D02D43922	$ 3,742,836	3,001,949	740,887
State Revolving Funds (Drinking Water)-BIL	66.468	4D02D43923	27,780,299	27,780,299	—
State Revolving Funds (Drinking Water)-BIL	66.468	4D02D43924	10,452,230	10,452,230	—
State Revolving Funds (Drinking Water)-BIL	66.468	4E02D40222	1,257,306	1,257,306	—
State Revolving Funds (Drinking Water)-BIL	66.468	4L02D46922	11,812,992	11,003,447	809,545
State Revolving Funds (Drinking Water)-BIL	66.468	4L02D46923	840,470	—	840,470
State Revolving Funds (Drinking Water)	66.468	FS98409922	1,476,416	1,476,416	—
State Revolving Funds (Drinking Water)	66.468	FS98409923	3,020,366	3,020,366	—
State Revolving Funds (Drinking Water)	66.468	FS98409924	9,332,480	8,827,000	505,480
State Revolving Funds (Drinking Water)-ASADRA	66.468	SI01D17920	2,778,638	2,778,638	—
Total State Revolving Funds (Drinking Water)			72,494,033	69,597,651	2,896,382
Total U.S. Environmental Protection Agency			132,953,506	130,057,124	2,896,382
Total Federal Expenditures			$ 166,493,844	151,144,246	15,349,598

See accompanying notes to the Schedule of Expenditure of Federal Awards.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Notes to Schedule of Expenditures of Federal Awards

June 30, 2025

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Georgia Environmental Finance Authority (the "Authority"). The Authority also receives a significant amount of pass-through financial assistance from the Georgia Department of Human Services.

(2) Reporting Entity

The authoritative criteria for determining the programs, organizations, and functions of government Included in the financial statements of the Authority are as follows: oversight responsibility, including selection of governing authority, designation of management, and ability to significantly influence operations; accountability for fiscal matters, including budget, surplus/deficit, debt, fiscal management, and revenue characteristics; scope of public services; and special financing relationships.

Based on above criteria, the Appalachian Area Development, the State Energy Conservation Program, the Weatherization Assistance for Low-Income Persons, Low-Income Home Energy Assistance, and State Revolving Funds are included in the Authority's reporting entity.

(3) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F. Due to differences in the recording of loan disbursements between the requirements, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(A Component Unit of the State of Georgia)

Notes to Schedule of Expenditures of Federal Awards

June 30, 2025

(4) Indirect Cost

The Authority had an approved indirect cost rate negotiated for fiscal years 2022 through 2026 by its cognizant agency, U.S. EPA, on February 17, 2021. The approved rate is 150 percent on the basis of total direct salaries, wages and fringe benefits, including vacation, holiday and sick leave. To achieve equity across all federal programs and other programs charged, the Authority's applied indirect cost rate is 85 percent due to limitations on the availability of administrative funds in certain programs. During the year, the Authority had $2,670,476 in indirect cost recoveries from administered externally-funded programs.

(5) Loans Receivable

On June 30, 2025, the Authority had $1,335,163,981 in loans receivable outstanding, which were originally funded by the State Revolving Funds (Clean Water) Program and $435,835,966 in loans receivable outstanding, which were originally funded by the State Revolving Funds (Drinking Water) Program. These loans are not considered to have significant subsequent compliance responsibilities. Both amounts are inclusive of original funding under the American Recovery and Reinvestment Act of 2009 (ARRA) and subsequently transferred to their respective base federal program. In addition, the Authority was awarded the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (ASADRA) for these programs and their balances are included, respectively. Moreover, in 2022, the Authority received funding through the Bipartisan Infrastructure Law (BIL), signed into legislation in 2021, for the State Revolving Funds (Clean Water) and (Drinking Water) Programs. Loan balances for these funds are also included and are reflected in their respective programs.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
Material weaknesses identified? ___ yes __X__ no

Significant deficiencies identified not considered to be material weaknesses? ___ yes __X__ none reported

Noncompliance material to financial statements noted? ___ yes __X__ no

Federal Awards

Internal Control over major federal programs:
Material weaknesses identified? __ yes __X__ no

Significant deficiencies identified not considered to be material weaknesses? ___ yes __X__ none reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION I
SUMMARY OF AUDITOR'S RESULTS (Continued)

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section 516(a)?	____ yes __X__ no

Identification of major federal programs:

Federal Assistance Listing Number	Name of Federal Program or Cluster
66.458	Clean Water State Revolving Fund
66.468	Drinking Water State Revolving Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$3,000,000
Auditee qualified as low-risk auditee?	____ yes __X_ no

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

STATUS OF PRIOR FISCAL YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

None reported.