

# Staff Report

**Subject:** Approval of GEFA Loan GFAPP001 Agreement and Related Documents  
**Author:** Marie Todd for Tim Callanan  
**Department:** County Manager  
**Meeting Date:** January 20, 2025  
**Item Description:** Consideration to approve the execution and ratification of loan documents related to Georgia Environmental Finance Authority (GEFA) Loan GFAPP001, including the Loan Agreement, Promissory Note, Tax Certificate, Signature Authorization, W-9, and Form 8038-G.

**Summary Recommendation:** Staff recommends approval of the loan documents and authorization for the County Manager to execute all related documentation on behalf of Effingham County.

**Executive Summary/Background:** Effingham County has been awarded funding under the Georgia Environmental Finance Authority's (GEFA) low-interest loan program for the Effingham Regional Water Supply project.

The loan is identified as Loan GFAPP001 and includes the following key documents:

- Cover Letter from GEFA: Outlines instructions for completing and returning the loan documents.
- IRS Form 8038-G: Required federal filing for tax-exempt governmental bond issuance.
- ACH Signature Card and Authorization Form: Allows for the electronic transfer of funds.
- W-9 Form: Identifies Effingham County's federal tax identification information.
- Tax Certificate: Confirms the tax-exempt status of the bond-financed loan.
- Loan Agreement: Established the binding terms, use of proceeds, project scope, loan forgiveness provisions, and borrower obligations.
- Promissory Note: Details loan terms and repayment obligations.

These documents require formal approval by the Board of Commissioners to complete the loan acceptance process and initiate disbursement.

## Alternatives for Commission to Consider:

1. Approve the GEFA Loan GFAPP001 agreement and authorize the County Manager to execute all related documents.
2. Do not approve the agreement.
3. Provide staff with additional direction.

**Recommended Alternative:** Staff recommends Alternative 1 – Approve the GEFA Loan GFAPP001 and authorize execution of the associated documents.

**Other Alternatives:** None at this time.

**Department Review:** County Manager, Finance and Accounting Services, County Attorney

**Funding Source:** The project will be funded through the GEFA loan GFAPP001 in the total principal amount of \$10,000,000, of which \$5,000,000 may be eligible for forgiveness if all conditions are met. Loan repayments will be made in 419 monthly installments beginning May 1, 2030. No interest is applied to the loan. Repayment will be supported through the water and sewer cost recovery fees.

**Attachments:**

- GEFA Cover Letter
- IRS Form 8038-G
- ACH Signature Card & Authorization
- W-9
- GEFA Tax Certificate
- GEFA Loan Agreement – GFAPP001
- GEFA Loan GFAPP001 – Promissory Note