

ANNUAL REPORT 2020



GRAND STRAND WATER & SEWER AUTHORITY



P.O. Box 2368 • Conway, South Carolina 29528

THE MANAGEMENT TEAM



Fred Richardson
Chief Executive
Officer

Keri Squires
Chief of Accounting
& Finance

Christy Everett
Chief Operations
Officer

Tim Brown
Chief of Plant
Operations

Neeraj Patel
Chief of Field
Operations

Charles Hucks Jr.
Chief of
Technology

Chrystal Skipper
Chief of
Administration

FROM THE CHIEF EXECUTIVE OFFICER

Despite the impacts caused by the COVID-19 virus, Grand Strand Water and Sewer Authority and our local economy continue to grow. GSWSA is positioned to meet the needs of the many communities and customers we serve throughout Horry, Georgetown, Marion, and Dillon Counties through sound planning and fiscal responsibility.

GSWSA added 3,888 new customers in 2020, an increase of 4% over 2019. Total assets increased by approximately \$42.9 million, an increase of 5.3% over the prior year. Our service area remains strong in part due to its diversity and continued residential development. This continued economic growth and our Board of Directors' commitment to providing quality service at affordable rates has helped to ensure GSWSA's continued financial stability.

GSWSA spent approximately \$14 million on the Rural Water and Sewer Program to extend water and sewer lines to rural communities of Horry County. Other projects included approximately \$4.5 million for a new pump station at the Bucksport WWTP, \$5.2 million to relocate existing water and sewer lines along Glenns Bay Road, \$1.1 million to improve aquifer storage and recovery, and an additional \$1.1 million for transmission improvements.

Sadly, we lost a long time member of our Board of Directors, Robert Rabon. Everyone at GSWSA will miss his contributions.

At GSWSA we strive to provide exemplary service to our customers, be good partners with the communities we serve and provide reliable, high quality water in the most efficient manner possible. We are pleased to present to you the Annual Report for the 2020 fiscal year. From our entire staff and Board of Directors, we appreciate the opportunity to serve you.

Sincerely,

Fred Richardson
Chief Executive Officer
Grand Strand Water and Sewer Authority

THE BOARD OF DIRECTORS



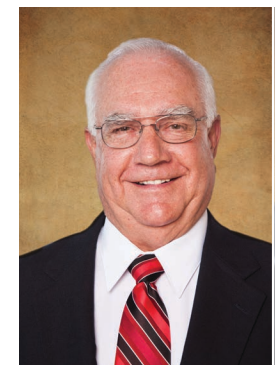
Sidney F. Thompson
Chairman



Benjy A. Hardee
Vice Chairman



Arnold T. Johnson
Secretary



Wilbur M. James



J. Liston Wells



Richard G. Singleton II




Mark K. Lazarus

FISCAL YEAR 2020
FINANCIAL SUMMARY

Grand Strand Water and Sewer Authority's (GSWSA) financial statements for fiscal year 2020 were audited by Smith Sapp, P.A. In their opinion, the basic financial statements present fairly the financial position and cash flows in accordance with generally accepted accounting principles.

While the effects of COVID-19 has slowed down the national economy, GSWSA has continued to experience positive growth and financial position. The solid financial condition of GSWSA enables us to meet the

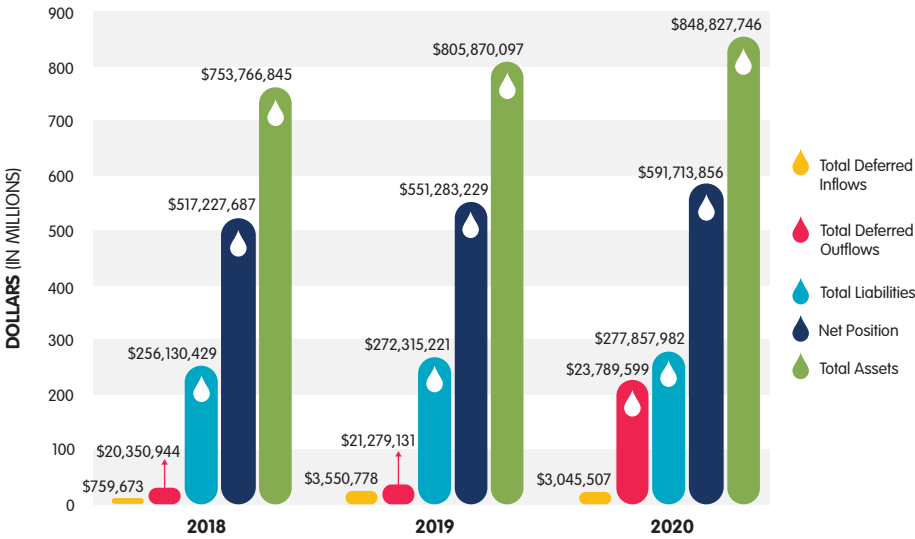
needs of our current and future customers. The highlights of fiscal year 2020's financial performance are displayed in the following charts.

Respectfully,

Keri Squires
Chief of Accounting and Finance
Grand Strand Water and Sewer Authority

Below are key indicators of GSWSA's financial position. For a more detailed look, please visit www.GSWSA.com to download the 2020 Comprehensive Annual Financial Report (CAFR).

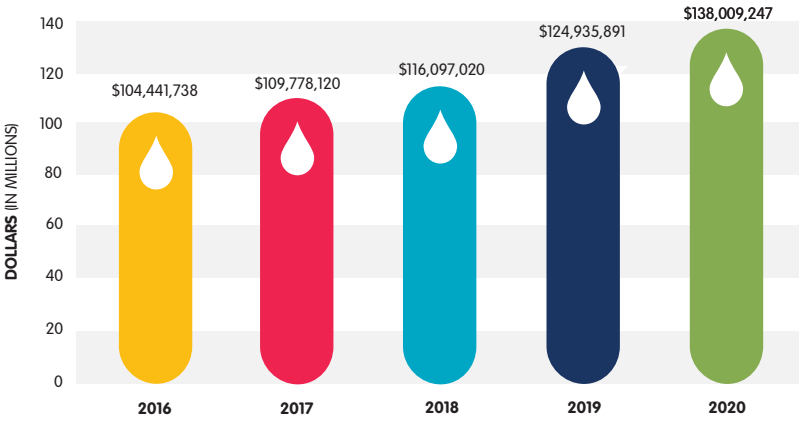
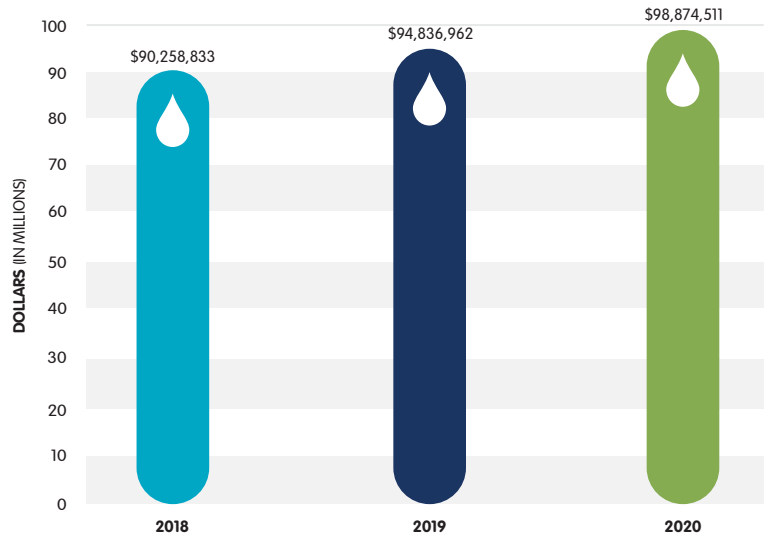
TOTAL ASSETS, LIABILITIES,
DEFERRED INFLOWS AND
OUTFLOWS

During FY 2020, total assets and deferred outflows increased by \$45.5 million and exceeded liabilities and deferred inflows by \$591 million.



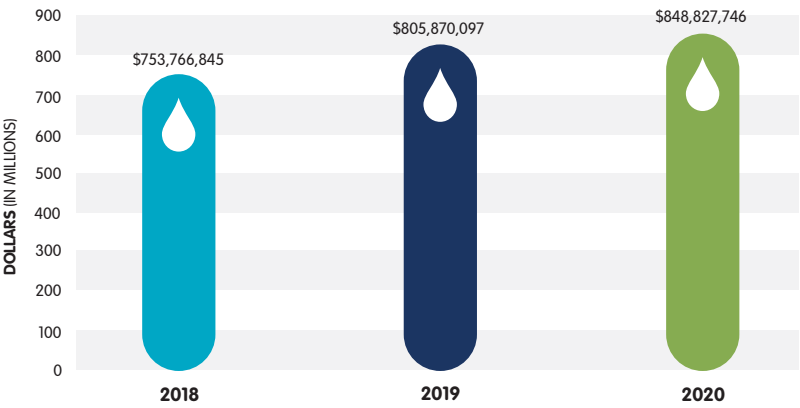
TOTAL OPERATING REVENUE

Operating revenue was up \$4 million over last year, an increase of 4.3 percent.



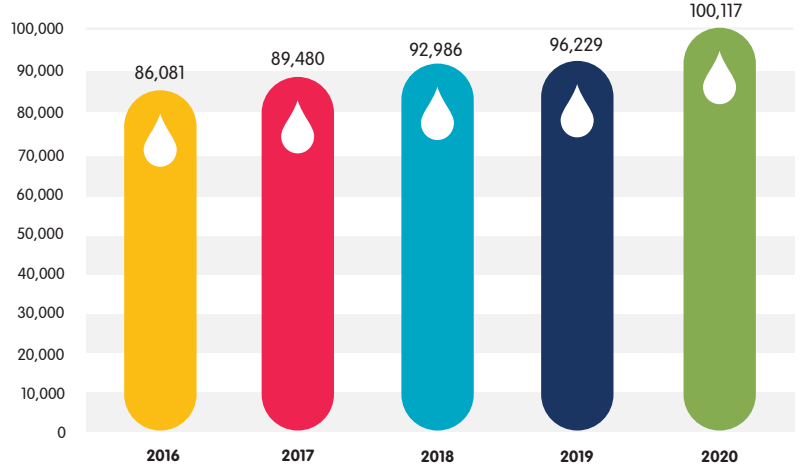
TOTAL REVENUE

Total revenue was up by \$13.1 million over FY 2019.



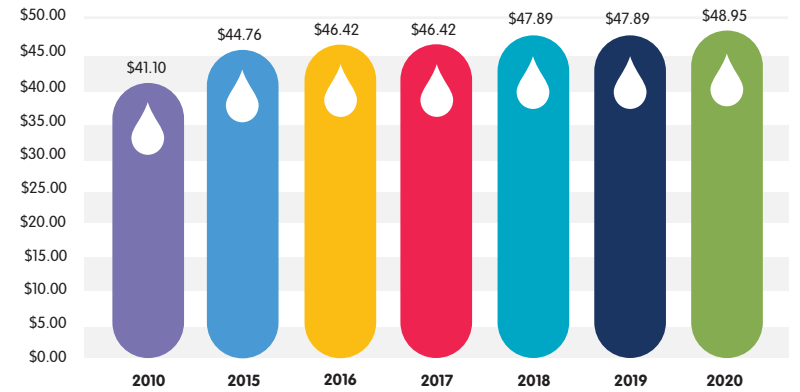
TOTAL ASSETS

Total Assets were up 5.3 percent over last year.



TOTAL CUSTOMERS

In 2020, GSWSA added 3,888 customers.



TYPICAL
RESIDENTIAL BILL

GSWSA rates are among the lowest in the region. A typical residential monthly water and sewer bill based on an average of 8,000 gallons in 2010 was \$41.10. For FY 2020, the same typical monthly bill was \$48.95, which is an average increase of 1.8% per year.