



GRAND STRAND WATER & SEWER AUTHORITY
2013
 ANNUAL REPORT



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



Board of Directors
(top row, left to right)
 Sidney F. Thompson - Chairman, Benjy A. Hardee - Vice Chairman
 John C. Griggs - Secretary
(bottom row, left to right)
 Arnold T. Johnson, Robert M. Floyd, Jr., J. Liston Wells,
 Wilbur M. James, Robert L. Rabon, Richard G. Singleton, II



Commitment That Counts In Every Drop.

Our Commitment.

Grand Strand Water & Sewer Authority is committed to efficiently delivering reliable, high quality water and providing wastewater services to more than 77,000 customers throughout our service area. In 2013, Grand Strand Water & Sewer Authority treated and distributed over 13.95 billion gallons of water and treated over 9.84 billion gallons of wastewater. The typical residential water and sewer bill based on an average monthly consumption of 8,000 gallons remained \$42.80 - lower than most other coastal communities throughout South Carolina.

Our Services.

Grand Strand Water & Sewer Authority oversees 13 treatment plants and 657 pumping stations in addition to maintaining over 1,600 miles of sewer lines and more than 1,700 miles of water distribution lines. Our service area includes all of Horry County and portions of Georgetown, Marion, Dillon and Columbus counties.

Our Growth.

In 2013, Grand Strand Water & Sewer Authority added over 4,800 customers largely through the acquisition of the City of Mullins and Town of Lakeview's water and wastewater systems. GSWSA also invested over \$4.5 million in the Rural Water and Sewer Program, extending lines into unincorporated areas.

Our Pledge.

GSWSA is dedicated to providing exceptional service today, while planning to meet the needs of our communities tomorrow. We are pleased to present the Annual Report for fiscal year 2013. From the entire staff and Board of Directors, it is our privilege to serve you.



Fred R. Richardson
Chief Executive Officer



Grand Strand Water & Sewer Authority Management Team

(top row, left to right)

Tim Brown
Chief of Plant Operations

Fred R. Richardson
Chief Executive Officer

Jason Poston
Chief of Engineering & Construction

(bottom row, left to right)

David Strickland
Chief of Field Operations

Marguerite Carroll
Chief Financial Officer

Christy Everett
Chief Operations Officer



Marguerite Carroll
Chief Financial Officer

Financial Summary for FY 2013

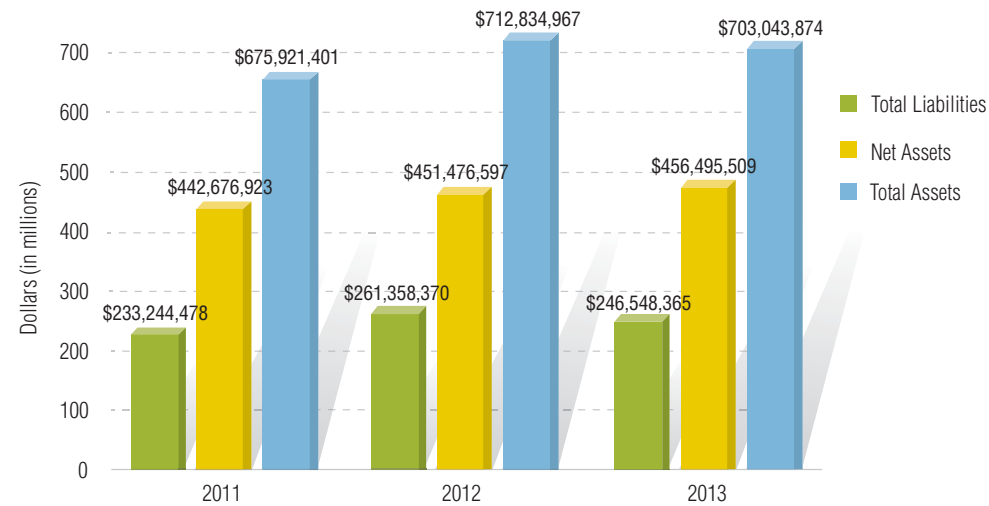
Grand Strand Water & Sewer Authority's financial records for the fiscal year ending June 30, 2013 have been audited by Elliott Davis, LLC. In their opinion, the basic financial statements present fairly, in all material respects, the respective financial position and cash flows in accordance with Generally Accepted Accounting Principles and the Government Auditing Standards Board.

GSWSA's financial position remained stable during fiscal year 2013, well within the debt covenants and the more stringent financial policies set by its Board of Directors. The ratio of total operating revenues to total operating expenses was 1.03. Debt service coverage for 2013 decreased to 147% as compared to 206% in 2012, due to a decrease in interest income.

Below are key indicators of GSWSA's financial position. For more detailed information, visit www.GSWSA.com to download the 2013 Comprehensive Annual Financial Report.

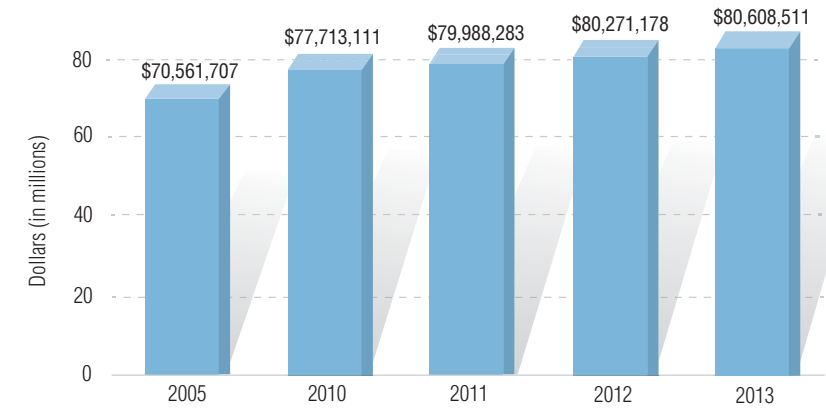
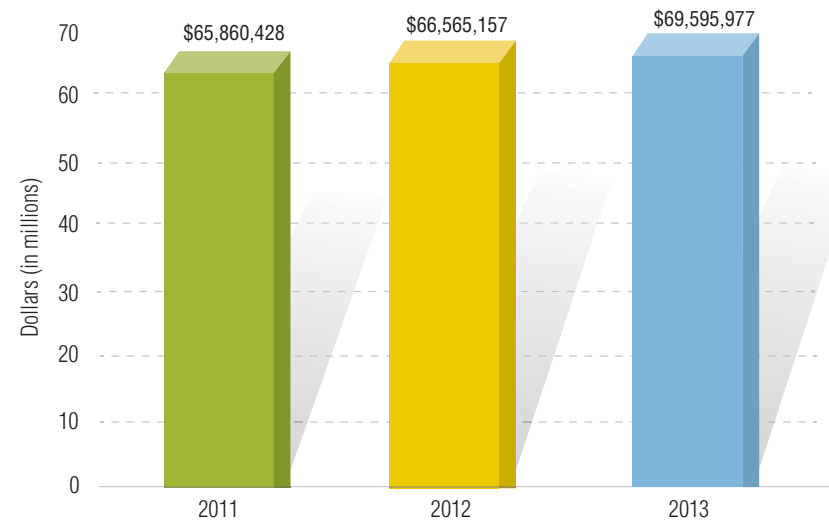
Total Assets and Liabilities

During FY 2013, total assets decreased by \$9.8 million and exceeded liabilities by \$456 million.



Total Operating Revenue

Operating revenues were \$69.6 million, an increase of \$3,030,820 or 4.6%.



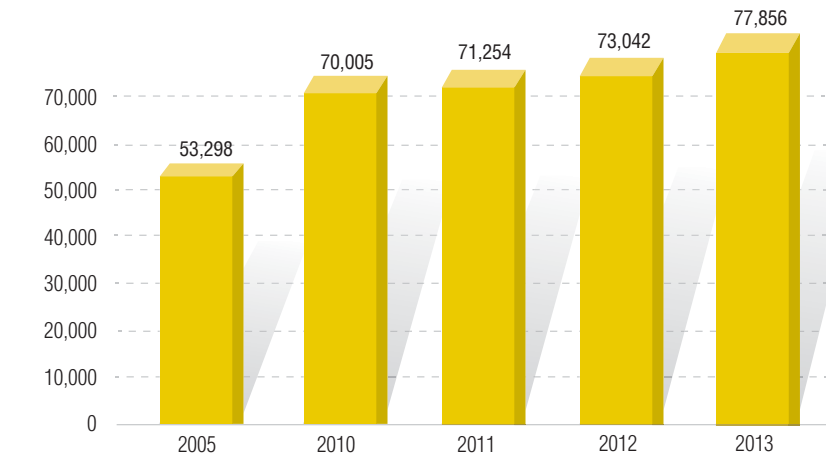
Total Revenue

Total revenue was up by \$337,333 over FY 2012.



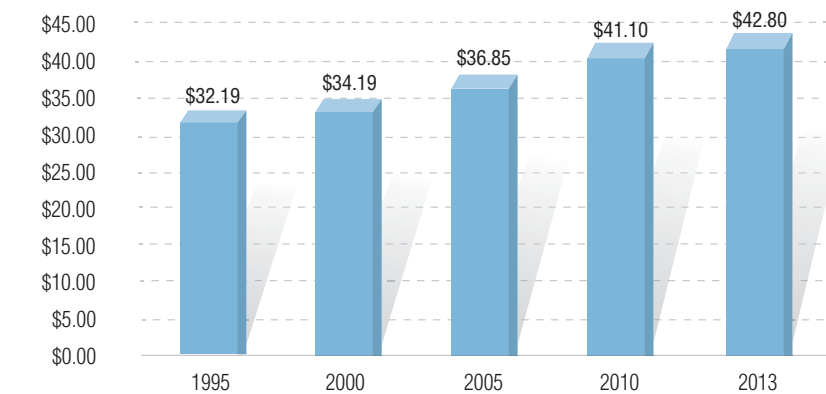
Total Assets

Total assets decreased 1.4% over FY 2012.



Total Customers

During FY 2013, GSWSA added a total of 4,814 retail and wholesale customers.



Typical Residential Bill

GSWSA rates are among the lowest in the region. Since 1995, the typical residential bill based on an average monthly consumption of 8,000 gallons has only increased by \$10.61.