

GRAND STRAND
WATER AND SEWER AUTHORITY
2015
ANNUAL REPORT



GRAND STRAND
WATER & SEWER AUTHORITY
P.O. Box 2368 • Conway, South Carolina 29528



Management Team

Grand Strand Water and Sewer Authority

From the
Chief Executive Officer

Grand Strand Water and Sewer Authority (GSWSA) experienced healthy growth during 2015 as a result of a more robust local economy with growth in tourism, commercial real estate and residential housing. An increase in new developments added \$7.6 million in water and sewer utility assets. 2,884 new customers were added, an increase of 28 percent over the previous year. At year end, GSWSA served over 83,000 customers in Horry, Georgetown, Marion and Dillon Counties in SC and Columbus County, NC.

GSWSA treated and distributed over 14.7 billion gallons of water and collected and treated over 10.9 billion gallons of wastewater for the year – a net increase of 1.0 percent over 2014.

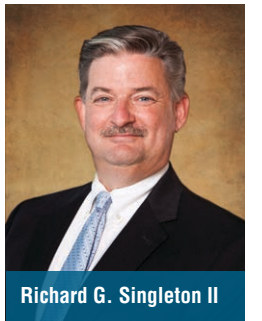
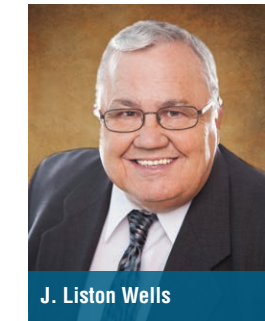
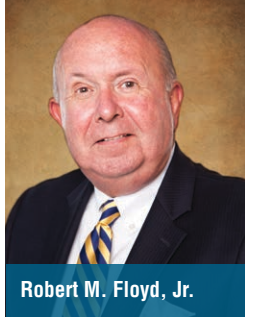
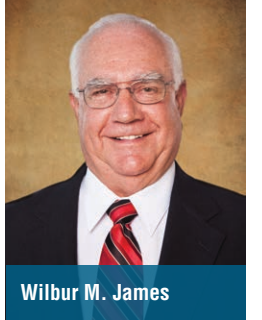
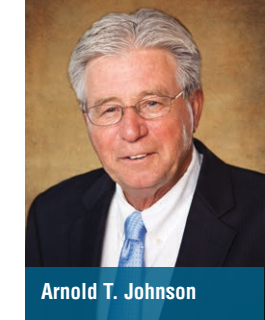
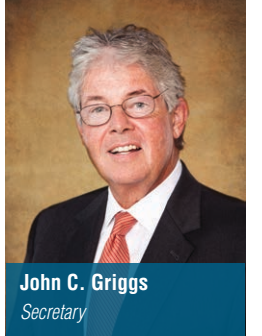
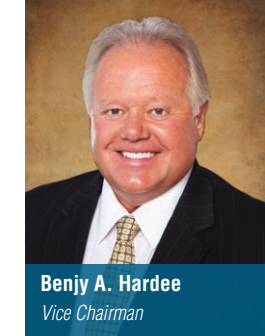
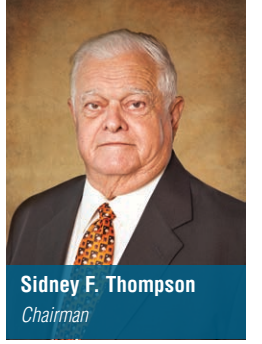
Major capital improvements in the 2015 fiscal year included completing a \$4.7 million 30" waterline from Highway 501 to International Drive. This line significantly increases the water capacity available to Carolina Forest, North Myrtle Beach and Little River. GSWSA also completed construction of a \$20 million wastewater treatment plant located in Bucksport. The plant provides 5 million gallons per day of wastewater capacity – enough to serve an additional 20,000 new homes. Additionally, GSWSA invested \$4.2 million to extend water and sewer lines into rural communities. Finally, \$11.4 million was spent to extend the life of our existing facilities through upgrades, repairs and maintenance projects.

We are committed to efficiently delivering reliable, high quality water and providing exceptional service today while planning to meet the needs of our communities tomorrow. We are pleased to present this Annual Report for the 2015 fiscal year. From the entire staff and Board of Directors, it is our privilege to serve you.

Sincerely,
Fred Richardson

Chief Executive Officer
Grand Strand Water and Sewer Authority

Board of
Directors



Financial Summary

for FY 2015

Grand Strand Water and Sewer Authority's financial statements for fiscal year 2015 were audited by Elliott Davis Decosimo, LLC. In their opinion, the basic financial statements present fairly, the financial position and cash flows in accordance with generally accepted accounting principles.

Growth in our local and national economy positively affected GSWSA's 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 2015's financial performance are displayed in the following charts.

Respectfully,
Marguerite Carroll

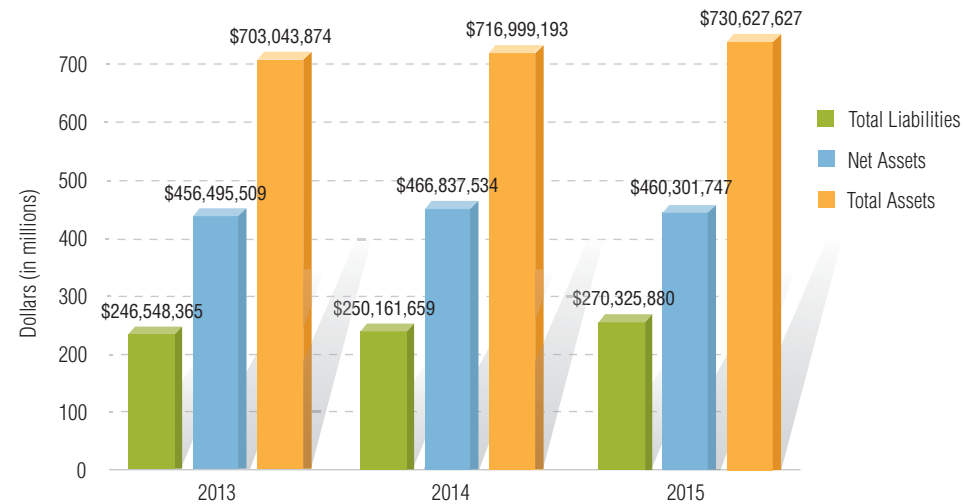
Marguerite S. Carroll

Chief Financial Officer
Grand Strand Water and Sewer Authority

Below are key indicators of GSWSA's financial position. For more detailed information, visit www.GSWSA.com to download the 2015 Comprehensive Annual Financial Report.

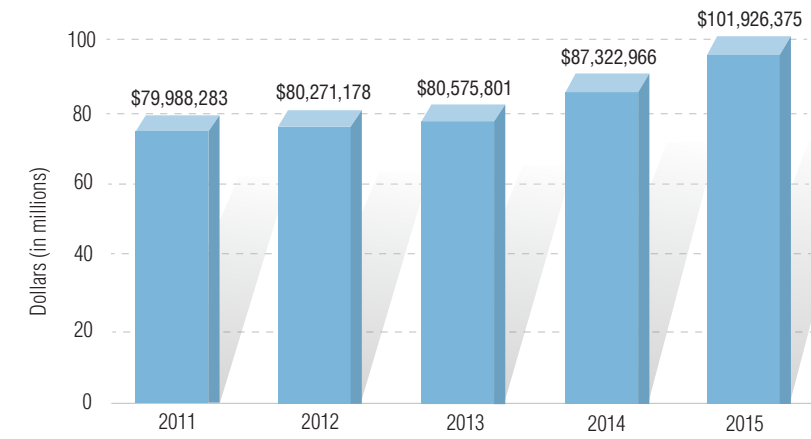
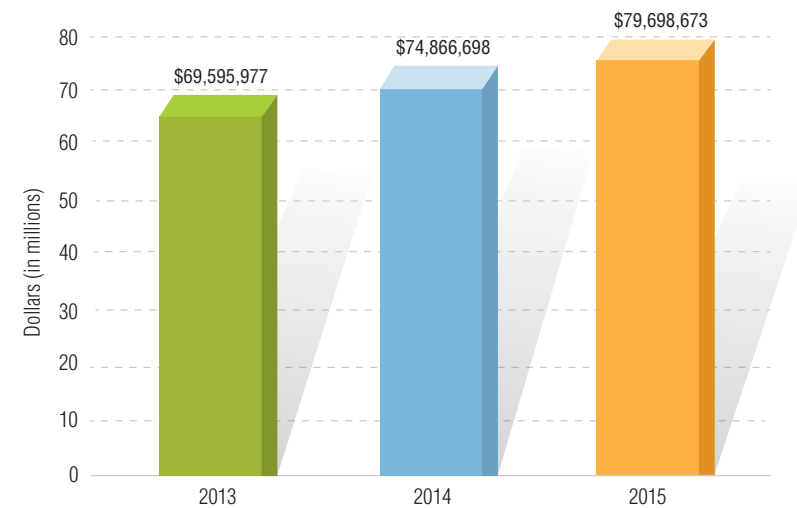
Total Assets and Liabilities

During FY 2015, total assets increased by \$13.6 million and exceeded liabilities by \$460.3 million.



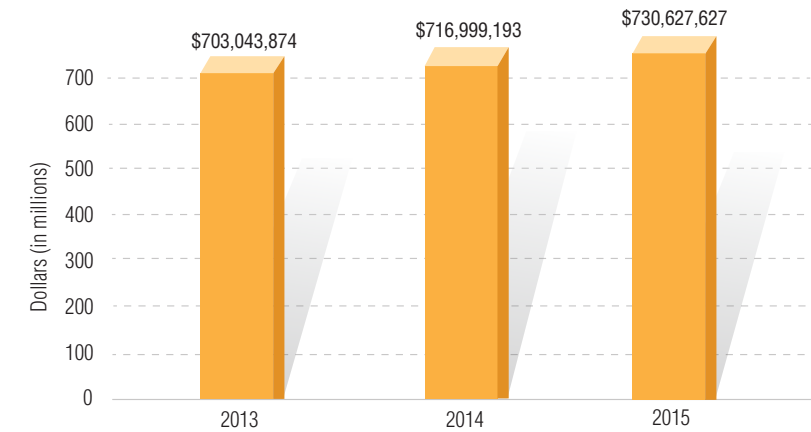
Total Operating Revenue

Operating revenue was up \$4.8 million over last year, an increase of 6.5%.



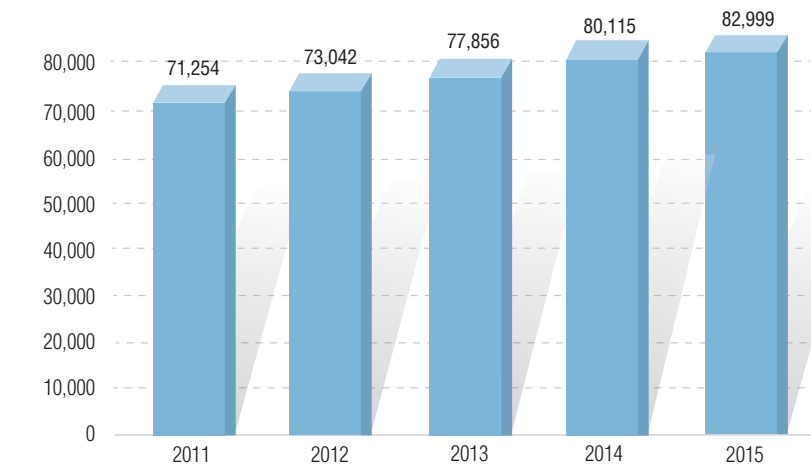
Total Revenue

Total revenue was up by \$14.6 million over FY 2014.



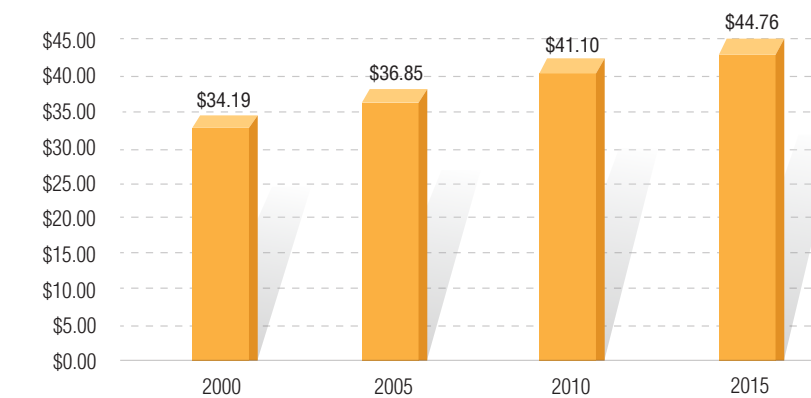
Total Assets

Total assets were up 1.9% over last year.



Total Customers

Total customers continue to grow. In 2015, GSWSA added 2,884 new customers.



Typical Residential Bill

GSWSA rates are among the lowest in the region. The typical residential monthly water and sewer bill based on an average of 8,000 gallons in 2000 was \$34.19. For FY 2015, the same typical monthly bill was \$44.76, an increase of less than 2% per year.