

GSWSA'S ANNUAL REPORT

2021-2022



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THE MANAGEMENT TEAM



Christy Everett
Chief Executive Officer



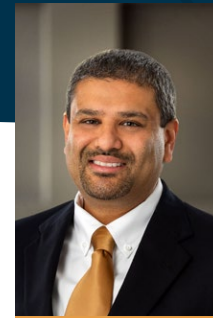
Christen Jordan
Chief of Accounting & Finance



Matt Minor
Chief of Engineering and Construction



Tim Brown
Chief of Plant Operations



Neeraj Patel
Chief of Field Operations



Chrystal Skipper
Chief of Administration

FROM THE CHIEF EXECUTIVE OFFICER

Grand Strand Water and Sewer Authority (GSWSA) and its local economy have experienced exponential growth during the fiscal year 2022. Horry County continues to experience increases in real estate development and has the third-largest growth percentage of any metropolitan area in the U.S. from July 2020 to July 2021, based on data from the U.S. Census Bureau. 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 5,748 customers during 2022, which is the largest customer growth experienced to date and is 5.5% higher than in 2021. Total assets increased by approximately \$73 million, an increase of 8.2% over the prior year. Our service area remains strong in part due to its diversity and continued residential development. The region's strong 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 \$11.3 million on the Rural Water and Sewer Program to extend water and sewer lines to the rural communities of Horry County. In addition, approximately \$2 million was spent on Transmission Renewal and Replacement, and \$1.9 million was spent on Transmission Improvements.

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 2022 fiscal year. From our entire staff and Board of Directors, we appreciate the opportunity to serve you.

Sincerely,

Christy Everett
Chief Executive Officer
Grand Strand Water and Sewer Authority

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



L. Morgan Martin



Radha Herring

FISCAL YEAR 2022 FINANCIAL SUMMARY

Grand Strand Water and Sewer Authority's financial statements for fiscal year 2022 were audited by Mauldin & Jenkins, CPAs & Advisors. In their opinion, the basic financial statements present fairly, in all material aspects, the financial position and cash flows in accordance with the accounting principles generally accepted in the United States.

The relatively low-interest rate environment, a thriving housing market, and proactive budgeting have contributed to the positive growth and financial position of Grand Strand Water and Sewer Authority. The solid financial

TOTAL ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS

During FY 2022, total assets and deferred outflows increased by \$72.4 million and exceeded liabilities and deferred inflows by \$665 million.

TOTAL OPERATING REVENUE

Operating revenue was up approximately \$8.1 million over last year, an increase of 7.9%.

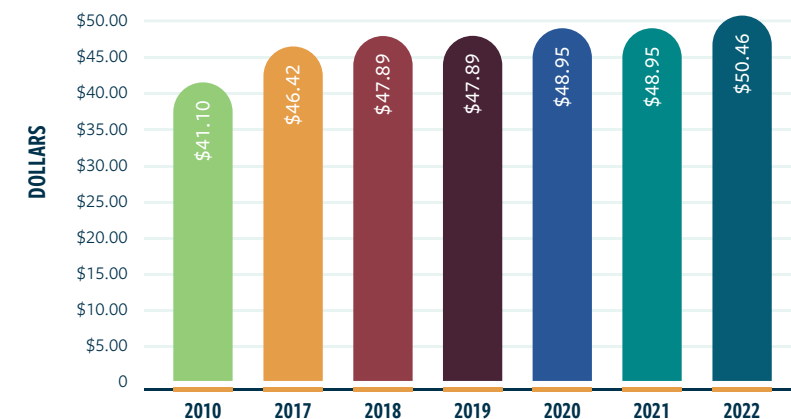
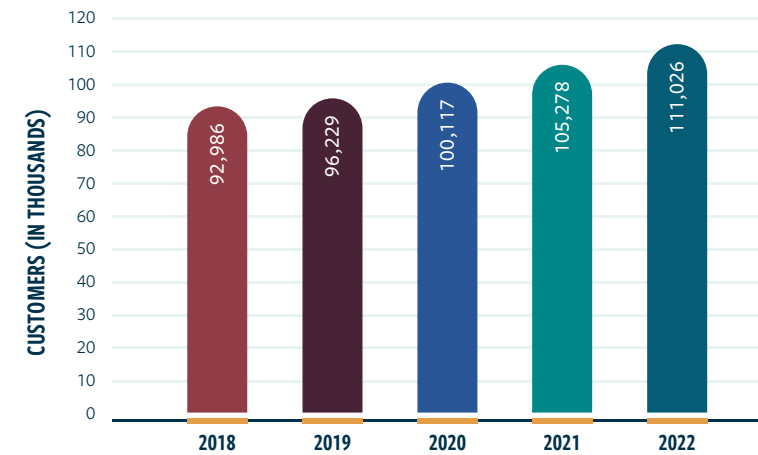
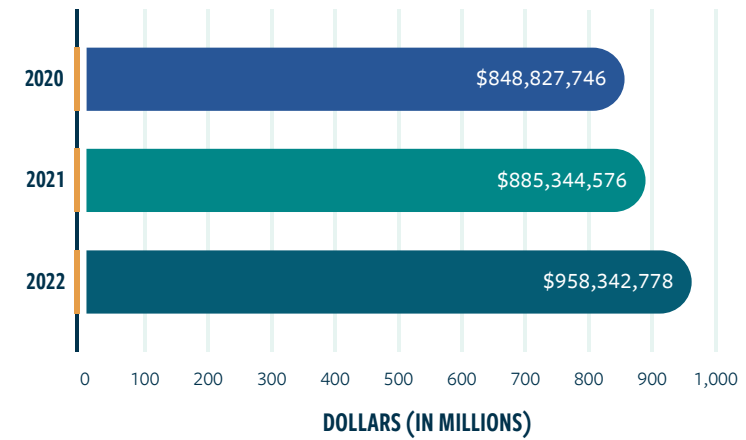
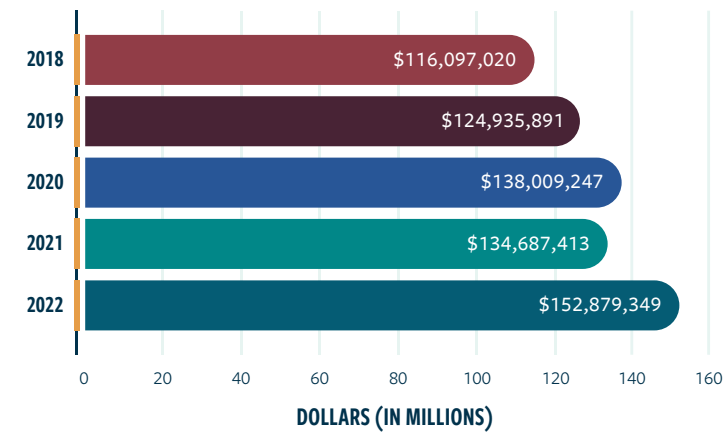
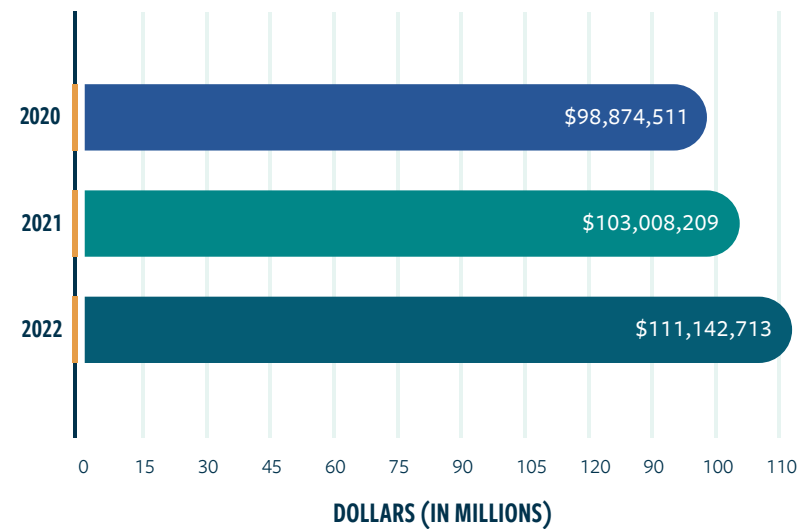
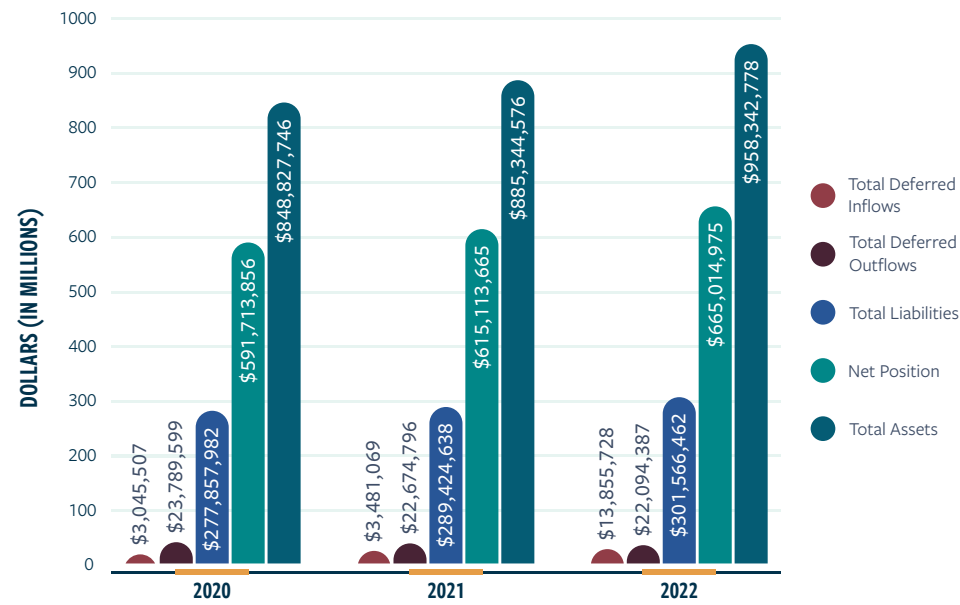
Below are key indicators of GSWSA's financial position. For a more detailed look, please visit www.GSWSA.com to download the 2022 Annual Comprehensive Financial Report (ACFR).

condition of GSWSA enables us to meet the needs of our current and future customers. The highlights of fiscal year 2022's financial performance are displayed in the following charts.

Respectfully,



Christen Jordan
Chief of Accounting and Finance
Grand Strand Water and Sewer Authority



TOTAL REVENUE

Total Revenue was up \$18.2 million over fiscal year 2021. This change is due to an increase in non-operating revenue as a result of an increase in contributions made by developers and customer impact fees.

TOTAL ASSETS

Total Assets were up 8.2% over the last year.

TOTAL CUSTOMERS

In fiscal year 2022, GSWSA added 5,748 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. In 2022, the same monthly bill was \$50.46, which is an average increase of 1.7% per year.