

GASPARILLA ISLAND WATER ASSOCIATION, INC.

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GIWA ANNUAL MEMBERSHIP MEETING HELD AT THE BOCA GRANDE COMMUNITY CENTER ON JANUARY 16, 2024

NUMBER PRESENT: Mrs. Spurgeon, outgoing Secretary, reported that twelve (12) voting members were present in person and 517 by proxy, for a total of 529. After the meeting was called to order four (4) other members attended the meeting, bringing the total to 533.

PRESIDENT'S REPORT: Mr. Caldwell, outgoing President, addressed the membership giving a brief synopsis of the past year's progress in his letter to the membership (mygiwa.com). He emphasized the challenges faced by the staff when restoring service after Hurricane Ian. He commended the ingenuity of the water plant staff which prevented further damage and made for a speedier recovery. In addition, he mentioned that progress is being made with FEMA to help in the efforts to rebuild the main office and make our wellfields storm resilient. Lastly, he informed the membership that GIWA will be completing the rehabilitation of its Water Reclamation Facility (WRF) in a couple of months and reiterated the difficult nature of this project.

FINANCIAL STATEMENTS: The membership was presented with the 2023 Audited Financial Statements and the 2023-2024 Budget (mygiwa.com). Executive Director, Mr. Ronald Bolton, briefed the membership on the 2022-2023 financial performance of the utility. He indicated that this past year we had a Consumer Price Index (CPI) rate increase as approved by the membership a few years back. This increase helped us financially in a challenging year. After assessing the impact of Hurricane Ian, the utility had a concern with the 2022-2023 revenue as consumption initially declined after the hurricane. Therefore, budgeted revenue was adjusted down for fiscal year 2022-2023. As the year progressed consumption and revenue improved, so we ended the year with revenue at the original budget of over 8% as compared to the prior year and over 7% as compared to the amended budget. Operating expenses increased 4% vs last year and were approximately \$700K under budget. The year ended with a capital reserve of \$1.9M, which was better than projected.

Mr. Elbert, GIWA's Board of Directors Treasurer, also added that we went through a very successful audit of the utility's financial statements. The utility's liquidity position is very strong and there is an adequate cash reserve to complete the WRF rehabilitation and initiate other needed capital investment projects.

ELECTION OF DIRECTORS: Mr. Caldwell called on the "Directors Nominating Committee" of the Board to present the nominees. The membership was informed that three of the Board Members' terms were expiring. Those are Mr. Caldwell, Mr. Courtney, and Mrs. Spurgeon. Subsequently, Mrs. Scott, Mr. Hollis and Mr. Johnston were elected as Directors. Additionally, the following officers were elected; Jerry Edgerton – President, Andy Duncan – Vice President, Phil Elbert -Treasurer, Shelly Patenaude – Secretary.