

LIVING WATER INTERNATIONAL

the well

FISCAL YEAR 2018 ANNUAL REVIEW





Living Water International
exists to demonstrate the love
of God by helping communities
acquire desperately needed
clean water and experience
LIVING WATER—the gospel
of Jesus Christ—which alone
satisfies the deepest thirst.

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LETTER FROM THE CEO



The Lord showed up in many mighty ways this past year, and he used you to truly change lives through Living Water International. Thank you!

To effectively reach thirsty people at the ends of the earth with water, for life, in Jesus’ name, we must be rooted deeply in God’s love and in the countries we serve. That’s why Living Water invests in WASH (water access, sanitation, and hygiene) Program Areas in countries across the globe—committing for the long term to empower sustainable, lasting change.

Because of those deep roots, we felt the pain when disasters and crises hit this year (p. 6). During the past twelve months, our international staff has encountered more natural disasters, bouts of political unrest, and safety concerns than in our entire 28-year history. This may be our new normal as we continue bringing water to some of the most unreached and dangerous places on earth.

But this year we’ve also seen the fruit of those roots through the stories of transformation that you’ll read in these pages. We share the dreams of young Yamaru and Matika, who can now pursue a greater tomorrow (p. 10). We rejoice with Teresa’s family, who will no longer have to suffer the deadly consequences of contaminated water (p. 20), and we come alongside Pastor Lengwe as he’s equipped to reach his community by proclaiming and demonstrating the gospel of Jesus Christ (p. 29). Your continued support makes these stories of thriving communities and flourishing churches possible.

We are inspired by compassionate friends like Alyssa, a brave girl whose final wish was that children in Zimbabwe could experience life through safe water and the gospel of Jesus Christ (p. 15). Because of friends like you, who help us go farther to share water and *living water* with a thirsty world, we are able to endure the challenges that we face each day with joy.

I know you’ll be encouraged as you witness the impact that you’ve made possible all around the world!

In Christ,

Michael J. Mantel, Ph.D.
President & CEO

YOUR IMPACT

This fiscal year, you’ve generously helped thirsty people across the globe access safe water for the first time. And by helping us promote life-saving sanitation and hygiene practices alongside the life-giving message of God’s love, you transformed communities this year and for years to come!

From July 2017 through June 2018, Living Water International served 323,284 people by completing 1,094 safe water projects. We also taught 159,172 people how to practice healthy sanitation and hygiene behaviors. In partnership with local churches, our staff shared the gospel message with 214,734 people, and 9,925 people were trained to share the gospel with their neighbors through contextual Bible storytelling workshops.

Thank you for making such a lasting impact in the lives of the thirsty by providing water, for life, in Jesus’ name!

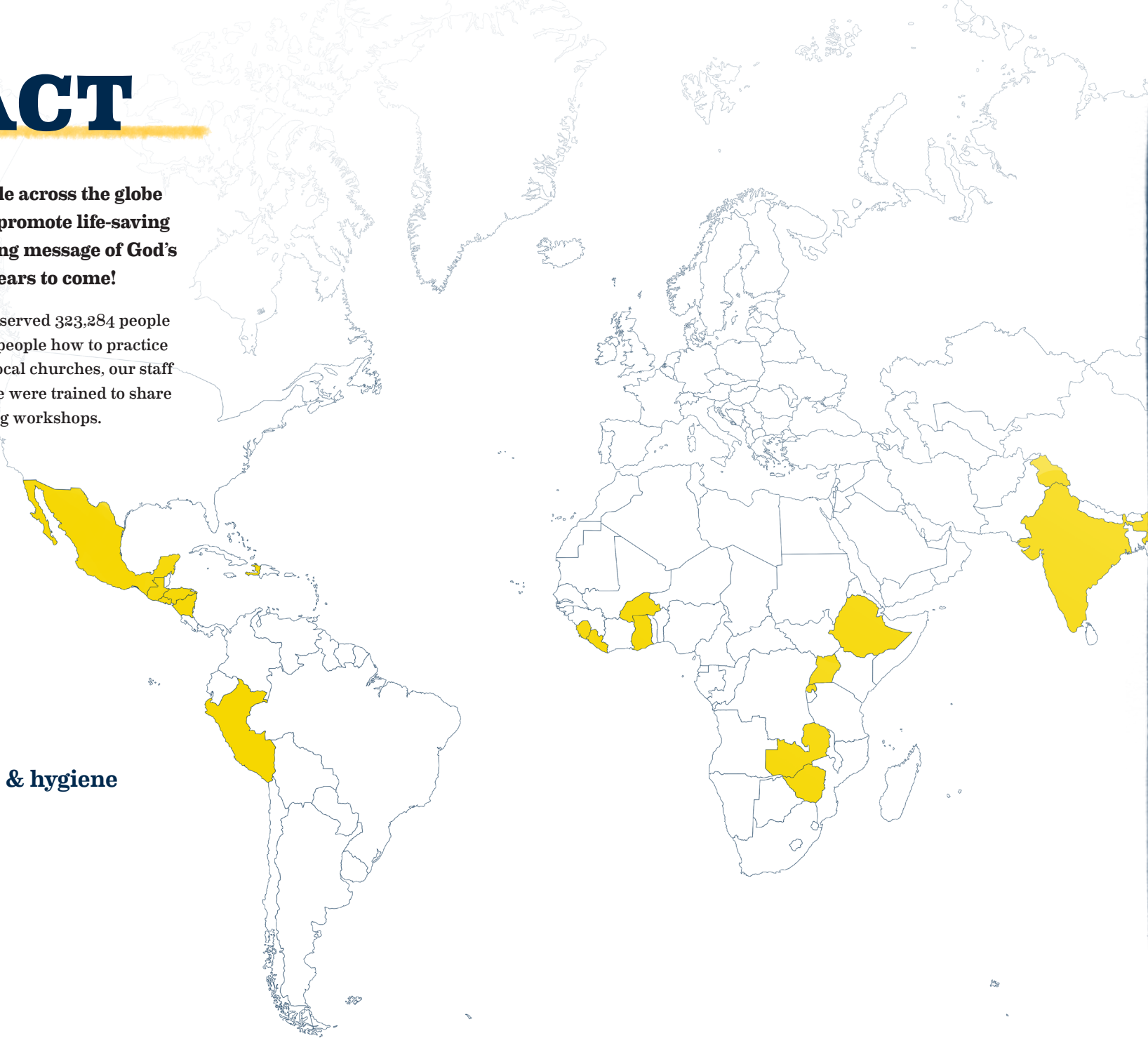
323,284 water users

1,094 water projects completed

159,172 trained in sanitation & hygiene

214,734 heard the gospel

9,925 trained in Bible storytelling



	PEOPLE SERVED	SIMPLE WATER SYSTEMS	COMPLEX WATER SYSTEMS	REHABS
BURKINA FASO	2,601	4	0	0
EL SALVADOR	7,105	59	0	0
ETHIOPIA	6,500	12	2	3
GHANA	5,104	12	0	0
GUATEMALA	18,812	61	0	0
HAITI	19,035	43	0	19
HONDURAS	17,342	62	0	0
INDIA	57,877	251	4	0
KENYA	18,197	12	7	24
LIBERIA	23,303	50	0	20
MEXICO	11,180	0	9	5
NICARAGUA	11,402	61	3	14
PERU	4,033	25	0	0
RWANDA	15,381	55	0	0
SIERRA LEONE	9,283	16	0	12
UGANDA	34,551	23	1	45
ZAMBIA	40,242	54	4	60
ZIMBABWE	21,336	2	0	60



BEING CHRIST'S WITNESS IN TIMES OF CRISIS

The world we live in is increasingly volatile. The past year has been difficult for the Living Water family—our supporters, our staff,

and the communities we serve—as we have navigated many personal, political, and environmental crises. Natural disasters, political unrest, safety and security issues, and violence have plagued the countries where we work and threatened our international staff as well as our donors and team in the United States.

Hurricane Harvey and other storms devastated cities across North and Central America. Mudslides wreaked havoc in Sierra Leone, and a deadly volcanic eruption rained down ash and fire on communities

in Guatemala. Living Water staff members were assaulted in Uganda and Haiti. Political instability delayed our work in Nicaragua, Kenya, Haiti, Zimbabwe, and Honduras.

In the past year, we also lost three staff members in Sierra Leone and Liberia—Mohamed Kamara, Samuel Parker, and Bill Kpeikar—due to fatal traffic accidents. We face heart-wrenching difficulties as we continue to bring water access, sanitation and hygiene education, and the gospel message to dangerous and unreached places.

Yet our mandate remains the same: help communities thrive and meet their physical, social, and spiritual needs by providing safe water and *living water*. Thankfully, God promises to equip us to overcome the obstacles we encounter.

In Acts 1:8 (NIV), Jesus told his disciples, “But you will receive power when the Holy Spirit comes on you; and you will be my witnesses in Jerusalem, and in all Judea and Samaria, and to the ends of the earth.” This command reminds us that we must minister to those in our own community (Jerusalem) as well as our near neighbors (Judea and Samaria) and our neighbors around the world (the ends of the earth).

In the midst of crisis, we were amazed at the compassion our giving community had for others—both locally and globally—as we saw the impact of people coming together to support one another.

When Hurricane Harvey hit Houston—Living Water’s headquarters and home for many of our donors—we faced a potential \$2 million funding gap. We knew we couldn’t ask any more from our local community, so we reached out to supporters across the U.S. to stand in the gap with Houston.

In solidarity with our neighbors, Living Water gave 10 percent of the funds raised at the 2017 Gala, *To the Ends of the Earth*, to local church partners who were working tirelessly to help the people of Houston recover and rebuild.

We live in an era of constant political and environmental emergencies, but we believe that when the body of Christ joins forces to serve others, we can weather these storms together. To be effective witnesses at the ends of the earth, we must remain rooted in what truly matters: community, family, faith, and the relentless love of God that compels us to continue to reach more thirsty people.



A young girl with dark hair pulled back, wearing a bright pink short-sleeved shirt with intricate gold and green embroidery. She is smiling warmly at the camera while holding a large, weathered metal pot filled with water. She is wearing a red beaded necklace and small gold earrings. The background is a textured, light-colored wall.

WATER

Water is essential to life. Safe drinking water is our most basic human need, yet so many communities around the world suffer without it. Over 150 million people still drink from surface sources like rivers and lakes, and others collect water from hand-dug pits—contaminated by pollutants and parasites. This life-giving resource can become deadly, making families sick, endangering women and children, and limiting the potential of entire communities.

But when thirsty people can access safe drinking water, communities and churches can truly thrive. Parents can help their families stay healthy, and kids can return to school. That's the life-changing power of water!



TRANSFORMING TOMORROW FOR UNREACHED COMMUNITIES

Puerto Requena, Peru, is almost frozen in time. This indigenous community is located deep within dense jungles and is geographically isolated from modern-day life by tributaries of the Amazon River. The Candoshi tribe who call this community home fear outside influence and uphold long-standing traditions. Most people never leave nor interact with the world that lies beyond the river.

For two girls living in Puerto Requena—9-year-old Yamaru and 10-year-old Matika—the future was uncertain. Every day, they would travel to the Chuinda River to collect dirty water for their families to drink. They feared drowning in the river or being infected with a parasite. The water they gathered made their siblings sick.

Yamaru dreams of being a nurse to heal her siblings and the people

of her community. Matika would like to be a teacher when she grows up, so she can improve the lives of kids like her through the power of education. But without safe water, these aspirations felt impossible.

Reaching remote communities like Puerto Requena to provide safe water takes significant time, dedication, and sacrifice. Our team in Peru has persevered to bridge the



gap between a troubled history and a better tomorrow for the Candoshi.

The first obstacle is geographic distance. Our drilling team leaves their families for weeks at a time, traveling down the river for hours and days to reach these communities. Traveling by boat limits the number of workers and amount of equipment that can be transported, so drilling is done manually with a hand-powered auger. This is slow, grueling work.

The second obstacle is relational distance. It has taken years to build the relationships necessary to bridge the cultural divide and serve indigenous communities. Due to a deep distrust of the government and outside influence, the Candoshi people were hesitant to allow our drillers to enter their communities.

Finally, the threat of disease and violence has also hindered our work in Peru. Our team deals with malaria and regularly put themselves at risk of other diseases or attack by wild animals as they live and work in the jungle.

Tragically, one of our drillers, Geisy Cicneros, was murdered by a drunken Candoshi chief two years ago. Jorge Alvarez, the leader of the drilling team, mourned the loss of his coworker and friend, but he knew that God was calling him to return to this chief's community one day. After taking time to grieve this tragedy, Jorge and his team—including Geisy's father—made the difficult journey back to the place where their team member had been killed to drill a water well.

Exemplifying the relentless love of Christ, they blessed those who

cursed them with safe drinking water in the name of Jesus. In response, this Candoshi community recognized Jorge and his team's unconditional love and have since trusted them wholeheartedly.

Thanks to the dedication of this inspiring team, lives in Candoshi communities are being transformed. Because of their new well, Yamaru and Matika's destinies are no longer tied to the river—like those of their mothers and grandmothers before them. With safe water, these friends are healthy and attending school. Now they have a greater hope for their future as well as the resources they need to learn, grow, and become the women God made them to be.

LEARN MORE AT
[WATER.CC/TOMORROW](https://water.cc/tomorrow)

844 MILLION

THE NEW STATISTIC THAT'S MOVING US AHEAD

Since 1990, Living Water International has worked alongside churches, governments, and other NGOs to reduce the number of people suffering from the world water crisis. With your help, we've been able to provide water, for life, in Jesus' name to millions of people. As we strive to make an even greater impact, we have improved our reporting to measure and communicate our success in a way that is meaningful, relevant, and accurate.

Understanding the magnitude of the problem we are fighting is

huge. Back in 2015, UNICEF and the World Health Organization released a report through the Joint Monitoring Programme (JMP) estimating that 663 million people lacked access to water from an improved water source. Along with many other development organizations, we adopted this number in order to provide an internationally accepted base from which to measure our progress—even though the standards for “improved” sources varied widely.

Last year, JMP released a new report with more accurate estimates for 2015. The report showed that 582 million

people lacked access to water from an improved water source—over 81 million people fewer than the 663 estimated previously. This was great news for everyone working to end the world water crisis!

In the same report, JMP also released new standards that will help our sector measure progress toward the United Nation's Sustainable Development Goals (SDG). Goal 6 of the SDG is to “ensure access to water and sanitation for all.” In order to accurately and consistently measure progress towards this goal, new definitions were determined.

NEW DEFINITIONS:

- **3 in 10 people worldwide (2.1 billion) lack access to safe, readily available water at home.**
- **159 million people collect drinking water directly from surface water sources (e.g. rivers, streams, and water holes).**
- **844 million people lack access to basic drinking water service.**

You'll note that 844 million is greater than 663 million. But we are not moving backwards. Rather, this new definition better and more accurately reflects the progress we as a sector are making.

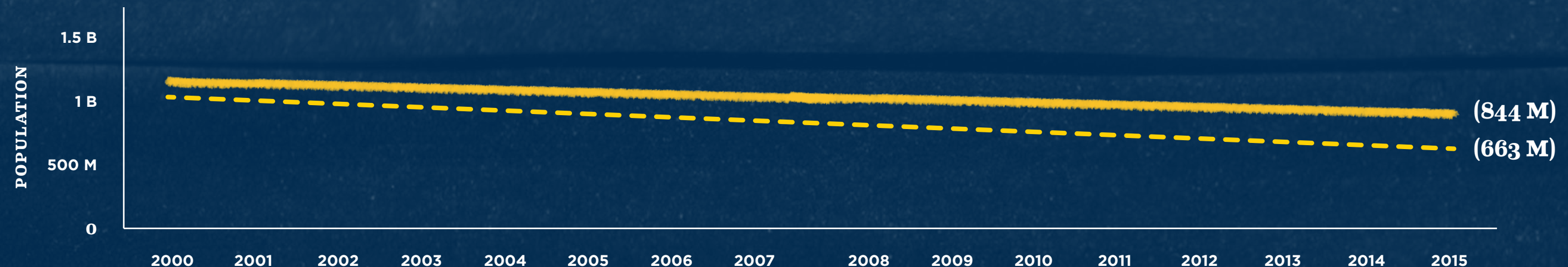
“Basic water service” is defined as drinking water from an improved water source that can be accessed within 30 minutes (including wait time). Previously, there was no time requirement or consistency when measuring this statistic. With the higher standard, it makes sense this new number would be larger.

Ultimately, this is good news for Living Water International as the new measures are more in line with the level of service we have been requiring in our quality standards

for years. We are excited about the significant progress we and others in the WASH sector have made and our ongoing efforts to help our sisters and brothers in the years to come.

Since 1990, Living Water has served nearly 6 million people, and with your support, we are working to help create a world where everyone has the safe water they need.

For more information on these and other WASH-related statistics, visit: washdata.org



OLD MEASURE

Those drinking from surface water or unimproved water source

NEW MEASURE

Those without access to basic drinking water service
(an improved water source that can be accessed in 30 minutes roundtrip)

INSPIRING ADVOCATES



SLICK'S BIG TIME BBQ

Dan and Barbi Slick—owners of Slick's Big Time BBQ in Wilsonville, Oregon—first heard about Living Water International while catering an event for their church, Grace Chapel. For the last two years, they've hosted a Living Water fundraiser at their restaurant, and this year, they raised enough money for three safe water projects in Honduras. In March 2018, they shared their passion for the thirsty on the Portland Radio Project's Community Voices series.



SHOECREW WATER PROJECTS

ShoeCrew Water Projects encourages schools, churches, and businesses to host shoe drives to raise money for the thirsty. The ShoeCrew team visited The Story of the Thirsty exhibit at Living Water's Houston office, which teaches kids about the water crisis. This experience inspired ShoeCrew to create their own interactive exhibit in their office to educate others about the water crisis. Located in a mall storefront in Chesterfield, Missouri, groups from their community can now take The Story of the Thirsty tour and get engaged with the water crisis!



BIBLES FOR MISSIONS THRIFT CENTERS

Bibles for Missions Thrift Centers sell donated merchandise to fund partner ministries who share the gospel with people around the world. The original Bible for Missions store—which opened in Holland, Michigan, in 1992—and the organization's newest store—which opened in Portage, Michigan, in December 2017—both began partnering with Living Water this fiscal year. These stores are staffed by over 100 volunteers and help support our global church mobilization and gospel proclamation work.



CHASING EBENEZER

Chasing Ebenezer is a Portland indie folk band led by Benjamin and Heidi Beth Sadler. In December 2017, they performed three Christmas concerts for the thirsty. With the help of fans, the band raised enough money to sponsor a well in Haiti. In response to the outpouring of support they received, Heidi said, "Chasing Ebenezer is humbled by the generosity of our friends and family. Community giving means clean water for other communities who really need it."



ALYSSA: WORLD CHANGER

When she was a fifth grader, Alyssa Janae Ferguson read the book "A Long Walk to Water" by Linda Sue Park. Even at a young age, she was passionate about finding a way to help those suffering from the water crisis. Not long after, such an opportunity arose—though not in the way she imagined.

Just two days after her twelfth birthday, Alyssa was diagnosed with medulloblastoma—a type of brain cancer. She fought hard against the cancer, undergoing multiple surgeries, radiation, many rounds of chemotherapy, stem cell transplant, and other treatments. Throughout this battle, her family

and friends rallied support with a simple slogan: "Alyssa Wins." Alyssa's family often clung to the hope represented by the meaning of her name: "God has answered." Despite all the hardship, they still trusted that God would provide answers.

During her illness, Alyssa was contacted by the Make-A-Wish® Foundation and offered an experience of her choosing. Alyssa was true to her calling to serve God and humanity. She gave away her wish as a donation to fund the construction of a safe water well for a community in Zimbabwe.

The story of Alyssa's altruism touched many people's hearts as it was told in churches throughout the United States. Contemporary Christian artist Matthew West wrote a song for



Alyssa called "World Changers." The lyrics of this song speak volumes about Alyssa's vision: "From the ends of the earth to your hometown, to the lost, to the hurt, to the broke down, you're the arms wide open, a love that's showing every one of us the way..."

Alyssa fought bravely for three years and passed away last year at the age of 15. Her parents established the World Changers Fund in her honor. This fund partners with nonprofit organizations to sponsor the construction and repair of safe water wells. The World Changers Fund partnered with Living Water International to provide a well for a school in India. In the fight to protect children from thirst and waterborne illness, Alyssa won. Because of Alyssa's vision and her family's generosity, these students won't have to suffer from the water crisis anymore.



EQUIPPED TO GO FARTHER

To reach thirsty communities at the ends of the earth with safe water and the gospel message, Living Water International owns, operates, and maintains a global fleet of over 200 vehicles and motorized equipment across 14 countries. Increasingly, however, our existing equipment is becoming costly to maintain. Using outdated or unreliable tools and transportation methods could result in significant losses of time, productivity, and financial resources when that equipment inevitably malfunctions.

Transporting our drillers and rigs to remote communities is often difficult or even treacherous. Each safe water project requires a drilling rig and compressor as well as drilling support trucks. Multiple vehicles are needed to transport staff for community mobilization, sanitation and hygiene education, and gospel proclamation purposes. When vehicles break

down unexpectedly, our teams may be stranded in the field for hours. This puts their lives at risk, keeping them from their families, and ultimately delaying the important work they are trying to accomplish.

The stakes of our projects are high: we operate in dangerous areas, and safe water access can mean the difference between life and death for thirsty people. That is why it's imperative to utilize reliable, effective, and safe equipment and transportation. Maintenance and repair issues with old equipment can delay successful water projects for days or even weeks. If we can't reach thirsty people with the water they need, they are forced to continue drinking dirty water until our equipment is repaired.

To make greater outcomes in new program areas feasible, it's vital that we solidify our current capacity by overhauling our fleet of vehicles and equipment. Over the next four years, we will replace outdated vehicles and standardize our equipment. We will train our staff on how to best operate, maintain, and repair

assets. Even though we estimate this initiative will cost \$16.7 million in total, we anticipate this plan will improve safety and reduce operating expenses by \$450,000 per year.

In response to an urgent request to keep operations in West Africa on schedule, we shared an ambitious goal with our supporters in June 2018. We needed help purchasing four vehicles for our staff in Sierra Leone and Liberia. Our giving community—including our World Water Day 5K participants and a special gift-matching partner—responded with enthusiasm and generosity to meet this challenge.

Now our staff in West Africa are equipped to go farther to reach people with safe water and the gospel of Jesus Christ. With adequate tools and reliable transportation, we can continue going deeper into thirsty countries with the hope of water and *living water* that truly empowers people to thrive.

LEARN MORE AT
[WATER.CC/OVERHAUL](https://water.cc/overhaul)





FOR LIFE

Safe water can easily become unsafe without proper sanitation and hygiene practices. If communities don't know how to transport, store, or use water safely, they will continue to struggle with debilitating water-related illnesses, like typhoid or cholera.

In every community we serve, our staff promotes behavior change through lessons about how diseases are spread, how to keep safe water safe, and how to stay healthy and hydrated. These participatory conversations empower people to advocate for the health of their families and communities. The impact of safe water grows as people are equipped with the knowledge they need to make healthy choices.



LEAVING A LEGACY FOR THE NEXT GENERATION

The small community of La Bolsona, El Salvador, is tucked between miles of sugarcane plantations. Ashes rain down on rooftops while farm workers burn the fields to begin the harvest. Pesticides from the crops wash into the nearby river—the residents' only water supply.

Teresa de Jesús López lives near this river. For this 88-year-old matriarch, everyone in her community is like family, and many people actually are. Five generations of her family live in La Bolsona. She and her husband, Antonio, moved here years ago to escape the violence during the

country's civil war. Unfortunately, the new home they hoped would be a refuge also held unexpected dangers.

Teresa suspected that the sugarcane plantations were contaminating their shallow hand-dug well on the riverbank, but she had nowhere else to gather water for her family. Twenty-five years ago, Antonio began suffering from mysterious symptoms. Soon he died unexpectedly from a rare form of chronic kidney disease, leaving Teresa to care for their family alone.



In the last two years, both Teresa's daughter-in-law and son-in-law have also died from the same disease. A sudden rise in chronic kidney disease has killed more than 20,000 people in Central American farming communities. Families like Teresa's have been trapped in a vicious cycle for years: their water is contaminated and unsafe, but dehydration is also deadly.

In the face of such tragedy, Teresa's strong faith and the love of her family kept her hopeful. "The only thing I could ask for from God was strength," Teresa remembered. Despite her circumstances, she held out hope that life would be different for future generations. She continued to care for her family during difficult times and prayed that they wouldn't suffer loss like she had.

Thankfully, Teresa's prayers were heard. In November 2017, a Living Water Trips team led by Joe and Charl Draxler from Glenwood City, Wisconsin, helped drill a new well for Teresa's community. Experienced Living Water Trips alumni themselves, the Draxlers brought their friends, children, and grandchildren along with them to experience the joy of serving the thirsty.

Together, this team helped drill a well near the community's school, taught sanitation and hygiene lessons, and shared the love of God with the people of La Bolsona. The importance of family and leaving a legacy of service was evident during the trip. "I know, in the future, my children will be leading trips, and I'll be the one tagging along," Joe said.

The water crisis is coming to an end for farming communities like La Bolsona. In this region of El Salvador, Living Water drills wells deeper—reaching a second or third aquifer—to protect water users from contaminated ground water. In the areas where Living Water works, people will no longer have to gather dangerous water from the river or hand-dug pits.

With access to safe water, Teresa's family and others like hers can thrive for generations to come! Teresa's resilience and the Draxlers' faith in action epitomize the Living Water story—the hope that safe water brings to those who give it and those who receive it.

LEARN MORE AT
[WATER.CC/LEGACY](https://water.cc/legacy)

10 LESSONS LEARNED FROM WASH PROGRAM AREAS

Over the past six years, Living Water International has transformed entire districts within seven countries through our multi-year WASH (water access, sanitation, and hygiene) Program Areas (WPAs). As we transition into new areas, these findings from our first-generation WPAs will guide our strategy going forward.



1. COMPLEXITY IS BEAUTIFUL

We've expanded our program capacity beyond the construction of individual hand pumps to include more complex water systems to better serve larger communities.



2. LOCAL CHURCHES ARE THE LINCHPINS

Our unique approach mobilizes churches and faith leaders as champions for WASH in their communities.



3. IT'S ALL ABOUT INTEGRAL MISSION

Our long-term presence in communities and partnerships with local churches allow us to address the physical, social, and spiritual needs of people holistically.



4. KNOWING IS NOT HALF THE BATTLE

Education is important but often is not enough to sustain behavioral change. We have tested various community-led approaches to sanitation and hygiene promotion and learned about the proper timing and sequencing of activities to empower habit change and improved community health.



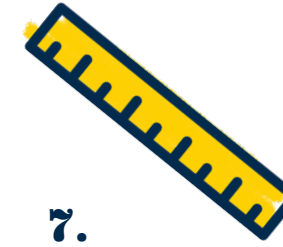
5. GOOD THINGS COME TO THOSE WHO WAIT (AND PLAN WELL)

We need to plan for enough time to research, design, and complete initial community mobilization activities before drilling begins.



6. ALL WPAS ARE DIFFERENT— SOME MORE THAN OTHERS

With a better understanding of geographic size and population density, we can better estimate the length of time needed to implement projects in each WPA.



7. MEASURING WHAT MATTERS, MATTERS

We are globally standardizing our key outcomes—related to communities' physical, spiritual, and social wellbeing. We are also improving our data collection and program monitoring through our new cloud-based Living Water Information System (LWIS).



8. IT'S NEVER TOO EARLY FOR SUSTAINABILITY

We need to consider sustainability from the onset of each program and develop a sustainability model for all our outcomes beyond water access.



9. PREPARE FOR RIPPLE EFFECTS

When community members come together to address WASH issues, they are empowered to work toward community-driven solutions in other areas of development, including food scarcity, livelihoods, etc.



10. THE LEARNING JOURNEY CONTINUES

We have identified areas for continued learning as we move into the next generation of WPAs. Questions we have going forward include how to best collaborate with local governments, why water quality is sometimes worse at the household level than at the source, and how best Living Water Trips can be integrated well into the WPA model.

Over the next few years, we look forward to launching several new WPAs in Haiti, Kenya, Liberia, Mexico, Nicaragua, Uganda, and Zambia.

LEARN MORE AT [WATER.CC/WPA](https://water.cc/WPA)



CHICK-FIL-A®

In June 2018, our friends at Chick-fil-A® partnered with Living Water again through their “Give Water, Give Life” campaign. This year, 67 Chick-fil-A stores in Houston and 13 restaurants in Ohio participated. Every DASANI® water bottle sold at participating locations benefited Living Water—raising \$86,350 for our work in Nicaragua.

Quart Graves, the Owner/Operator of Chick-fil-A Greatwood and Rosenberg, launched the first campaign five years ago. He and his wife, Carrie, have helped influence other Chick-fil-A Owner/Operators to join together with a common goal of helping the thirsty in Nicaragua. They have participated in multiple Living Water Trips and now serve on Living Water’s Advisory Board.

“In many ways our efforts raising funds for Living Water International is the most meaningful time of the year for us,” Quart Graves said. “Not only do the team members get excited, but our community gets highly engaged as well. What a blessing!”

This summer, Quart and Carrie were featured on a lifestyle segment on KHOU’s Great Day Houston program to share about the water crisis, Living Water, and the 2018 “Give Water, Give Life” campaign.

Chick-fil-A® is a registered trademark of CFA Properties, Inc.



THE REES-JONES FOUNDATION

Jan and Trevor Rees-Jones established The Rees-Jones Foundation in 2006 with a vision to help people experience Christ’s love in tangible ways. Since then, they have provided over \$300 million in grants to nonprofits serving communities in North Texas and around the world.

The Rees-Jones Foundation has been instrumental to Living Water’s continued innovation and leadership in the WASH sector. The foundation funded our first WASH Program Area (WPA) in Uganda and helped launch multiple WPAs in Nicaragua, Uganda, and Zambia.

Through an extremely generous multi-year, multi-million-dollar grant, The Rees-Jones Foundation will be partnering with us to reach even more communities through ongoing support of WASH Program Areas, investment in the efficiency and safety of our global equipment fleet, and staff development through global employee engagement initiatives.

INNOVATIVE PARTNERSHIPS



PAPER FOR WATER

Isabelle and Katherine Adams are proof that anyone can impact the world for good—regardless of their age. When they were just eight and five, respectively, they learned that girls who live in countries affected by the global water crisis often can’t go to school because they are sick from waterborne illnesses or because they are hauling water all day. These young advocates started folding origami and exchanging them for donations to fund water projects. With the help of their parents and sister, Trinity, they have inspired and mobilized hundreds of volunteers to raise more than \$1.3 million for Living Water over the past seven years!

The last year has been incredibly busy but exciting for Paper for Water. In August 2017, they finished up an eight-month world tour, which included visits to communities they provided water for in Kenya, Zimbabwe, Ethiopia, Uganda, and Peru. Paper for Water was featured in the 2017 Neiman Marcus® Christmas Book, and their origami ornaments were available in Neiman Marcus stores nationwide. This summer, the Galleria Dallas invited Paper for Water to display their work above the mall’s ice rink. Their installation, “From Fold to Flight,” featured 4,000 origami butterflies requiring over 800 volunteer hours and brought awareness to the transformation communities undergo when they receive safe water.



IN JESUS' NAME

We believe God is calling the global Church to respond to the physical and spiritual needs of our hurting world. That's why proclaiming and demonstrating the gospel message is at the heart of our mission. In every community, we engage with the local Church, and through that relationship, we are able to communicate Christ's love to spiritually thirsty people. When communities encounter God's love, they can truly experience abundant life.

Around the world, our staff, our supporters, and local churches are working together to lead gospel-centered change. Safe water brings us together, but Christ unites us for a greater impact. As we share water and *living water* with those who need it most, we grow as one—deeply rooted in the love of God.



UNITING TO LEAD CHANGE

On a Sunday morning in Chirundu, Zambia, a symphony of voices worshipping in various church buildings pours out into the streets. The district of Chirundu borders Zimbabwe but is separated from its neighbor by the winding Zambezi River. Even though there is a strong Christian presence here, people haven't always been receptive to hearing the gospel.

Pastor Peter Lengwe, who leads the Apostolic Church of Zambia, noticed a hostility to his evangelism in rural communities. "I used to go door-to-door preaching," he said. "But people were not accommodating. They wanted me to leave." Pastor Lengwe was frustrated because he knew the power the message of God's love has to transform lives, but his audience wasn't accepting this good news.

However, his ministry strategy evolved after attending a pastors' training—hosted by Living Water Zambia's Church Mobilization and Gospel Proclamation Coordinator, Collins Halwindi. Faith leaders from 25 nearby churches came together to network, discuss their challenges, and learn best practices on how to more effectively reach their communities with the hope of Christ.

Using methods like Bible storying to reach oral-preference learners, Pastor Lengwe has seen a noticeable difference in the way people receive the gospel message. "Now we share stories from the Bible, and everyone

wants to hear," he said. "Even those who don't know how to read and write are able to understand and then share the gospel with other people."

During this training, Living Water staff also introduced these pastors to the concept of integral mission. Modeled by the public ministry of Jesus, the integral mission approach addresses the needs of people holistically, including their physical, social, and spiritual well-being.

Now Pastor Lengwe teaches sanitation and hygiene lessons while preaching the gospel on a local radio station. During their Sunday service, his wife, Dorothy, shares life-saving hygiene education with the congregation and connects these healthy practices with wisdom from the Bible. And when the Apostolic Church of Zambia made plans to move into a new building, the first structure they built was a latrine!

We believe in the power of local churches to champion gospel-driven change. That's why Living Water

concentrates so heavily on engaging with faith communities, especially in our WASH Program Areas (WPAs) like Chirundu. When churches become advocates for the physical and spiritual health of their communities, they can foster sustainable, lasting behavioral change and improve the quality of life for an entire region.

Today, in Chirundu, pastors are mentoring one another and joining together to find solutions to the unique challenges their communities face. "We realized that as the Church, we had concentrated more on preaching the gospel than demonstrating the gospel," Pastor Lengwe said. "The church cannot grow if people are sick."

In Zambia and across the globe, Living Water is equipping the local Church to better testify to God's love—through word and deed. Together, we are rooted in our mission to help our physically and spiritually thirsty sisters and brothers thrive. In unison, our voices will be even louder, and soon the whole world will hear.

GENIUS OF ONE CONFERENCE

In July 2018, 470 pastors from across Africa met in Lusaka, Zambia, for the Genius of One conference hosted by Living Water and The Crossing, a multi-site church in St. Louis, Missouri. Leaders from different nationalities and denominations came together to worship and learn about God's heart for unity in the body of Christ.



FLOURISHING CHURCHES

Over the last few years, Living Water has created a framework called Flourish for better integrating our WASH (water access, sanitation, and hygiene) programs with our call to proclaim and demonstrate the gospel through the local church. There are many models for community-led development, but none incorporate our organization's specific focus on mobilizing churches to engage communities in WASH solutions.

To develop this specific framework, country directors and program leaders gathered together for multiple Church Mobilization Forums. Using their insights and experiences, they shaped a new WASH-focused community development strategy

that churches could easily replicate. This model brings together our best church mobilization and gospel proclamation strategies (Bible storying, church envisioning workshops, etc.) into a universally applicable program for churches at the local, district, and national level.

In the 2018 fiscal year, Living Water worked to take the Flourish model from a theoretical to a practical one by developing a toolkit for implementers that systemizes our approach to holistic discipleship. Along with a program guide for our in-country staff, we have also launched a facilitator guide for church and community leaders. Facilitators can use this guide to

organize local churches and walk them through the Flourish process to address the specific WASH needs of their region. Our hope is that faith communities will be empowered to continue using this strategy to tackle other unique challenges they face through networking and cooperative problem solving.

Hobby Lobby® has generously supported our mission to share safe water and the gospel in word and deed across the globe for years. In 2018, they donated \$500,000 to fund our church mobilization and gospel proclamation efforts.

LEARN MORE AT
[WATER.CC/FLOURISH](https://water.cc/flourish)

COMMUNICATING THE GOSPEL THROUGH BIBLE STORYING

As part of Living Water's mission to share the gospel message with spiritually thirsty communities, our teams around the world hold evangelism and discipleship sessions to train church leaders and community members in the Bible storying method. This allows these leaders and community members to share their faith in a way that fits their own social and cultural contexts. For the churches of Troilo, Nicaragua, this training took on a new significance.

In January 2018, our staff coordinated an interdenominational workshop between the evangelical and Catholic churches in the area. In the past, churches rarely worked together or even communicated with each other. Leaders from 50 churches gathered together, and the group learned and practiced telling the five Bible stories from the Living Water curriculum.

As participants shared and discussed Scripture together, they felt a sense of unity and expressed a willingness for deeper cooperation in the future.

Tom Yaccino, Living Water's Church Mobilization and Gospel Proclamation Advisor for Latin America and the Caribbean, was impressed by the Living Water staff's ability to facilitate these connections between Troilo's faith communities. He said, "The church leaders were convicted, challenged, and enlightened about the role of the church ... and the importance of being one as a diverse body."

The unity inspired by the workshop enabled the churches to begin talking about other ways they could

work together to help the community overcome spiritual, social, and health challenges. Pastor Louisa Leyton attended the Bible Storying Workshop and described how she thought the event impacted her community. She said, "I am so grateful to Living Water for sharing this important workshop with us over the last two days. They exposed us to the Word of God in a new and fresh way. Now more than ever, I realize the church needs to be united, not divided. ... We need to seek ways to work for the community. Our reward is in heaven, and God commands us to serve."

LEARN MORE AT
[WATER.CC/STORYING](https://water.cc/storying)



WHAT IS **BIBLE STORYING**?

Over 80 percent of the world's population are oral-preference learners, according to the International Orality Network. This means that many of the unreached people groups around the world and in the communities where Living Water serves are more willing to hear the gospel through oral communication. To reach more people, Living Water's in-country staff engage with community members through a method called Bible storying. This method uses narration, question-and-response, repetition, and memorization to help people of all ages and educational backgrounds find new relevance in Scripture. It also equips people to share stories from the Bible with others.

PARTNER MINISTRIES

GROUP CARES

Every year, Operation Kid-to-Kid partners with a Christian nonprofit to mobilize children attending summer Vacation Bible School (VBS) to give to charitable causes. In 2017, publishing company Group Publishing and nonprofit Group Cares selected Living Water International to benefit from that summer's Operation Kid-to-Kid initiative.

Across the United States, VBS participants raised funds for safe water projects so that kids like them around the world could have the water they needed to grow up healthy and attend school. Millions of kids from over 3,000 churches participated, and by joining together for a greater impact, they were able to donate an astounding \$1,034,932 to support Living Water's work in Peru. The 2017 Operation Kid-to-Kid program will fund 86 safe water projects in Peru through the 2019 fiscal year!

Remote communities in Peru are being transformed through the generosity of these kids, their churches, and the support of Group Publishing and Group Cares.

Vicente Tapia Hernandez, a 30-year-old resident of Puerto Requena, said, "I thank God and [you] for bringing this project to us. Our village is 52 years old, and we never had a well before. Now our children and their children will have clean water."



GRACE PRESBYTERIAN CHURCH

Since 2014, over 50 members of Grace Presbyterian Church in Houston, Texas, have shared water and the message of God's love in Central America and Haiti through Living Water Trips. Recently, Living Water Trips alumni from Grace Presbyterian started gathering together for reunions and discussing how they could make an even more significant impact on thirsty communities—maybe even an entire region. After a vision-casting trip to Haiti, Pastor Trey Little and the church leadership decided to take their commitment to the thirsty to the next level: they pledged to help fund a new WASH Program Area (WPA) in the Plaine-du-Nord district of Haiti.

As a lead partner in this new program, Grace Presbyterian pledged \$1.2 million in support, but their dedication has gone beyond this generous gift. Now they are reaching out to additional churches to mobilize Houston-based and other congregations to embrace a shared vision—to reach more Haitian communities with water and *living water*.

"Our hope as Grace Presbyterian Church is to continue to make Jesus visible with our words, actions, and love in the Plaine-du-Nord region of Haiti," said Amy French—a member at Grace who participated in Living Water Trips to Haiti in 2017 and 2018. "It has been such an honor to join the work God is already doing in the hearts of the Haitians—the development of the country—and to rejoice at the well dedications with the communities that will be the last to remember the water crisis for their families."



RECYCLE FOR WATER

During the U.S. economic recession ten years ago, Bear Creek Community Church in Lodi, California, wondered how they could ask the least of their congregation financially while making the most significant impact possible. Bear Creek was passionate about saving the lives of children, but they weren't sure how.

The children's ministry started collecting bottles and cans to return through the California Department of Resources Recycling and Recovery (CalRecycle) program. The money they were reimbursed for every beverage container went directly to safe water projects.

After great success, the church officially launched Bear Creek Water in April 2009. They chose to partner with Living Water International and focused particularly on drilling wells at schools to directly impact children. Wanting to engage other churches and organizations across California to join in their mission, Bear Creek Water created a manual on how to duplicate their model—"Recycle for Water."

In 2013, a team from Westgate Church in San Jose, California, returned from a Living Water Trip to Guatemala inspired to continue serving the thirsty. After hearing about the success Bear Creek Water was having, Westgate formed their own program. Since then, Westgate Water recycled 132 tons of bottles and cans!



Many other California churches have since caught this vision to help the thirsty, including Gracepoint Church (Lodi), Quail Lakes Baptist Church (Stockton), Experience Church (San Francisco), and St. Paul's Lutheran Church (Orange). These churches have found that encouraging people from their community to donate or volunteer has helped them expand their influence locally.

Thanks to the dedication of volunteers, these programs have funded more than 180 water projects in total. Bear Creek Water and Westgate Water are celebrating their 100th and 50th well respectively this year!

COMING TOGETHER



Each month, over 200 donors band together, giving what they can and multiplying their impact, to change an entire region in Butere, Kenya through our monthly giving program, Every Drop.

Young women like Christine from the Ematioli community have now received the blessing of safe water. Not long ago, Christine carried the heavy burden of collecting water for her family, knowing that the community's only water source was making them all seriously ill. The well rehabilitation project Living Water completed not only provided safe water to help the community regain its health, but Christine and other women were also empowered to become ambassadors of good health in their community.

Stories like Christine's happen every day because the Every Drop community gives consistently to make an even greater impact. Together, they remain committed to ending the water crisis, changing lives, and empowering communities—drop by drop.

WATER.CC/EVERYDROP



Team Living Water reached extraordinary milestones this past year. Over 170 runners formed our largest team ever at the Houston Marathon. They raised \$180,000, catapulting their all-time grand total of funds raised through this marathon to over \$1 million! Team Living Water also showed up strong at Living Water's second annual World Water Day 5K in Houston, which helped fund a much-needed, new drilling rig for our program in Sierra Leone.

For the first time, Team Living Water participated in the North Olympic Discovery Marathon in Washington, where 31 runners raised over \$17,000. Additionally, Will White and Sean Luce ran "rim to rim" across the Grand Canyon. This epic adventure brought in over \$7,000 for safe water projects.

These warriors in yellow and black will continue to challenge themselves in order to bring safe water and *living water* to communities all over the world.

WATER.CC/TEAMLWI

10 DAYS

For 10 days in November, 1,088 students from 25 colleges and universities all over the U.S. gave up every beverage except water to provide safe water to communities in Rwanda. They used their connections, compassion, and creativity to engage their campuses in the 10 Days campaign.

Students from Texas A&M University kicked off the 10 Days with a concert by the band Tow'rs, attended by over 400 students. At Clemson University, students held an event called "Waffles for Water."

A 10 Days School Leader from the University of Texas, Julia Hickey, said, "Through 10 Days, God changes your perspective and uses you to help open others' eyes to his purposes."

Each of these special events—along with the perseverance and self-discipline of all the 10 Days participants—helped raise over \$77,000, bringing the all-time total of funds raised through the 10 Days to more than \$800,000.

10DAYS.CC



Each year, hundreds of volunteers from North America give their time and energy to drill wells, teach sanitation and hygiene lessons, and share the gospel message through Living Water Trips to Central America, the Caribbean, and Africa. This year, the program

was relaunched from "Short-Term Trips" to "Living Water Trips." These trips were started by Lew and Rita Hough in 2001 to give people an opportunity to experience the life-changing honor of serving as the hands and feet of Jesus in communities that lack safe water.

Lew retired this June after making it possible for over 18,000 participants to go on more than 2,200 trips and drill wells that serve over 300,000 people around the world. These

trips have not only had a long-lasting impact on the communities that teams serve, but also on the volunteers themselves. By the time she was 17, Maddie Jenson from Elkmont, Wisconsin, had already participated in five Living Water Trips. "Every trip, I look forward to having my heart changed and seeing things I haven't seen before—seeing things through God's point of view instead of my own," Maddie said.

WATER.CC/TRIPS

OUTSTANDING STAFF

Each member of the Living Water family has played an instrumental role in building God’s Kingdom on earth. This year, we recognized a few outstanding colleagues for their dedication, commitment, and enthusiasm in bringing water, for life, in Jesus’ name.

From the beginning, the founders of Living Water International embodied the values of servant leadership and integrated spiritual and physical care. To honor our founders’ legacies and those who have since championed their vision, Living Water celebrated our inaugural Founders’ Week in November 2017.

Several outstanding staff were honored with awards including the CEO Distinguished Service Award. This award is presented to an individual or team that has made significant achievements benefitting Living Water or has overcome adversity in pursuit of Living Water’s goals. Ambaye Zekewos, Country Director of Rwanda, was honored with this award. Ambaye has led effective programming despite the difficulty of adapting to new government standards in the districts Living Water Rwanda serves.

The Servant Leadership Award recognizes staff members who model Christ’s attitude written about in Philippians 2:3-4 (NIV): “Do nothing out of selfish ambition or vain conceit. Rather, in humility value others above yourselves, looking ... to the



interest of others.” This award is given to candidates from each region Living Water serves. The recipients were Rosemarie Blake, Operations Manager of Sierra Leone; Irma Garcia, Finance Manager of Mexico; and Chris Winter, Senior Director of National Philanthropy in the United States.

The Living Water Way Award is awarded to staff members or teams who embody the core values of Living Water—honoring God, developing people, pursuing excellence, and practicing good stewardship. Daniel Githanji, Operations Manager of

Kenya; Lael Kucera, Program Officer of the LACRO/Global Technical Working Groups; and Sandra Grobe, Accounts Payable Manager in the United States, were recognized for their contributions.

Many others were honored for their hard work and faithfulness in pursuing Living Water’s mission. Founders’ Week celebrated Living Water’s origins and our employees’ exemplary work. Living Water’s advancements are only possible because of the concerted efforts of our global staff, donors, and partners and the individual strengths they each bring into the ministry.

LIVING WATER INTERNATIONAL
Founders’ Week
NOVEMBER 6-10, 2017

CEO DISTINGUISHED SERVICE AWARD

Ambaye Zekewos
COUNTRY DIRECTOR, RWANDA

MERITORIOUS SERVICE AWARD

Daniel Kawuma
HARDWARE MANAGER, UGANDA

INNOVATION AWARD

Michael Bourke & LWIS Team
SR. DIRECTOR, IT

SERVANT LEADERSHIP AWARD USA

Chris Winter
SR. DIRECTOR, NATIONAL PHILANTHROPY

SERVANT LEADERSHIP AWARD AFRICA/INDIA

Rosemarie Blake
OPERATIONS MANAGER, SIERRA LEONE

SERVANT LEADERSHIP AWARD LATIN AMERICA & CARIBBEAN

Irma Garcia
FINANCE MANAGER, MEXICO

LIVING WATER WAY USA

Sandra Grobe
ACCOUNTS PAYABLE MANAGER

LIVING WATER WAY AFRICA/INDIA

Daniel Githanji
OPERATIONS MANAGER, KENYA

LIVING WATER WAY LATIN AMERICA & CARIBBEAN

Lael Kucera
PROGRAM OFFICER FOR LACRO/GLOBAL TECHNICAL WORKING GROUPS

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LETTER FROM THE CFO



It is through God's divine provision and your generosity that I share the news of a blessed year—both in terms of financial resources and program accomplishments for Living Water International.

Despite the challenges of natural disasters, political unrest, and violence, we were able to continue—with your support—in answer to God's call to care for the thirsty with *living water* as we served 323,284 people in 18 countries.

It is with pleasure that I report another successful fiscal year's financial summaries prepared by Living Water senior management while we reflect on our sincere desire to be good stewards of your contributions. As we draw ever closer to our partners and affiliates in the field, I am grateful for the leadership and support of our in-country teams who meet U.S. generally accepted accounting principles (GAAP) as well as in-country requirements to ensure donor trust and transparent stewardship.

Look for our detailed Audited Financial Statements and Form 990 on our website at **water.cc/financials** as soon as they are available.

Once again, Living Water received strong ratings and standing with Charity Navigator, the Evangelical Council for Financial Accountability (ECFA), Better Business Bureau, and others. You can invest in Living Water with confidence.

On behalf of the senior team and all staff, thank you for joining us as we demonstrate and proclaim the gospel through the gift of water, for life, in Jesus' name.

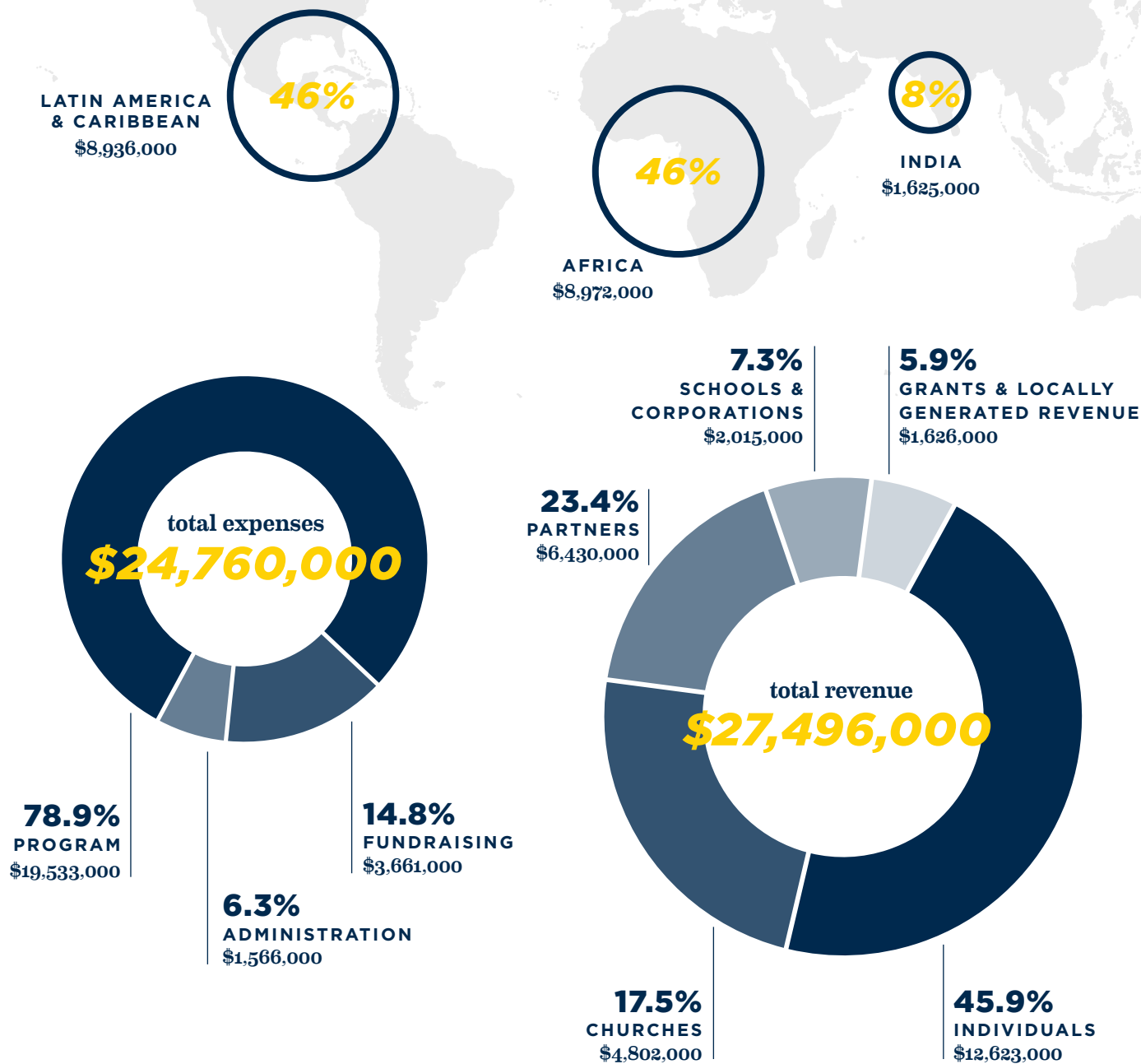
Sincerely,

Penny Mock

Penny Mock
Senior Vice President
Chief Financial Officer & Treasurer



EXPENSES & REVENUE



KEY FINANCIAL DATA

Revenue	FYE16	FYE17	FYE18
Total Contributions, Fees & Events	\$26,589,000	\$26,390,000	\$27,496,000

Operating Expenses	FYE16	FYE17	FYE18
Total Program Expenses	\$21,516,000	\$20,293,000	\$19,533,000
Fundraising	\$3,177,000	\$3,844,000	\$3,661,000
Administration	\$2,026,000	\$1,836,000	\$1,566,000
Total Operating Expenses	\$26,719,000	\$25,973,000	\$24,760,000

Net Assets	FYE16	FYE17	FYE18
Change in Net Assets From Operations	(\$130,000)	\$417,000	\$2,736,000
Consolidation of Affiliates & Other	\$390,000	\$210,000	\$72,000
Net Assets Beginning of Year	\$7,649,000	\$7,913,000	\$8,540,000
Net Assets End of Year	\$7,909,000	\$8,540,000	\$11,348,000

Figures above are management-generated; audit for FYE18 currently underway. Historical numbers have been restated to conform to new fiscal year end: June 30.

LEARN MORE AT
WATER.CC/FINANCIALS



Jesus answered,
“Everyone who drinks
this water will be thirsty
again, but whoever drinks
the water I give them will
never thirst. Indeed, the water
I give them will become in
them a spring of water
welling up to eternal life.”

JOHN 4:13-14



LIVING WATER INTERNATIONAL

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