



# Alliance *for* Water Efficiency

A VOICE AND A PLATFORM FOR WATER USE EFFICIENCY AND WATER CONSERVATION THAT HAS NEVER BEFORE EXISTED, BRINGING A CRITICAL NEW PERSPECTIVE TO AN INCREASINGLY THIRSTY NORTH AMERICA.

2010 Annual Report

# 2010 Annual Report

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## From the President and CEO



In 2010 the Alliance for Water Efficiency steadily continued to gain momentum despite challenges presented by the global economy. We have become the most comprehensive source of water efficiency information on the web, formed valuable partnerships, released an updated version

of our Water Conservation Tracking Tool, alerted our membership to pending water efficiency legislation, and held numerous workshops. None of these accomplishments could happen without our network of members. In turn, we make every effort to support them and meet their needs by tirelessly promoting the efficient and sustainable use of water in our quest to ensure that water resources are available for future generations.



Mary Ann Dickinson  
President and CEO



Alliance for Water Efficiency  
300 W Adams Street, Suite 601  
Chicago, Illinois 60606

[www.allianceforwaterefficiency.org](http://www.allianceforwaterefficiency.org)

# Summary of 2010

2010 has been an active year for the Alliance for Water Efficiency. We moved into a new permanent office in Chicago, continued to expand our membership, provided technical assistance to members, managed and updated our web content, shared news as it broke, promoted research and education, served on codes and standards committees, and alerted our members to pending water efficiency legislation.

Most importantly, the year proved to be a year of partnership building for the Alliance. We saw a number of new collaborative relationships, including:

- A partnership with American Rivers and the Environmental Law Institute, funded by the Walton Family Foundation, to study the linkages between water efficiency and in-stream flows in the Colorado River Basin.
  - Creation of the WATER Coalition, a group of manufacturers and environmental organizations pushing for Congressional authorization of WaterSense.
  - A partnership with the American Council for an Energy Efficient Economy (ACEEE) related to several efforts, including a blueprint for collaborative action on issues related to the water-energy nexus.
  - A collaborative relationship with the Johnson Foundation at Wingspread for work on foundational documents for "Charting New Waters," an effort designed to address freshwater challenges in the U.S.
  - Agreement for joint membership and fundraising efforts with the Clean Water America Alliance.
  - A partnership with the Water Supply Association of Australia (WSAA) to research and evaluate conservation initiatives.
  - A partnership with the Pacific Institute related to the water-energy nexus that included review work in 2010 and workshops in 2011.
  - A founding member role with the Plumbing Efficiency Research Coalition (PERC), including the historic signing when PERC formed a collaborative partnership with the Australasian Scientific Review of Reduction of Flows on Plumbing and Drainage Systems (ASFlow).
  - Participation in an international agreement with Waterwise in the UK and the savewater!® Alliance in Australia to develop and communicate best practice water efficiency information.
- In addition, the Alliance continued to build on established relationships, including:
- Sponsorship of the annual Water Smart Innovations conference in Las Vegas.
  - Continued engagement with the California Irrigation Institute, with Alliance Executive Director Mary Ann Dickinson taking on vice-presidential responsibilities in 2010.
  - Continued engagement with the American Water Works Association, including active membership and Board Trustee status in the Conservation Division and a dinner event at Chicago's Shedd Aquarium to welcome AWWA delegates to the City of Chicago.





*Home of the Alliance for Water Efficiency at the historic 300 W. Adams Building in Chicago*

## New Permanent Office in the Heart of Chicago

The Alliance moved into a new, permanent office of almost 3,000 square feet at the heart of the business district in Chicago's Loop. From the beginning, the Alliance's offices had been temporary. The City of Chicago donated the first office as a gift to welcome the fledgling organization to the city. In 2008, the Alliance moved to a temporary space in the South Loop. Now in its new permanent home, the Alliance has the ability to hold conferences, training workshops, and meetings in a space that will serve proudly as a hub for water efficiency discussions among stakeholders.

## Alliance for Water Efficiency Committees

The Alliance for Water Efficiency's three committees provided members an opportunity to be engaged with a diverse group of water efficiency stakeholders. The three committees are:

- Education and Outreach (39 members)
- Water Efficiency Research (38 members)
- WaterSense and Water-Efficient Products (38 members)

The committee structure and the community of participating professionals provide a valuable resource to members. All of the committee activities, including meeting notes, schedules, and related resources, may be found on the Alliance website, [www.allianceforwaterefficiency.org](http://www.allianceforwaterefficiency.org). Each committee met in person one day before the WaterSmart Innovations Conference in October and by conference call throughout the year. The committees have become and will remain a core function of the Alliance for Water Efficiency.

# The Board of Directors



The Alliance continues to be guided by its diverse and committed Board of Directors. The Board held four meetings in 2010, three in person and one via teleconference. Teleconference meetings not only save money, they also reduce the environmental impacts associated with air travel. Similarly, the October Board meeting was held in Las Vegas, one day before the start of the WaterSmart Innovations conference since most Board Members attend this event.

#### Schedule of 2010 Board Meetings:

March 12, 2010, Chicago

June 19, 2010, Chicago

October 4-5, 2010, Las Vegas

December 16, 2010 via teleconference

*Pictured above, from left to right:*

*Alice Miller Keyes, Georgia Environmental Protection Division*  
*J.B. Hoyt, Whirlpool Corporation*  
*Al Dietemann, Saving Water Partnership*  
*Rebecca Pearson, Great Lakes Commission*  
*Betsy Otto, American Rivers*  
*Kelly Kopp, Utah State University*  
*Timothy Brick, Metropolitan Water District of Southern California*  
*Amy Vickers, Amy Vickers & Associates*  
*Susan Stratton, Energy Center of Wisconsin*  
*Glen Pleasance, Regional Municipality of Durham, Ontario*  
*Alice Darilek, PCR Consulting*  
*Ron Wolfarth, Rain Bird Corporation*  
*David Bracciano, Tampa Bay Water*  
*Carole Baker (Chair), Harris-Galveston Subsidence District*  
*Warren Gorowitz, Ewing Irrigation Products*  
*Richard Harris, East Bay Municipal Utility District*  
*Gunnar Baldwin, TOTO USA*  
*Elizabeth Gardener, Denver Water*

*Not pictured:*

*John Sommers, The Home Depot*  
*Thomas Swihart, Florida Department of Environmental Protection*  
*David Viola, International Association of Plumbing and Mechanical Officials (IAPMO)*  
*J. Coffee, Chicago Department of the Environment*  
*James Heaney, University of Florida*



*Jamie Workman, author of the book Heart of Dryness, delivered the keynote address at the annual member meeting, which was open to current and prospective members.*

## Outreach to a Growing Membership

The Alliance expanded its interactions with members during the year through the continuously updated website, 59 different global emails, 9 electronic newsletters, 75 public speaking engagements, 15 committee meetings, numerous events, and the annual in-person membership meeting.

Some of the significant news items during the year included:

- DOE enforcement of action against four showerhead manufacturers in February.
- The State of Georgia enacting a Water Stewardship Bill in March.
- Lake Meade hitting its lowest levels since the 1950s.
- Numerous legislative updates.
- The PERC and ASFlow MoU signing in December.

## Alliance for Water Efficiency/Environmental Protection Agency WaterSense Awards Banquet

For the second year in a row, the Alliance for Water Efficiency partnered with the U.S. Environmental Protection Agency to sponsor the WaterSense Partner of the Year Awards Banquet at Water Smart Innovations. In addition to the awards presented to WaterSense Partners of the Year, George Kunkel of the Philadelphia Water Department received the Alliance for Water Efficiency Water Star Award for his stellar achievements in comprehensive water loss management. The banquet has proven to provide an excellent opportunity for water efficiency professionals to gather, network, and recognize leaders in the industry.



*George Kunkel receiving the Water Star Award*



*Jo Parker presenting "Demystifying Asset Management" to almost 100 people in the training room of the Alliance's new offices in Chicago.*

## Technical Assistance

The Alliance continued to support technical assistance as a principal function in 2010, providing information and assistance on water efficient products, water conservation planning, and implementation of water conservation programs. Our team of experts answered questions by email or by phone on topics that included water saving products, savings analyses, efficiency programs, water rates, plumbing, green building, research, planning, and ordinances.

The Alliance for Water Efficiency also provided technical assistance through workshops. On September 17, 2010, for example, a one-day workshop entitled, "Demystifying Asset Management: Everything You Need to Know to Get Started," reviewed international best asset management practices and provided a practical guide to developing approaches to optimize program value while minimizing water losses. The presenter, Jo Parker, is one of the world's leading experts on the topic.

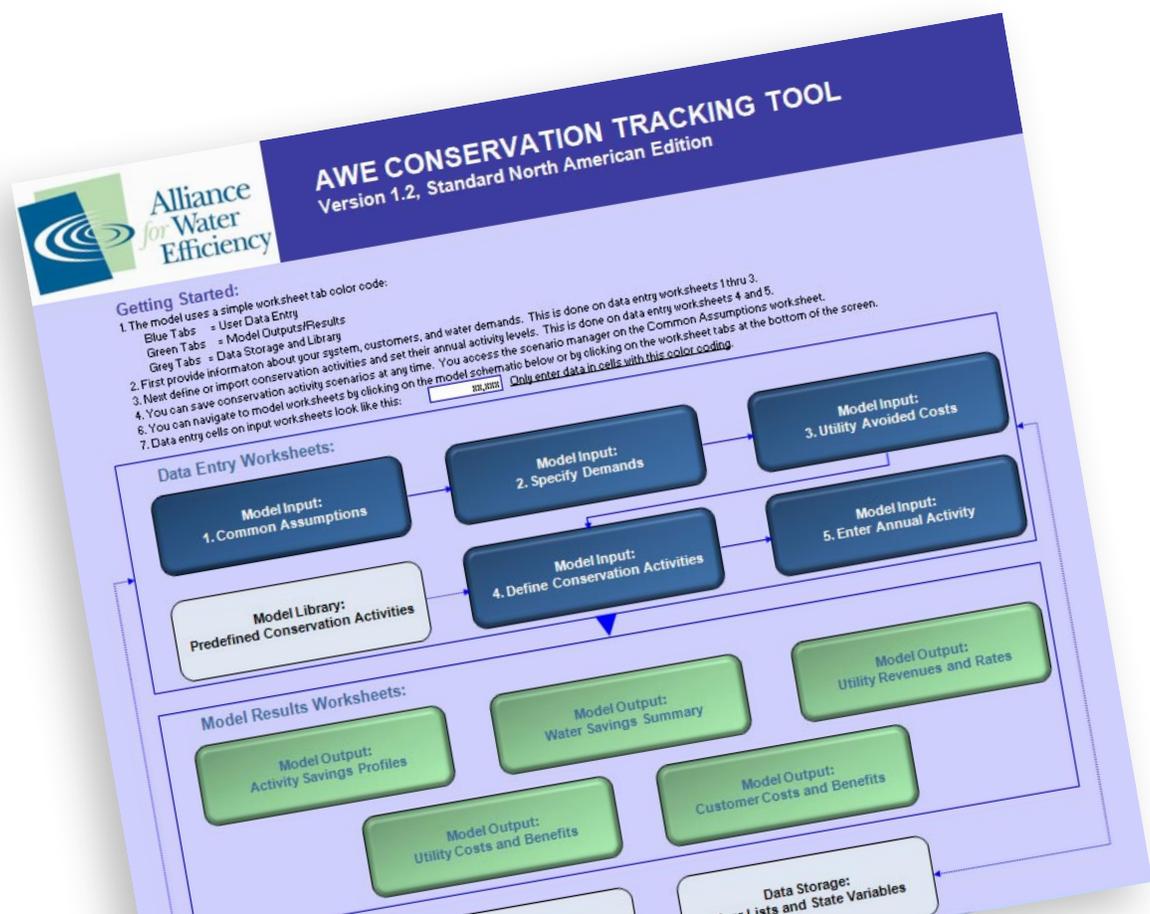
# Alliance for Water Efficiency Water Conservation Tracking Tool

In October 2010, the Alliance released Version 1.2 of the Water Conservation Tracking Tool, an Excel-based model used to evaluate the water savings, costs, and benefits of conservation programs for a specific utility. This update included functional changes and improvements that grew from user feedback and graphic enhancements. Alliance members receive the Tracking Tool and technical assistance related to its use free of charge.

The Alliance also released a special Georgia edition of Version 1.2 that incorporated legislative changes made to the state plumbing code. With the Georgia-specific copy, the Tracking Tool became available in four editions: Standard, California/Texas, Georgia, and Australia. The Alliance will continue to update the Tracking Tool to provide value to members.

A number of Water Conservation Tracking Tool workshops took place in 2010:

- January 21 San Francisco, California
- February 3 Everett, Washington
- February 4 Lacey, Washington
- March 24 Greeley, Colorado
- April 14 Albuquerque, New Mexico
- May 5 Austin, Texas
- July 23 Melbourne, Australia
- September 9 Houston, Texas
- September 15 Madison, Wisconsin
- November 15 El Segundo, California



# Legislative Activity

The Alliance for Water Efficiency has continued to be a voice for water efficiency on a variety of platforms, including national policy. In 2010, the Alliance provided information on water efficiency measures to Congressional staffers working on legislative drafts and provided up-to-date alerts to members on water efficiency legislation by tracking federal legislative activity and sending regular informative emails.

The Alliance's **Legislative Watch** page kept members, water conservation professionals, and the public informed of legislative activity related to water conservation. During one span during the year, the Legislative Watch page tracked and providing information on 28 bills.

The bulk of our legislative information outreach efforts focused on the Home Star Retrofit Act of 2010, which became part of the Clean Energy Jobs and Oil Company Accountability Act of 2010. The Act included consumer rebates for WaterSense products, homeowner rebates for reductions in household water use, and grants for states and

municipalities for water programs. On August 2, 2010, the Alliance joined 17 other stakeholder organizations as part of the WATER Coalition, a diverse group representing plumbing contractors, union members, equipment manufacturers, wholesalers, retailers, utilities, environmental groups, water efficiency organizations, real estate organizations, and other allied organizations in support of the WaterSense rebate provisions. The WATER Coalition urged members to contact their senators and sent a formal letter to Senator Reid, who introduced the bill. Unfortunately the bill failed to pass, but the effort helped pave the way for future efforts.

# Alliance Website

The Alliance for Water Efficiency's website and online resource library house a great variety of information of interest to water professionals, consumers, developers, local officials, product manufacturers, and others who need up-to-date information on water efficient products and programs. The website received near-daily updates in 2010, including new resource library content, breaking news items, important home page items, events, and other water efficiency related information. In addition, the Alliance continued to publish the popular monthly newsletter Water Efficiency Watch.

The website continued to receive heavy traffic throughout 2010. From January 1 through December 31, 2010 the site had:

- 653,650 unique visits
- 8,341,730 hits
- 165,362 downloaded documents and online resources.



## A BLUEPRINT FOR ACTION and Policy Agenda



### The Water/Energy Nexus

On December 9, 2010, the Alliance for Water Efficiency partnered with the American Council for an Energy-Efficient Economy (ACEEE) to bring the water and energy communities together to establish a blueprint for future joint efforts and to envision a policy agenda that could drive actions at the federal, state, local, and watershed levels.

The meeting, which was funded by the Turner Foundation, resulted in the creation of the **Water-Energy Blueprint for Action and Policy Agenda**. It focused on three broad elements: policy/codes, research, and programs and laid the foundation for collaborative action, funding, and policy development. In developing the Blueprint, the Alliance and ACEEE analyzed and consolidated contributions from more than fifty thought-leaders from across the energy and water efficiency communities.



*Kenneth Mirvis of The Writing Company facilitated the AWE-ACEEE water-energy nexus blueprint workshop in Washington DC.*

### Transforming the Market

The marketplace is a crucial component of the water efficiency movement. Consumers must be provided a selection of water efficient products that meet their needs and perform well. In 2010, the Alliance supported market transformation efforts primarily through its strong support of the WaterSense program, including maintaining a WaterSense page on the website, remaining an active WaterSense promotional partner, providing the full Alliance mailing list with WaterSense news updates via global emails, commenting on draft specifications, and openly promoting WaterSense at all Alliance speaking events and meetings of the WaterSense and Water-Efficient Products committee.

The Alliance's Water Efficiency Research committee also holds meetings throughout the year that track the development of new water efficiency technologies that will transform the marketplace.



# Green Building

In 2010, the Alliance for Water Efficiency stayed active in four major national green building efforts:

## **U.S. Green Building Council Leadership in Energy and Environmental Design**

Two Alliance representatives sat on the U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) Water Efficiency Technical Advisory Group (WETAG), contributing comments on the documents being developed for implementation with LEED 2012.

## **American Society of Heating, Refrigerating and Air Conditioning Engineers ANSI Standard 189.1—High Performance Buildings**

The Alliance was represented on the full standards committee for the American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) ANSI Standard 189.1—Standard for the Design of High-Performance Green Buildings Except Low-Rise Residential Buildings. The committee finalized and published the standard in January of 2010.

## **American Society of Heating, Refrigerating and Air Conditioning Engineers ANSI Standard 191—Water Efficiency**

The Alliance was part of the full standards committee for the development of the ASHRAE American National Standards Institute (ANSI) Standard 191—for the Efficient Use of Water in Building, Site and Mechanical Systems.

## **Green Globes/Green Building Initiative (GBI) Green Building ANSI Standard**

The Alliance continued its support of the Green Globes/Green Building Initiative although there was little activity to report in 2010.

# International Federation for Water Efficiency

On June 21, 2010, the Alliance for Water Efficiency signed an international agreement with Waterwise in the UK, and savewater!® Alliance in Australia to develop and communicate best practice water efficiency information. The agreement resulted in the formation of the **International Federation for Water Efficiency (IFWE)**, which will act as a global body focused on water efficiency best practices.

The IFWE will focus on a number of activities, including:

- Undertaking water conservation projects that will provide benefit to the global water community.
- Sharing water efficiency project results and solutions.
- Standardizing global definitions and nomenclatures used in the water sector.
- Compiling and maintaining a central database of best practice in water efficiency.
- Sharing information on and helping to promote water efficient products.
- Working together with other global regions on relevant projects.





*Representatives of PERC, ASFlow, AWE, and EPA signing the historic MoU at the EPA Headquarters in Washington.*

## Plumbing Efficiency Research Coalition

On December 3, 2010, the Plumbing Efficiency Research Coalition (PERC) and the Australasian Scientific Review of Reduction of Flows on Plumbing and Drainage Systems (ASFlow) Committee signed a historic Memorandum of Understanding (MoU) at U.S. EPA headquarters in Washington D.C. The MoU brought the two organizations together to investigate the impact of reduced water flows in sanitary drainage systems that result from reductions in water use from plumbing fixtures and fittings, appliances, and commercial and institutional equipment. Mary Ann Dickinson, a founding member of PERC, represented the Alliance.

The MoU detailed several areas of collaboration to ensure that information and research results are shared between the two organizations and that those efforts are unique and original. In addition, the MoU calls for both organizations to interact internationally with researchers and standards developing organizations to improve global water efficiency efforts.



# Plumbing Standards & Codes

Plumbing standards and codes—the unsung heroes of water efficiency—provide “passive” savings that directly shape water consumption patterns. The Alliance provides an active voice at the table, helping to shape the development of national plumbing standards and codes. This annual report provides an opportunity to highlight some of these efforts.

## Plumbing Standards

The Alliance stayed actively involved in maintaining and creating plumbing standards that support water efficiency, largely through direct representation on many American National Standards Institute (ANSI) plumbing standards committees and project teams in the U.S. and Canada. These include:

- American Society of Mechanical Engineers (ASME) A112.18.1/CSA (Canadian Standards Association) B125.1 Plumbing Supply Fittings—Joint Harmonization Task Group (JHTG) on Water-Efficient Shower Heads
- ASME A112.19.2/CSA B45—Vitreous China Plumbing Fixtures and Hydraulic Requirements—Project Team
- ASME A112 Plumbing Materials and Equipment—Main Committee
- ASME A112.19.5/CSA B125.3 JHTG on Trim for Water Closet Bowl, Tanks, and Urinals—Project Team
- ASME A112.18.1/CSA B125.1 Plumbing Supply Fittings—JHTG on Water Conservation
- ASME A112.19.10 Dual Flush Devices for Water Closets (to be disbanded by ASME)
- ASME A112.19.14 Six-Liter Water Closets Equipped with a Dual Flushing Device
- ASME A112.19.19 Vitreous China Nonwater Urinals
- IAPMO Z124 Plastic Plumbing Fixtures
- CSA B45 Technical Committee on Plumbing Fixtures

## Plumbing Codes

### IAPMO Uniform Plumbing Code

Participated in the International Association of Plumbing and Mechanical Officials (IAPMO) Uniform Plumbing Code (UPC) revision process for the 2012 version of the UPC.

### IAPMO Green Technical Committee

Participated on the IAPMO Green Technical and took part in sessions to develop code language for the next edition of the IAPMO Green Plumbing and Mechanical Code Supplement.

### ICC International Plumbing Code (IPC)

Attended hearings held in Dallas, Texas in May 2010 for the IPC.

### ICC Green Construction Code (IGCC)

Participated in the ICC Sustainable Building Technologies Committee (SBTC) to develop green model codes and submitted many code change proposals to promote water efficiency.



# 2010 Annual Membership

Despite the global recession, in 2010 the Alliance experienced a 17 percent growth in membership with an increase in annual members from 272 to 318. Charter sponsors continued to be recognized through monthly online profile postings. These Charter Sponsor profiles will conclude in 2011. 2010 members are listed below.

A & N Technical Services	Canadian Water & Wastewater Association	City of Ontario, CA
Aclara	Capital Regional District	City of Oxnard, CA
ACT Inc. D'Mand Systems	Carol Fraser	City of Palo Alto, CA
Acton Water District	Caroma USA	City of Phoenix, AZ
Adobe Energy Management Co., Inc.	Cascade Water Alliance	City of Pittsburg, CA
Affiliated International Management, LLC	Castleman & Sons Plumbing, Inc.	City of Prescott, AZ
Alan Plummer Associates, Inc.	CDM	City of Renton, WA
Allen Boone Humphries Robinson, LLP	Center for Neighborhood Technology	City of Round Rock, TX
American Rivers	Central Basin Municipal Water District	City of San Angelo, TX
American Standard Americas, Inc.	Central Utah Water Conservancy District	City of San Diego, CA
Amy Vickers & Associates, Inc.	CH2M Hill	City of Santa Barbara, CA
Apple Valley Ranchos Water Company	Chappell Roberts	City of Santa Cruz, CA
Aqaba Water Company (Jordan)	Chicago Faucets	City of Santa Fe, NM
Aqua Engineering, Inc.	Chicago Metro Agency for Planning	City of Santa Rosa, CA
Aqua Water Supply Corp.	Cinco Municipal Utility District #1	City of Savannah, GA
Aquacraft, Inc.	City of Albany, OR	City of Southlake, TX
Aquatrols Corporation of America	City of Atlanta, GA	City of Tumwater, WA
Arizona Municipal Water Users Association	City of Bellevue, WA	City of Upland, CA
Arlington Water Utilities	City of Bellingham, WA	City West Water, Ltd.
Association of Water Board Directors	City of Bend, OR	Cobb County Water System
Atascadero Mutual Water Company	City of Bloomington, IL	Colorado Springs Utilities
Athens-Clarke County Public Utilities Department	City of Boulder, CO	Colorado Water Conservation Board
Austin Water Utility	City of Bremerton, WA	Connecticut Water
Best Management Partners	City of Calgary, Alberta	Conserve Florida Water Clearinghouse
Bill Jacoby Water Resources Consulting	City of Charlottesville, VA	Cucamonga Valley Water District
Birch Bay Water & Sewer District	City of Chicago, IL	Cyber-Rain, Inc.
Bradley Corp.	City of Chino Hills, CA	Cypress Forest PUD
Brunswick-Glynn Cty Joint Water & Sewer Com.	City of Chino, CA	DBLive Corp.
Cal Am Water—Baldwin Hills	City of College Station, TX	Denver Water
Cal Am Water—Larkfield District	City of Dallas, TX	Desert Spring Products
Cal Am Water—Monterey County District	City of Fair Oaks Ranch, TX	Douglas County
Cal Am Water—Sacramento District	City of Fort Worth, TX	DuPage Water Commission
Cal Am Water—San Diego County District	City of Gallup, NM	East Bay Municipal Utility District
Cal Am Water—Ventura County District	City of Greeley, CO	East Cherry Creek Valley Water & Sanitation District
California State Water Resource Control Board	City of Guelph, Ontario	Eastern Research Group
California Urban Water Conservation Council	City of Hayward, CA	Ecoblue
California Water Conservation Company	City of Hillsboro, OR	Econnics Eco-Efficiency
California Water Services Company	City of Janesville, WI	Edwards Aquifer Authority
	City of Lafayette, CO	El Dorado Irrigation District
	City of Lomita, CA	El Paso Water Utilities
	City of Manhattan Beach, CA	Energy Center of Wisconsin
	City of Mansfield, TX	Enia Reggio Emilia s.r.l. (Italy)
	City of McKinney, TX	EnviroMedia Social Marketing
	City of Napa, CA	Eugene Water & Electric Board
		Ewing Irrigation Products, Inc.

Exloco  
 Florida Department of Environmental Protection  
 Fluidmaster, Inc.  
 Fontana Water Company  
 Forester Media, Inc.  
 Fort Bend County MUD #25  
 Fort Collins Water Utilities  
 Gardnerville Water Company  
 George Kunkel, Jr.  
 Georgia Environmental Protection Division  
 Georgia River Network  
 Georgia Water Coalition  
 Georgia Water Wise Council  
 Gerber Plumbing Fixtures, LLC  
 Golden State Water Co., W. Basin/Southwest CSA  
 Great Lakes Commission  
 Great Western Institute  
 Green Water Infrastructure  
 GreenPlumbers USA  
 H.W. (Bill) Hoffman & Associates, LLC  
 H2O Applied Technologies  
 Harlingen Irrigation District  
 Harris County MUD #120  
 Harris County MUD #208  
 Harris County WCID 132  
 Harris-Galveston Subsidence District  
 Hazen and Sawyer  
 Headwaters Corporation  
 Herndon Solutions Group  
 High Plains Underground WCD No. 1  
 Hunter Industries  
 Inland Empire Utilities Agency  
 Innovative Water Solutions, LLC  
 Institute for Sustainable Futures (Australia)  
 International Code Council  
 International Association of Plumbing and Mechanical Officials  
 Irrigation Consulting, Inc.  
 Irrigation Water Management Society  
 Irrrometer Company, Inc.  
 John G. Shedd Aquarium  
 Kitsap Public Utility District  
 Kleinwood Municipal Utility District  
 Koeller and Company  
 Kohler Co.  
 Lake Conroe Communities Network  
 Lakehaven Utility District  
 Lakeway Municipal Utility District  
 Lone Star Chapter, Sierra Club  
 Lone Star Groundwater Conservation District  
 Los Alamos County, DPU  
 Lower Colorado River Authority  
 M.Cubed  
 Maddaus Water Management  
 Madison Water Utility  
 Marin Municipal Water District  
 Masco Corporation  
 Maureen Erbeznik & Associates  
 McHenry County Government  
 Melbourne Water (Australia)  
 Metro West Council of Government  
 Metro North GA Water Planning District  
 Metropolitan Planning Council  
 Metro Water District of Southern California  
 Miyahuna (Jordan)  
 Moen Incorporated  
 Monte Vista Water District  
 Monterey Peninsula Water Management District  
 Montgomery County MUD #8  
 Montgomery County MUD #9  
 National Turf Grass Federation, Inc.  
 National Water Services, Inc.  
 Natural Resources Defense Council  
 NEOPERL, Inc.  
 New Mexico Water Conservation Alliance  
 Niagara Conservation Corporation  
 North Carolina Department of Environment & Natural Resources  
 North Fort Bend Water Authority  
 North Harris County RWA  
 North Marin Water District  
 North of the River MWD  
 North Texas Municipal Water District  
 Northern Governorate Water Administration (Jordan)  
 Northwest Energy Education Institute  
 Olivenhain Municipal Water District  
 Ontario Water Works Association  
 OpCon Technologies, Inc.  
 Orlando Utilities Commission  
 Pacific Northwest National Laboratory  
 Pacific Water Associates  
 Panhandle Groundwater Conservation District  
 Park City Municipal Corporation  
 Partnership for Water Conservation  
 Pasadena Water & Power  
 PCR Resources  
 Platte Canyon Water  
 Plumbing Manufacturers Institute  
 Plumbing-Heating-Cooling Contractors Association  
 Portland Water Bureau  
 Potomac-Hudson Engineering, Inc.  
 Public Service Commission of Wisconsin  
 PUC Services  
 PVA, Inc.  
 QA Consulting & Testing, LLC  
 Rain Bird Corporation  
 Regenes Management Group, LLC  
 Region of Durham  
 Region of Halton  
 Region of Peel  
 Regional Municipality of York  
 Regional Water Authority  
 ReGreen, Inc.  
 Resource Action Programs  
 Resource Solutions Group  
 River Network  
 River Systems Institute  
 Rosamond Community Services District  
 San Antonio Water Company  
 San Antonio Water System  
 San Diego County Water Authority  
 Santa Clara Valley Water District  
 Santa Clarita Water Division  
 Saving Water Partnership  
 SBW Consulting, Inc.  
 Smart Markets  
 SMART Watering Systems  
 SMW GeoSciences, Inc.  
 Sonoma County Water Agency  
 S. Adams County Water & Sanitation District  
 South Central Connecticut RWA  
 South East Water (Australia)  
 South Florida Water Mgmt District  
 Southern Nevada Water Authority  
 Southwest Florida Water Management District  
 Spanaway Water Company  
 Spartanburg Water

St. Johns River Water Management District  
Steve Clark & Associates, Inc.  
StopWaste.Org  
T & S Brass and Bronze Works, Inc.  
Tacoma Water  
Tampa Bay Water  
Tarrant Regional Water District  
Texas AWWA  
Texas Commission on Environmental Quality  
Texas Water Development Board  
Texas Water Foundation  
The Artemis Project  
The Dakota Ridge Partnership  
The Home Depot  
The Irrigation Association  
The Writing Company  
Thornhill Associates  
Tom Swihart  
TOTO USA, Inc.  
Town of Smyrna, TN  
Town of Strasburg, VA  
Townsville City Council  
Travis County WCID #17

Tualatin Valley Water District  
U.S.B.R. Lower Colorado Region  
University of North Carolina Environmental Finance Center  
Center for Water Efficiency Landscaping, USU  
Utah Water Conservation Forum  
Utilities Board of the City of Foley, AL  
University of Wisconsin—Milwaukee Center for Continuing Engineering Education  
Vepo, LLC  
Veritec Consulting, Inc.  
Walnut Valley Water District  
Water Conservation Alliance of Southern Arizona  
Water Corporation (Australia)  
Water Insight Consulting  
Water Legacy, LLC  
Water Lily Press, Inc.  
Water Management, Inc.  
Water Matters!  
Water Media Services  
Water Pik, Inc.  
Water Replenishment District of Southern California

Water Savers, LLC  
Water Services Association of Australia (Australia)  
Water Systems Optimization, Inc.  
Waterkind Consulting Services, Ltd.  
WaterLogic, Inc.  
Watershed, LLC  
WaterWise Consulting  
Waukesha Water Utility  
West Basin Municipal Water District  
West Harris County RWA  
Western Municipal Water District  
Whirlpool Corporation  
Wide Bay Water Corporation  
Wisconsin Department of Natural Resources  
Wisconsin Energy Conservation Corporation  
Wisconsin Water Association  
Wittman Hydro Planning Associates, Inc.  
Woodlands Joint Powers Agency  
Yudelson Associates  
ZMCAT Enterprises

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## Thank You to Our Funders

The Alliance for Water Efficiency wishes to thank the following organizations for their additional support of our efforts in promoting the efficient and sustainable use of water in 2010.

- The Kresge Foundation
- The Walton Family Foundation
- Turner Foundation
- Home Depot Foundation

## Staff and Technical Advisors

Mary Ann Dickinson  
*President and CEO*

Jeffrey Hughes  
*Administrative Director*

Molly Garcia  
*Accountant*

William "Bill" Christiansen  
*Program Planner*

John Koeller  
*Technical Advisor*

Peter Mayer  
*Website Manager*

Thomas Pape  
*Technical Advisor*

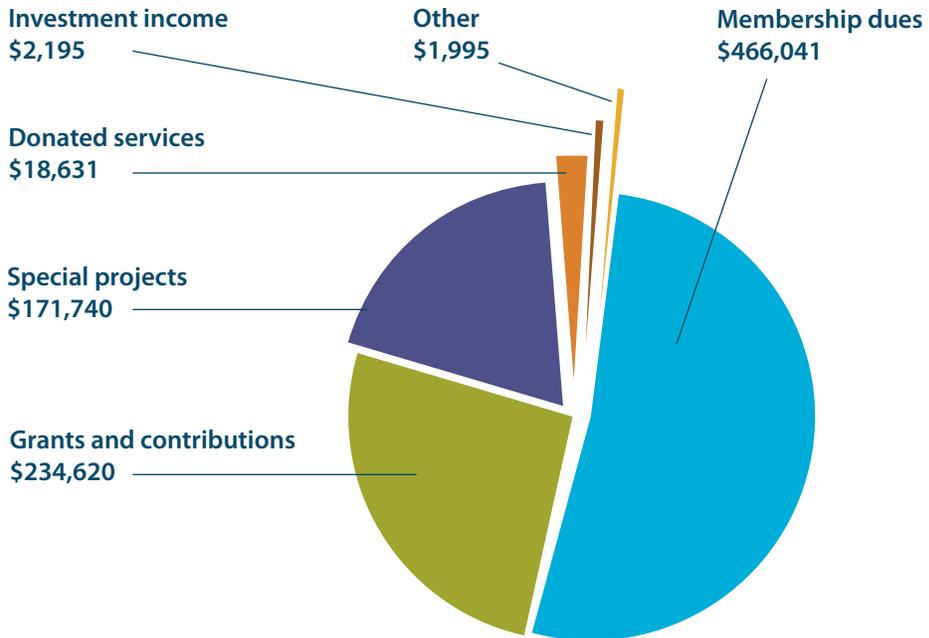
Alice Darilek  
*Project Manager*

Cece Kramer  
*Government Affairs*

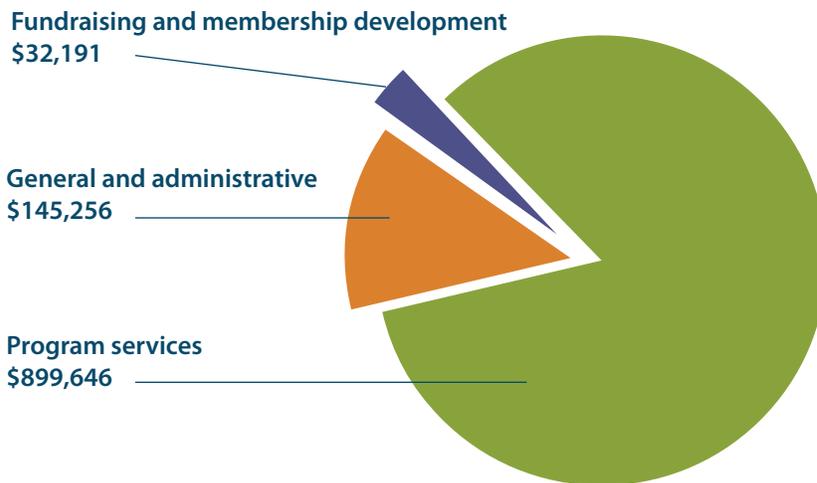


# Financial Statements

## Total Support and Revenues 2010



## Total Expenses 2010



# Statements of Financial Position

December 31, 2010 and 2009

	<b>2010</b>	<b>2009</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 323,618	\$ 316,967
Investments, Note C	102,862	151,653
Grants receivable	17,000	100,000
Accounts receivable	44,549	47,549
Inventories	7,462	8,934
Prepaid expenses and deposits	32,380	8,807
Furniture and equipment, Note D	27,095	7,029
<b>Total assets</b>	<b>\$ 554,966</b>	<b>\$ 640,939</b>
<b>Liabilities</b>		
Accounts payable	\$ 64,246	\$ 19,146
Accrued expenses	64,036	25,042
Deferred revenues	232,228	318,945
Funds held for other entities	98,521	-
<b>Total liabilities</b>	<b>459,031</b>	<b>363,133</b>
<b>Net assets</b>		
Unrestricted	60,935	102,806
Temporarily restricted, Note I	35,000	175,000
<b>Total net assets</b>	<b>95,935</b>	<b>277,806</b>
<b>Total liabilities and net assets</b>	<b>\$ 554,966</b>	<b>\$ 640,939</b>

*The accompanying notes (page 23) are an integral part of these financial statements.*

# Statements of Activities

For the years ended December 31, 2010 and 2009



	2010			2009		
	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Total</i>
<b>Support and revenue</b>						
Membership dues	\$ 466,041	\$ –	\$ 466,041	\$ 472,391	–	\$ 472,391
Grants and contributions	199,620	35,000	234,620	145,416	175,000	320,416
Special projects	171,740	–	171,740	73,205	–	73,205
Donated services, Note E	18,631	–	18,631	151,170	–	151,170
Investment income	2,195	–	2,195	4,501	–	4,501
Other	1,995	–	1,995	1,628	–	1,628
Net assets released from restrictions	175,000	(175,000)	–	–	–	–
<b>Total support and revenue</b>	<b>1,035,222</b>	<b>(140,000)</b>	<b>895,222</b>	<b>848,311</b>	<b>175,000</b>	<b>1,023,311</b>
<b>Expenses</b>						
Program services	899,646	–	899,646	825,364	–	825,364
General and administrative	145,256	–	145,256	151,428	–	151,428
Fundraising and membership development	32,191	–	32,191	15,801	–	15,801
<b>Total expenses</b>	<b>1,077,093</b>	<b>–</b>	<b>1,077,093</b>	<b>992,593</b>	<b>–</b>	<b>992,593</b>
<b>Change in net assets</b>	<b>(41,871)</b>	<b>(140,000)</b>	<b>(181,871)</b>	<b>(144,282)</b>	<b>175,000</b>	<b>30,718</b>
<b>Net assets at beginning of year</b>	<b>102,806</b>	<b>175,000</b>	<b>277,806</b>	<b>247,088</b>	<b>–</b>	<b>247,088</b>
<b>Net assets at end of year</b>	<b>\$ 60,935</b>	<b>\$ 35,000</b>	<b>\$ 95,935</b>	<b>\$ 102,806</b>	<b>\$ 175,000</b>	<b>\$ 277,806</b>



# Statement of Functional Expenses

For the year ended December 31, 2010

2010	Program services	General & administrative	Fundraising & membership development	2010 Total
Salaries	\$ 283,012	\$ 69,378	\$ 22,458	\$ 374,848
Payroll taxes and benefits	61,649	15,412	–	77,061
<b>Total salaries and related costs</b>	<b>344,661</b>	<b>84,790</b>	<b>22,458</b>	<b>451,909</b>
Consultant and program costs, Note E	299,798	–	–	299,798
Special projects	69,433	–	–	69,433
Occupancy, Note H	42,293	19,224	2,563	64,080
Telephone and internet costs	31,024	12,226	35	43,285
Travel	38,280	–	4,186	42,466
Professional services	23,017	4,120	–	27,137
Bad debt expense	25,915	–	–	25,915
Board of Directors	3,419	13,675	–	17,094
Dues and subscriptions	7,603	1,823	–	9,426
Meetings and conferences	2,269	2,269	1,945	6,483
Depreciation	3,102	3,102	–	6,204
Supplies	1,753	1,753	–	3,506
Printing and postage	2,267	674	319	3,260
Insurance	1,330	909	–	2,239
Equipment costs	1,650	509	–	2,159
Public outreach	1,042	–	260	1,302
Publications	–	–	–	–
Staff development	–	–	–	–
Miscellaneous	790	182	425	1,397
	<b>\$ 899,646</b>	<b>\$ 145,256</b>	<b>\$ 32,191</b>	<b>\$ 1,077,093</b>

# Statement of Functional Expenses

For the year ended December 31, 2009

2009	Program services	General & administrative	Fundraising & membership development	2009 Total
Salaries	\$ 149,783	\$ 32,228	\$ -	182,011
Payroll taxes and benefits	34,716	8,679	-	43,395
<b>Total salaries and related costs</b>	<b>184,499</b>	<b>40,907</b>	<b>-</b>	<b>225,406</b>
Consultant and program costs, Note E	394,928	13,348	4,449	412,725
Special projects	48,481	-	-	48,481
Occupancy, Note H	21,674	9,852	1,313	32,839
Telephone and internet costs	47,619	15,231	-	62,850
Travel	28,060	3,379	5,748	37,187
Professional services	39,889	46,697	-	86,586
Bad debt expense	25,176	-	-	25,176
Board of Directors	1,833	7,334	-	9,167
Dues and subscriptions	7,959	1,990	-	9,949
Meetings and conferences	3,518	3,518	-	7,036
Depreciation	2,185	2,185	-	4,370
Supplies	1,767	1,766	-	3,533
Printing and postage	4,452	2,218	2,870	9,540
Insurance	1,015	1,015	-	2,030
Equipment costs	719	719	-	1,438
Public outreach	5,686	-	1,421	7,107
Publications	5,496	-	-	5,496
Staff development	263	-	-	263
Miscellaneous	145	1,269	-	1,414
	<b>\$ 825,364</b>	<b>\$ 151,428</b>	<b>\$ 15,801</b>	<b>\$ 992,593</b>



# Statement of Cash Flows

For the years ended December 31, 2010 and 2009

<b>Cash flows from operating activities</b>	<b>2010</b>	<b>2009</b>
Change in net assets	\$ (181,871)	\$ 30,718
<i>Adjustments to reconcile the change in net assets to net cash (used in) provided by operating activities:</i>		
Depreciation	6,204	4,370
Bad debts	25,915	25,176
Unrealized gain on investments	(1,209)	(916)
<i>Changes in:</i>		
Accounts and grants receivable	60,085	(158,592)
Inventories	1,472	5,725
Prepaid expenses	(23,573)	17,161
Accounts payable	45,100	(78,023)
Accrued expenses	38,994	5,727
Deferred revenues	(86,717)	78,286
Funds held for other entities	98,521	–
<b>Net cash used in operating activities</b>	<b>\$ (17,079)</b>	<b>\$ (70,368)</b>
<b>Cash flows from investing activities</b>		
Cash paid for furniture and equipment	(26,270)	(481)
Proceeds from sale of investments	50,000	150,000
Purchases of investments	–	(150,737)
<b>Net cash used in investing activities</b>	<b>23,730</b>	<b>(1,218)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>\$ 6,651</b>	<b>\$ (71,586)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>316,967</b>	<b>388,553</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 323,618</b>	<b>\$ 316,967</b>

*During the years ended December 31, 2010 and 2009, no cash was paid for interest or income taxes.*

## Notes to Financial Statements

### Note A – Organization

The Alliance for Water Efficiency (Alliance) is an Illinois-based non-profit corporation dedicated to the advocating of efficient and sustainable use of water in North America through education of water users, training of water conservation professionals, and research projects. Approximately 50% of the Alliance's funding is provided by membership dues. Benefits of membership include access to water efficiency tools and information, ability to attend training, and notification of events, technical updates, and recent developments. Other support is provided by private foundation grants and special projects and events.

### Note B – Significant Accounting Policies

**Basis of Accounting:** The financial statements of the Alliance have been prepared on the accrual basis.

**Basis of Presentation:** Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) which requires that the Alliance report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At Dec. 31, 2010 and 2009, the Alliance's net assets consisted only of unrestricted and temporarily restricted net assets.

**Cash and Cash Equivalents:** The Alliance considers all short-term investments with an original maturity of three months or less and money market mutual funds to be cash equivalents.

**Investments:** The Alliance carries investments in fixed income and equity securities at their fair values in the Statements of Financial Position. Unrealized and realized gains and losses are included in the accompanying Statements of Activities and included as changes in net assets consistent with the purpose of the investment and donor-imposed restrictions, if any.

**Receivables:** Grants receivable represent amounts due under grants that qualify as either contributions or exchange transactions. Accounts receivable consist primarily of membership dues receivable. The Alliance considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts is considered necessary. If amounts become uncollectible, they are charged to operations as bad debt expense when that determination is made.

**Fair Value:** As of January 1, 2009, the Alliance adopted FASB ASC 820-10, Fair Value Measurements. ASC 820-10 introduces a framework for measuring fair value and expands required disclosure about fair value measurements of certain assets and liabilities. ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820-10 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value, whereby level 1 uses quoted prices and active markets for identical assets or liabilities when determining fair market value; level 2 uses non active quoted prices for similar assets and liabilities that can be corroborated with market data; and level 3 uses unobservable information with little or no market data. The Alliance utilizes the active market approach (level 1) to measure fair value for its financial assets and liabilities. The carrying value of the Alliance's nonfinancial assets and liabilities approximates fair value.

**Inventories:** Inventories consist of various educational publications sold or distributed by the Alliance. Inventory is recorded at the lower of cost or market, using the first-in, first-out method. Materials that have become obsolete are not included in the inventory balance.

**Furniture and Equipment:** The Alliance capitalizes all expenditures for property and equipment in excess of \$500. Furniture and equipment are recorded at cost or, if donated, at the fair market value at the time of donation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over the estimated service lives using the straight-line method. Leasehold improvements are depreciated over the life of the lease.

**Contributions:** Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Grants that qualify as contributions are recognized when received or unconditionally promised. Contributed services are reported as contributions at their fair market value if such services create or enhance non-financial assets, or would have been purchased if not provided by contribution, and which require specialized skills provided by individuals possessing such skills. See Note E.

**Revenue Recognition:** Membership dues are recognized as revenue over the membership year to which they pertain. Revenues from special projects are recognized as the work is performed. Membership dues received but applicable to the following year are recorded as deferred revenues. Payments received in advance of work for grants or other arrangements that qualify as exchange transactions are recorded as deferred revenues in the year funds are received and recognized as revenue as the work is performed. Deferred revenues consisted of the following at Dec. 31:

	2010	2009
Deferred membership dues	\$ 178,058	\$ 208,106
Deferred grant revenue	<u>54,170</u>	<u>110,839</u>
	\$ 232,228	\$ 318,945

**Income Taxes:** The Alliance is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The Alliance may be subject to federal and state taxes on its non-exempt function income under federal and state regulations governing unrelated business income.

**Uncertainty in Income Taxes:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Alliance to report information regarding its exposure to various tax positions taken. The Alliance has determined

whether any tax positions have met the recognition threshold and have measured the exposure to those tax positions. Management believes that the Alliance has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Alliance are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

**Functional Allocation of Expenses:** The costs of providing the program services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services based on employees' time incurred and on resource usage.

**Use of Estimates:** The presentation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**Reclassifications:** Certain prior year amounts have been reclassified for comparative purposes.

### Note C – Investments

Investments consisted of the following at Dec. 31:

	2010			2009		
	Cost	Fair Value	Unrealized Gain/(Loss)	Cost	Fair Value	Unrealized Gain/(Loss)
Fixed income mutual funds	\$ 101,943	\$ 102,862	\$ 919	\$ 100,737	\$ 101,245	\$ 508
Certificates of deposits	–	–	–	<u>50,000</u>	<u>50,408</u>	<u>\$ 508</u>
Total:	\$ 101,943	\$ 102,862	\$ 916	\$ 150,737	\$ 151,653	\$ 916

### Note D – Furniture and Equipment

	2010	2009
Furniture and equipment at Dec. 31:		
Furniture, fixtures and equipment	\$ 31,603	\$ 15,943
Leasehold improvements	10,610	–
	42,213	15,943
Less accumulated depreciation	<u>15,118</u>	<u>8,914</u>
	\$ 27,095	\$ 7,029

### Note E – Donated Services

Donated services include board member travel and membership in another organization that amounted to \$18,631 and \$2,863, respectively, for the years ended Dec. 31, 2010 and 2009. During the year ended Dec. 31, 2009, the salary and benefits of the Alliance's then-Executive Director, amounting to \$148,307, were paid by the Metropolitan Water District of Southern California. Effective Jan. 1, 2010, the Executive Director was brought on to the Alliance's payroll as the CEO/President.

### Note F – Concentrations of Credit Risk

**Cash:** The Alliance maintains its cash in bank deposit accounts insured by the Federal Deposit Insurance Corporation (FDIC). The balances in such accounts may at times exceed FDIC limits. The Alliance has not experienced any losses in such accounts. Management believes the Alliance is not exposed to any significant credit risk related to cash.

**Financial Instruments:** In 2010 and 2009, all of the Alliance's financial instruments were maintained by the same investment brokerage firm, a high-quality financial institution insured by the Security Investment Protection Corporation. At Dec. 31, 2010 and 2009, the Alliance had \$208,089 and \$306,514 in money market cash funds, fixed income mutual funds, and cds.

### Note G – Employee Benefit Plan

The Alliance has a retirement plan under IRS Code Section 401(k) that covers all eligible employees. Employees are eligible after six months of continued employment. The Alliance contributes up to 6% of the employee's annual salary to the plan and matches 100% of the employee contributions to the plan up to 3% of the employee's contribution. Employer contributions vest immediately. Employer contributions to the 401(k) plan amounted to \$14,150 and \$9,802 for the years ended Dec. 31, 2010 and 2009, respectively.

### Note H – Commitments

The Alliance leased office space under a month-to-month operating lease during the year ended Dec. 31, 2009. In June 2010, the Alliance entered into a lease for new office space for its headquarters in Chicago, IL. The lease agreement provided for free rent totaling \$34,668 within the first twelve months of the lease term. Total rental expense under this non-cancellable operating lease was recognized under a straight-line basis and amounted to \$38,418 during the year ended Dec. 31, 2010. Deferred rent at Dec. 31, 2010 amounted to \$23,973 and is included in "Accrued Expenses" in these financial statements. Future minimum lease payments under this lease are as follows: 2011—\$61,656; 2012—\$71,875; 2013—\$73,320; 2014—\$74,767; and 2015—\$44,209.

### Note I – Temporarily Restricted Net Assets

	2010	2009
Temporarily restricted net assets at Dec. 31:		
Kresge Foundation grant	\$ –	\$ 175,000
State scorecard project	25,000	–
Georgia modeling workshop	10,000	–
Total	\$ 35,000	\$ 175,000

### Note J – Subsequent Events

In preparing the financial statements, the Alliance has evaluated events and transactions for potential recognition or disclosure through July 7, 2011 the date that the financial statements were available to be issued.

## Primary Benefits of the Alliance for Water Efficiency

### **Stand as a clear and authoritative national voice for water efficiency.**

The Alliance for Water Efficiency is a forceful advocate for the sustainable use and stewardship of our precious water resources.

### **Provide comprehensive information about water-efficient products, practices, and programs—what works and what doesn't.**

The Alliance for Water Efficiency has created a web-based water conservation clearinghouse that offers product information, best practices specifications, research reports, training materials, program descriptions, codes and standards, program evaluation tools, drought planning and response, and professional expertise.

### **Represent the interest of water efficiency in the development of codes and standards.**

Codes and standards that mandate water efficiency have driven significant water-use savings. The Alliance provides knowledgeable representation in standards writing and advocacy.

### **Transform the market for fixtures and appliances.**

Consumers want to do the right thing, and water efficiency should be an easy choice. The Alliance for Water Efficiency will help ensure that efficient products are available, tested, and clearly labeled.

### **Coordinate with green building initiatives to institutionalize water efficiency.**

New green building programs are working to integrate water conservation into other efficiency practices. The Alliance for Water Efficiency coordinates these efforts to ensure that water savings are part of the overall effort.

### **Train water conservation professionals.**

Water efficiency is a diverse field drawing upon a broad range of disciplines. The Alliance for Water Efficiency will develop core curriculum and technical training materials, and it will work with colleges and universities, trade organizations, and other educational entities to support the development of a professional water conservation work force.

### **Educate water users.**

Good consumer education is key to the long-term success of water conservation efforts. The Alliance for Water Efficiency will provide up-to-date information on water efficient products, practices, and behaviors for the general public.

