



BUILDING A **RESILIENT** REGION

2024 ANNUAL REPORT

COME
HEAT
OR **HIGH**
WATER

BUILDING A **RESILIENT** REGION **COME HEAT OR HIGH WATER**

The signs of climate change are all around us, exacerbating normal weather patterns. In 2023, a long and persistent El Niño, with scant rain and high temperatures, followed a long dry spell at the end of 2022.

Fire weather (hot, dry, windy) conditions were ideal on August, 17th, when a nearby wildfire erupted and spread toward West Kelowna. Over the course of a month, the fire burned more than 200 properties in West Kelowna, Kelowna, and the Central Okanagan West electoral area, before it 'held.'

During the fire, the Okanagan Basin Water Board worked with water utilities on public communications for water use during wildfire season, urging people to conserve water for fire flows. Over the fall and winter, we met with water purveyors and fire chiefs about problems related to residents running roof-top sprinklers, and the need for people to FireSmart their yards. We worked with the Okanagan Xeriscape Association and FireSmartBC to update the OBWB's "Make Water Work Plant Collection," highlighting plants that

are both FireSmart and WaterWise. As residents re-landscape either because they are recovering from a fire, or want to avoid one, they will have appropriate information at their fingertips.

The summer 2023 drought was also challenging for farmers, and some were forced to reduce irrigation to allow water for fish and residential uses. This brought into question how we respond to prolonged dry weather. Agricultural producers are particularly concerned about water security because producers are still contending with damage from the heat dome in 2021, and crop losses from a cold snap in 2022. And since that time, the situation for farmers has gotten worse, with another deep freeze in January 2024 killing many vines and fruit trees.

The OBWB's Hydrometric Monitoring Program helped reduce potential conflicts between fish

and agriculture, as our system allowed regulators to have real-time information on water levels in fish streams. The OBWB also held a full-day workshop with all the groups working in and around Mission Creek to get ahead of potential conflict there. In recent years, the creek has had much more frequent high freshet flows, and more frequent summer low flows. There is wide support for updating the Mission Creek Water Use Plan, which is an agreement on drought response developed between regulators, water managers, fisheries biologists, and farmers, in advance of a crisis. We are encouraging the Province of B.C. to roll out Water Use Plans for other drought-prone regions in B.C.

Come heat or high water, the key to building a resilient region is to be nimble and creative, forming partnerships, using local resources, and focusing on the outcomes we all want.



West Kelowna Fire, August 2023

BUILDING A RESILIENT REGION – COME HEAT OR HIGH WATER

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Blair Ireland
OBWB Chair

MESSAGE FROM THE CHAIR

The Okanagan Basin Water Board (OBWB) has been dedicated to sustainable water management since its inception in 1970, bringing together directors from Okanagan communities and regional districts at monthly meetings. Our mission is to safeguard water quality and quantity, essential for the well-being of residents and visitors in the region. Providing leadership to protect and enhance quality of life in the Okanagan Basin through sustainable water resource management is the mandate.

With the Okanagan's population steadily increasing, OBWB prioritizes monitoring and reducing lake pollution, promoting drinking water conservation, and with health standards for septic systems. Educational programs target community members, including school students, to raise awareness about water protection.

Since 2012/2013 the board has led the charge to prevent invasive zebra and quagga mussels from being introduced to not only the Okanagan watershed but all of B.C.'s watersheds. This continued in 2023-2024. The OBWB has engaged in educating not only local and senior government but also the public on this threat, co-ordinated letter-writing campaigns and starting a Mussel Defence Working Group involving all user groups and the community. Also, with the

ongoing drought that started in 2023, the OBWB and Okanagan Water Stewardship Council (OWSC) have worked with senior and local governments, the public and the agricultural sector on conservation and potential solutions.

In 2024, the OBWB hosted an international Environmental Flows conference where subject matter experts—both Western scientists and Indigenous Knowledge-Keepers from all over North America gathered to share their knowledge and experiences creating and managing environmental flows.

The OBWB and OWSC's comprehensive initiatives encompass flood management, drought planning, wetland preservation, invasive species control, and advancing the Okanagan Lake Regulation System. Collaborations with Indigenous partners and various government bodies enhance understanding of climate change impacts and bolster data collection through additional hydrometric and weather stations.

Our commitment to "One valley. One water." underscores the OBWB's ongoing efforts to unite stakeholders and sustainably manage water resources for future generations.



Anna Warwick Sears
OBWB Executive Director

MESSAGE FROM THE EXECUTIVE DIRECTOR

In a year marked by extreme weather events and watershed conflicts, the OBWB continued to play an important role as a science-based facilitator of good government. Resilience is as much about community as it is about infrastructure and planning. It's impossible for any one organization to "fix" complex, watershed-scale issues. Although we look to senior governments for funding, the best solutions are structured with knowledge and information from local sources. We need strong, connected communities to create the best, longest-lasting and resilient solutions to problems.

In this light, it makes sense that some of the most exciting work at the OBWB this year were the events we convened, bringing together people on specific water management topics. When you gather groups of people like this, the whole is much greater than the sum of its participants. These gatherings generated ideas and momentum.

A December workshop on Mission Creek brought together a diverse range of participants, all of whom have in common a love and concern for the health of the creek. In March we had back-to-back events. On March 8, we held the first ever working group meeting convened around preventing invasive mussels, bringing together people and organizations with a deep concern about protecting our water quality. And on March 13-15, we had the exciting return of the Environmental Flows Conference, first held in 2018, welcoming people from around B.C. and as far away as New Brunswick with a shared interest in hydrology, fisheries, and water management.

And what makes the OBWB resilient, as an organization? It is the committed and creative people on our staff, and our many dedicated volunteers and partners. Working together with a diverse set of talents and experience, our human resources are the most important of all resources.

ORGANIZATIONAL OVERVIEW

The vision of the OBWB is for the valley to have clean and healthy water in perpetuity, meeting the needs of natural ecosystems, residents and agriculture.

The OBWB's mission is to provide leadership to protect and enhance quality of life in the Okanagan Basin through sustainable water management.

The OBWB's strength is in our partnerships: bringing people and resources together, and providing a means for joint strategic action. We advocate for local water concerns to senior governments, and are a public voice for water education. The board is made up of three directors from each of the Okanagan's three regional

districts, one director from the Okanagan Nation Alliance, and one director each from the Water Supply Association of B.C., and the Okanagan Water Stewardship Council.

Board Directors



Chair Blair Ireland, RDCO Director, Mayor of Lake Country



Vice Chair Doug Holmes, RDOS Director, Mayor of Summerland



Victor Cumming, RDNO Director, Mayor of Vernon



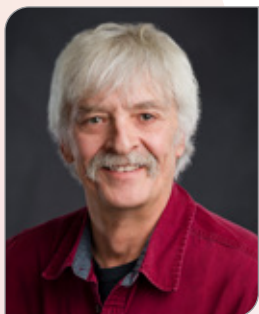
Rick Fairbairn, RDNO Director, Area D (Rural Lumby)



Bob Fleming, RDNO Director, Area B (Swan Lake/Commonage)



Charlie Hodge, RDCO Director, Kelowna City Council



Wayne Carson, RDCO Director, Central Okanagan West



Sue McKortoff, RDOS Director, Mayor of Osoyoos



Rick Knodel, RDOS Director, Area C (Rural Oliver)



Timothy Lezard, ONA, Penticton Indian Band Councillor



Robert Hrasko, Water Supply Association of B.C.



Jeremy Fyke, Okanagan Water Stewardship Council

Office Staff



Anna Warwick Sears,
Executive Director



Carolina Restrepo,
Office and Grants Manager



James Little,
Deputy Administrator



Nelson Jatel,
Water Stewardship Director



Sandra Schira,
Water Science Specialist



Corinne Jackson,
Communications Director



Amanda Burnett,
Communications Coordinator

Milfoil Staff



Pat Field,
Milfoil Supervisor



David Hoogendoorn,
Milfoil Control Operator



Darby Taylor,
Milfoil Control Operator

REPORT ON SERVICES

The Okanagan Basin Water Board provides three core programs: Water Management, Milfoil Control and Sewerage Facilities Assistance Grants. Work in each of these programs is summarized in the three corresponding sections of this Annual Report, followed by a section on Looking Forward, and finally, our Financial Statements for Fiscal Year 2023-24.

Rotary Beach at Kelowna during winter

WATER MANAGEMENT PROGRAM

The Water Management Program includes the Okanagan Water Stewardship Council, the OBWB's Science and Information initiatives, Water Conservation and Quality Improvement Grants, and Communications and Outreach.

OKANAGAN WATER STEWARDSHIP COUNCIL

The OWSC, re-established by the Water Board in 2006, is an advisory body promoting sustainable water management in the Okanagan. Our membership, representing various organizations, including federal, First Nations, provincial, and local government water-related departments, UBC Okanagan and Okanagan College water programs, and diverse industry and non-profit groups, ensures a holistic and inclusive approach to water management in our region.



LEFT: James Telford, B.C. Ministry of Water, Land and Resource Stewardship, presenting at the Water Stewardship Council
RIGHT: OBWB Board and Water Stewardship Council joint meeting, May 2023

Celebrating its 17th year, the Okanagan Water Stewardship Council (OWSC) remains a pillar of our water management program. The council, under the guidance of Chair Dr. Jeremy Fyke and Vice-chair Dr. Sheena Spencer, provided 984 hours of volunteer service addressing critical watershed issues.

Our discussions were enriched by guest speakers, each bringing unique expertise. Topics ranged from Indigenous rights and reconciliation, to the impact of climate change on the Okanagan, and other water management challenges. Some speaker highlights include:



- Gwen Bridge on Ethical Space, Science and Indigenous Knowledge, Authority and Reconciliation

- Jennifer Vigano on Watershed Strategies and Governance
- Cristina Ortiz on Colombia Waters: similarities between South American and Canadian water management
- James Telford on Watershed governance during low flow
- Kiel Wilkie, Rod MacLean and Zee Marcolin, Watershed Security Panel Discussion

In addition to council meetings, four committees were active in the following subject areas: building ethical space for water stewardship, water quality and health, policy, and water demand and supply. The committees met on

AT A GLANCE

WATER STEWARDSHIP COUNCIL

-  **Began in 2006**
-  **38 Organizations Represented**
-  **984 Volunteer Hours during 2023-24**

average once every two months, with several meetings throughout the term.

The ongoing dedication and collaboration of the OWSC members and committees highlights our commitment to fostering sustainable water management practices in the Okanagan. For more insight into the council, visit www.OBWB.ca/wsc.

WATER SCIENCE AND INFORMATION

Hydrometric Monitoring

The Hydrometric Monitoring Program collects and manages water quantity data for effective water management in the Okanagan. This data supports local government infrastructure, water supply planning, licensing, regulatory compliance, environmental and critical flow management for fish, drought contingency planning, and hydrologic and hydraulic modelling.

Beginning in the 1980s, the Okanagan's hydrometric network was drastically cut from 156 stations to 25 by 2007. Since then, we have made considerable strides in restoring the network. Responding to requests from many sectors, in 2020 we launched the "Okanagan Basin Hydrometric Information Network project," working with the Okanagan Nation Alliance (ONA) and Environment and Climate Change Canada (ECCC). This project will install 26 stations over five years, ensuring continuous maintenance, and more than doubling the coverage of the network.

In 2023-24, we added six new local stations and three new ECCC stations to our hydrometric network, bringing the total in the valley to 40. These additions, along with enhancements at two key ECCC locations, have greatly improved our data collection and management. Working with the ONA, we have significantly improved the OBWB hydrometric data management system, enabling our partners to update their data online, enhance quality assurance and control, and integrate OBWB-collected hydrometric data into the B.C. government hydrometric data warehouse. This year, we launched a new web-based tool to view real-time hydrometric data relative to environmental flows in several important fish-bearing streams.

The Technical Advisory Committee (TAC), with representatives from all levels of government, met three times this year to review activities and contribute to the operation plan for 2023 for additional station installation and maintenance. For more information, please visit our website at www.OBWB.ca/hydrometrics.



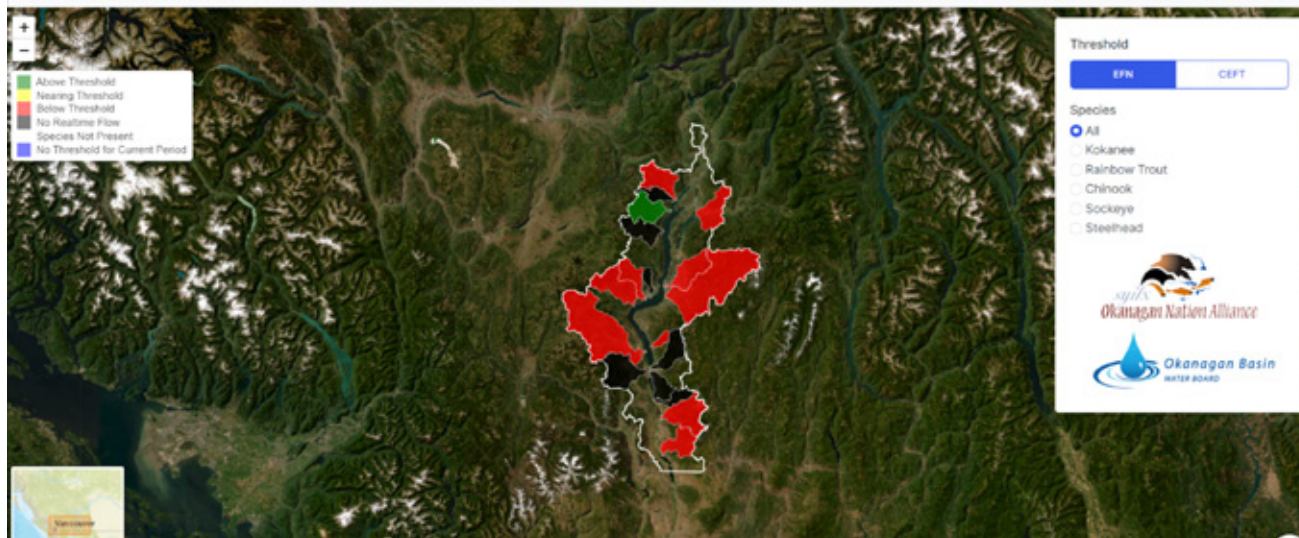
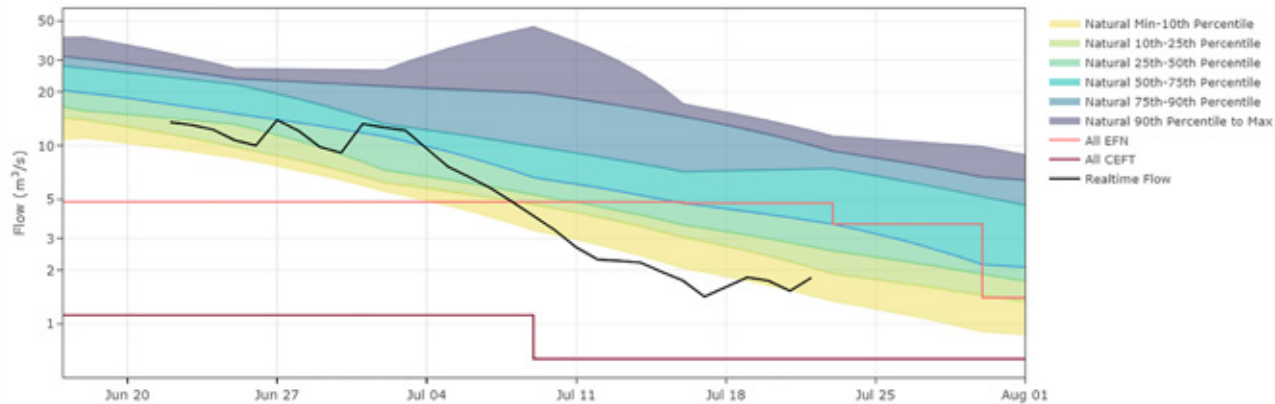
BX Creek installation



Current Discharge
1.81 m³/s
 29% LTMAO (6.35 m³/s)



Supported Species
 Rainbow Trout - EFN 1.4 m³/s, CEFT 0.64 m³/s
 Kokanee - No Current EFN or CEFT



AT A GLANCE

HYDROMETRIC MONITORING



- Began in **2020**



- **8 New Stations** during 2023-2024
 - 6 installed by the OBWB
 - 2 installed by ECCC



- **48 Current Stations** out of the goal of 54 real-time stations



- **STRATEGIC Partnerships:**
 - Okanagan Nation Alliance
 - Water Survey Canada

Environmental Flows Conference

The 2024 Environmental Flows Conference was a resounding success, co-hosted by the OBWB and the B.C. branch of the Canadian Water Resources Association. The conference was a valuable opportunity to bridge traditional Indigenous Knowledge and Western science, and was built to encourage strong participation by both communities. In the end, we had 180 attendees with 41 Indigenous participants and about 15 people on a waitlist. Valuable contributions and insights were provided by Grand Chief Stuart Phillip, President of the Union of BC Indian Chiefs, Westbank First Nations Coun. Jordan Coble, and Dawn Russell, Syilx Indigenous advisor. We achieved several milestones, including securing a significant grant from the B.C. Real Estate Foundation. This ensured robust First Nations participation and facilitated meaningful water management conversations, enhancing the community of water professionals addressing complex water issues amid climate change, land-use change, and increasing population.

The conference showcased the expertise of 28 leading Canadian experts, chosen from 38 proposals, enriching discussions with a broad array of perspectives. Poster presentations added depth and diversity to the discourse, while professional facilitators employed Strategic Foresight techniques to foster participant engagement, trend analysis, and

the development of four future scenarios. A standout moment was Karilyn Alex's keynote speech at the gala dinner, where she delivered an inspiring narrative on Okanagan environmental

flows and their crucial role in the salmon's return to the Okanagan. This event highlighted current ecological challenges and opportunities and paved the way for meaningful future actions.



Environmental Flows Conference

From insights and feedback collected during the conference, several actionable strategies for the future have emerged:

1. Embrace Collaborative Governance: Investigate global collaborative governance models in water management to spark local innovation and enhance decision-making processes.
2. Leverage Digital Media: Integrate digital media like videos and documentaries into outreach efforts to broaden impact and raise awareness among a diverse audience.
3. Convene a Strategy Session: Organize a post-conference strategy session to consolidate perspectives and craft a comprehensive action plan for water-related challenges and opportunities.
4. Enhance Communication and Dialogue: Strengthen communication among environmental groups, governmental bodies, and economic interests, including education, training, and data sharing.
5. Promote Real-time Data Sharing: Establish mechanisms for real-time data sharing and consensus on assessment methodologies to support effective policy and practice.
6. Employ Storytelling for Engagement: Use storytelling and public awareness campaigns to educate and mobilize public support for water conservation efforts.
7. Build Trust and Relationships: Nurture trust and foster enduring relationships across communities and stakeholders, harmonizing traditional knowledge with scientific approaches for sustainable water resource management.

These recommendations aim to foster greater collaboration, enhance knowledge dissemination, elevate public consciousness, and refine water management practices to address the pressing challenges faced by our water systems.

AT A GLANCE

ENVIRONMENTAL FLOWS CONFERENCE



2ND
OBWB
Environmental
Flows Conference



180
Participants



35 Presenters
from Canada
and the U.S.

Drought Planning and Response

OBWB staff work on all aspects of drought. We support drought preparedness, mitigation, communication, response and planning across the Okanagan. This includes the OBWB’s Hydrometric Monitoring Program which collects and provides data to understand drought conditions in specific areas of the valley, and creating communication resources like the “**Drought Classification Primer**.” We also participate in the provincial Okanagan Regional Drought Response Team that sets regional drought levels. These are communicated through the **B.C. Drought Information Portal**, and closer to home with the OBWB’s own “Drought Bulletin” that is sent to Okanagan local governments, utilities, media and shared on our social media platforms. Through **Okanagan WaterWise** and its **Make Water Work** campaign, we support residential water conservation through education and outreach.

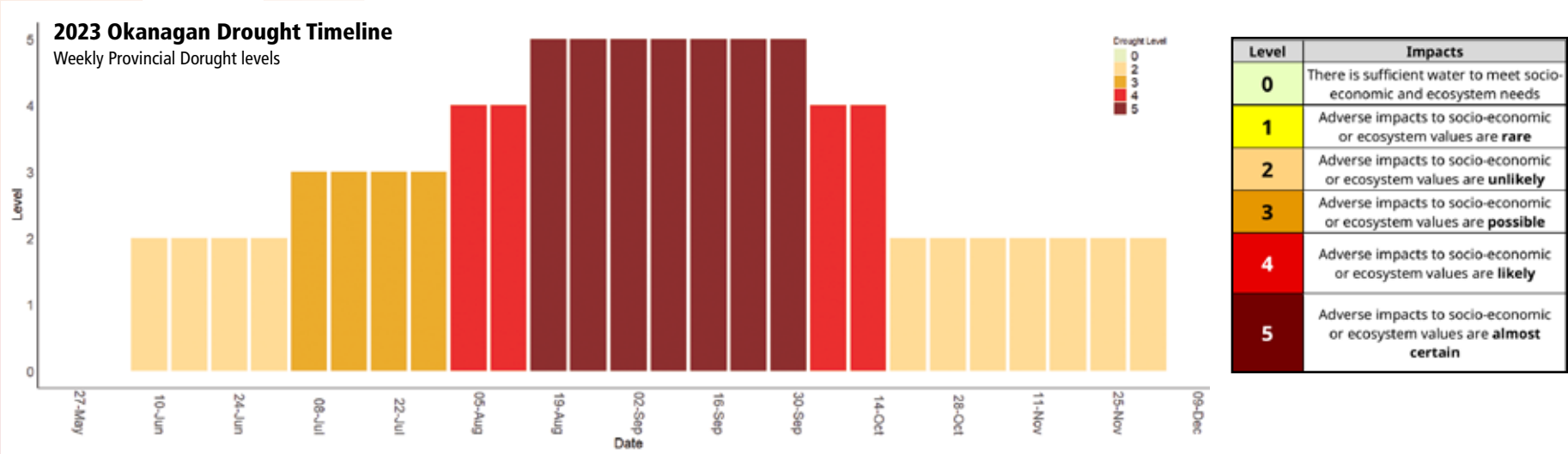
Summer 2023 was hot, dry, and smoky. The Okanagan spent over half of 2023 in drought and was at the highest possible drought level (Level 5) for two months. The “exceptionally dry” conditions were caused by an early freshet, very low precipitation, record-breaking temperatures, warm



Vasseux Creek Aug 2023 Courtesy ONA

waters, and low streamflow. In August, multiple major wildfires burned across the valley, adding pressure to the water supply.

The 2023 drought highlighted how being proactive and coming together is the best way to manage drought. As we prepare for the future, the OBWB is participating in planning, and engaging in communication and outreach to ensure the valley is better prepared for future droughts. Concerns that the 2023 drought continued into 2024, and worries about a possible multi-year drought highlights the need to build drought resilience.



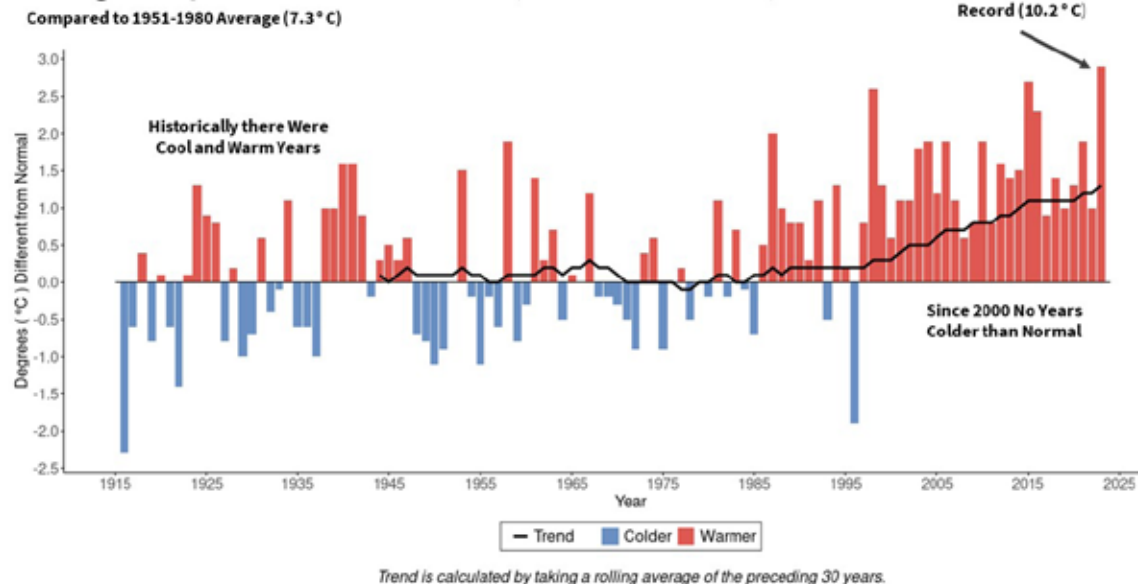
Climate Indicators

Is the Okanagan getting warmer? Are growing seasons changing? Do we see more extreme precipitation events? To answer these questions, the OBWB developed over 30 climate change indicators through the 2023-2024 Climate Indicators Project. Each year is compared to “normal” defined as the average from 1951 to 1980. The project allows people to explore how the Okanagan’s climate has shifted since 1915, when the first consistent measurements began.

Temperature indicators show a consistent shift to warmer average temperatures and more than double the number of extreme heat events. 2023 was the hottest year on record at Vernon is Coldstream Ranch. And since 2000, every year has been “warmer than normal.” Furthermore, the number of consecutive frost-free days has gone up by about two weeks, leading to longer growing seasons. However, as was seen in January 2024, cold snaps still occur in the valley.

Precipitation trends are different for each city. Overall, recent years have been a bit drier, and there has been no significant change in the number of large single-day precipitation events. With the warming temperature on the valley bottom, more precipitation falls as rain than snow, which leads to changes in how and when water moves through the watershed.

Average Temperature Annual Vernon (Coldstream Ranch)



Hydrology is related to more than just climate, and understanding the influence of climate change is challenging. Much of the OBWB’s work is related to helping the valley’s communities create resilience to handle extreme changes in water quantity, such as droughts or floods. A clear pattern in the hydrological indicators shows that spring melt and freshet are shifting earlier in the season, which has implications for how water is managed in the valley.

The indicators are available on an interactive dashboard at www.obwb.ca/indicators. By understanding the shifting conditions in the Okanagan, we are better positioned to build a resilient region in a phase of more unpredictable climate conditions.

WATER CONSERVATION AND QUALITY IMPROVEMENT GRANTS

The OBWB's Water Conservation and Quality Improvement (WCQI) Program awards \$350,000 in funding annually to local and Indigenous governments, improvement districts, and non-profit organizations in the Okanagan for projects that conserve and/or protect water and bring valley-wide benefits. Applicants can receive up to \$30,000 for their project and each year the program attracts innovative and action-oriented submissions. The annual theme for this intake (April 2023– March 2024) was "From data to action for community resilience." The OBWB awarded WCQI grants to 16 projects throughout the valley. Two of these projects are highlighted below.

City of Kelowna: Marinas and drinking water intakes on Okanagan Lake a data-guided assessment of potential effects of a proposed marina in Sutherland Bay on the Poplar Point Intake:

The City of Kelowna undertook a study (still underway) to determine if the development of a marina in Sutherland Bay poses risks to the city's Poplar Point drinking water intake. Sutherland Bay was used for log storage for an adjacent sawmill for over 80 years. Mill sites impact their adjacent water bodies from accumulated woody debris and from fuels and chemicals used to treat lumber. Marinas are also sources of contaminants including hydrocarbons, metals, and *E. coli*, and sediments can be disrupted by power boats. Knowing this, the study included a review of existing information about the site and potential contaminants, as well as a boat trial of sediment disturbance and shoreline erosion in Sutherland Bay with sediment plumes travelling 2.3 km to Poplar Point Intake. The study will also collect sediment cores from six Okanagan marinas and a 'control bay' (with no marina) for hydrocarbons,



Sutherland Bay, Kelowna

E. coli, and metals analyses. Bacteria and sediment tests will determine how quickly bacteria and sediment settle out of the water column following a boat disturbance. The final aspect of the study includes preparing a technical report on the findings and video. The final goal of this case study was to identify source water protection issues caused by marinas on Okanagan mainstem lakes. Actionable solutions will be proposed that can be adopted throughout the Okanagan.

Chute Creek Stewardship Society - Lower Chute Creek Restoration and Reconstruction:


This project's objectives were to restore the in-stream and riparian ecosystems of Lower Chute Creek, and provide flood protection to the Naramata community of Indian Rock. Complementary objectives were to conserve and expand biodiversity and species at risk (salmon spawning habitat), contribute to improved water quality and quantity, and inspire and support community stewardship through public engagement and education. The project involved the removal of a concrete flume, expansion of the footprint of Lower Chute Creek and the replacement of the Indian Rock Road Bridge. A new flume was designed to create a natural salmon spawning habitat and restore Indigenous vegetation. An accessible community viewing area completed with signage in English and nsyilxcən language to provide an educational opportunity for youth and others with interests in developing local nature solutions. A historical record of this project will be displayed and archived at the Naramata Museum. This project is an excellent example of an engaged community working as a team.



Chute Creek Restoration Project

AT A GLANCE

WCQI PROGRAM

-  **Began in 2006**
-  **TOTAL FUNDING**
Available Per Year:
\$350,000
- **2023-24**
-  **16 of 22**
Proposals Approved
for Funding
-  **\$587K**
Funding Requested
-  **\$3.2 MILLION**
in Leveraged Funding

COMMUNICATIONS AND OUTREACH

To build a resilient region requires buy-in—a recognition that there are challenges, an understanding of the solutions and a willingness to implement them by policy-makers (staff and elected officials) and, just as importantly, by the citizens of the region. But to be successful, this recognition and willingness to address challenges requires being informed. This is where communication plays a key role.

Communication efforts in 2023-24 included disseminating 12 news releases on issues such as B.C.'s Watershed Security Strategy and Fund, calls to action to address invasive mussels, water conservation, and environmental flow in streams to meet the needs of local aquatic ecosystems. We also issued four Drought Bulletins as drought in our valley deepened throughout the summer, reaching the highest level on August 17—Level 5 (*Exceptionally Dry*)—where adverse impacts to socio-economic or ecosystem values are almost certain. The bulletins were sent to Okanagan water managers, elected officials, and media. They were also posted on our social media channels. We also distribute a Board Report following our board meetings with

highlights from our most recent board meetings. This is sent to 294 people, including Okanagan Water Stewardship Council members, staff working in water at all levels of government, locally elected officials, and media.

Between April 1, 2023 and March 31, 2024, at least 807 news stories were generated regarding the Okanagan Basin Water Board and its efforts to address water issues.

In addition to the above, Okanagan WaterWise is the OBWB's public outreach and education program, aimed at raising awareness of water issues and providing solutions. Okanagan WaterWise has a website that is regularly updated. It is also active on social media. As of March 31, 2024 (the end of this reporting year), we had 3,096 followers on Facebook, 1,982 on Twitter/X, 1,232 on Instagram, 750 on LinkedIn, and 4,390 YouTube subscribers.

For resources that can help residents create a resilient region, visit www.OkWaterWise.ca.

STAY WATERWISE!



"Like" us on Facebook
[@OkWaterWise](https://www.facebook.com/OkWaterWise)



Follow us on Instagram
[@okanagan_waterwise](https://www.instagram.com/okanagan_waterwise)



and on Twitter/X
[@okwaterwise](https://twitter.com/okwaterwise)



Plus, check out our channel:
[Okanagan WaterWise YouTube](https://www.youtube.com/OkanaganWaterWise)



Drought Bulletin



Make Water Work

As the Okanagan's population grows and we face less certainty regarding the valley's annual water supply, the need for residents to create resilient, WaterWise landscapes becomes more important.

Make Water Work is an annual valley-wide residential outdoor water conservation campaign that is delivered by the OBWB's Okanagan WaterWise program in partnership with local utilities and landscape-related businesses. The campaign began as a pilot in 2011 with one local government partner. In 2022-23, there were 15 local government partners and 10 garden centre and irrigation partners.

The campaign includes a website (www.MakeWaterWork.ca) that provides information on the Okanagan's water supply challenges, how water is managed, and how residents can get the most from the water they use. The site includes WaterWise yard tips, a pledge contest to encourage water-saving behaviours, links to water restrictions throughout the valley, and more.

This year, the "Make Water Work Plant Collection" was updated to include the *nsyilxcən* (Okanagan) names of native plants. We also welcomed new partners

promoting the plant collection: Wild Bloom Nursery in Kelowna and Kel-Lake Garden Centre on the outskirts of Lake Country.

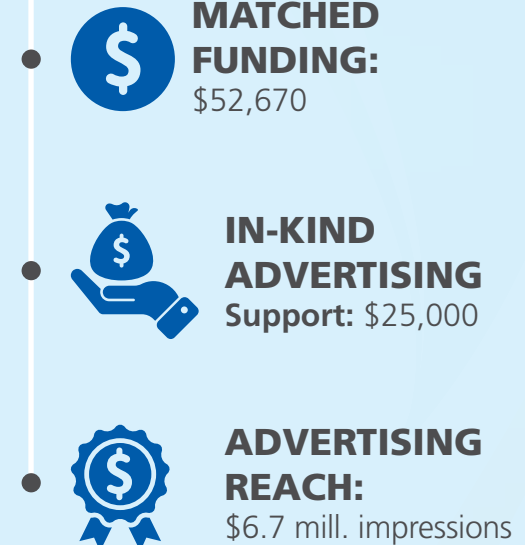
The Make Water Work message was advertised throughout the Okanagan on billboards, wrapped vehicles, radio, Castanet, Global Okanagan, Facebook and Instagram, YouTube, and on websites of interest to our target audience, and is estimated to have delivered more than 6.7 million impressions.

Partners were provided with social media material, handouts, bookmarks, and gardening gloves.

OBWB-OkWaterWise also funds the Okanagan Xeriscape Association (OXA) to conduct MWW outreach. As part of this effort, OXA provided on-site outreach at seven garden centre partners, promoted Make Water Work at seven community events. They also submitted a bi-weekly column to Castanet and the Kelowna Capital News, promoting Make Water Work and WaterWise outdoor use and posted regularly on Facebook and Instagram using the #OkWaterWise and #MakeWaterWork hashtags.

AT A GLANCE

MAKE WATER WORK CAMPAIGN



Don't Move A Mussel

Since 2012, when an OBWB-commissioned study found the Okanagan was at high risk for invasive zebra and quagga mussels, the Water Board has been raising awareness about the species and lobbying for stronger protection to prevent an infestation in B.C. If these mussels were to establish in the Okanagan, any effort to build resiliency would be severely knocked back.

Work by Okanagan Nation Alliance and partners to bring salmon back to local waterways would be upended since the mussels completely alter the aquatic food-web. Among other concerns, the mussels would litter sandy

beaches to make them unwalkable without shoes, they would create toxic algae blooms and plug aquatic infrastructure, requiring ongoing and expensive maintenance.

In response to these concerns, the OBWB's Okanagan WaterWise program launched the "Don't Move A Mussel" campaign in 2013 to raise public awareness about the invasive mussel threat, the risks to the valley, and information on how to prevent their spread. Since the most common method of infestation is by watercraft, the campaign is most active May to October, when lake-based recreation is highest. The 2023 campaign included a regularly updated website at www.DontMoveAMussel.ca. We also advertised on billboards, radio, Castanet. And we ran geo-fenced targeted ads to our target market (those looking to recreate in Okanagan waters) on Facebook, Instagram, YouTube and related websites. Impressions from this advertising alone (the number of times an ad is seen) is estimated at 6,131,01.

Print and display materials were also created for water recreation and tourism-related businesses in the Okanagan, as well as Don't Move A Mussel muscle shirts and dry bags. Funding was provided to the Okanagan and Similkameen Invasive Species Society (OASISS) to distribute these materials and extend our outreach efforts.

As a result, between May and October, OASISS distributed materials to 178 businesses and organizations, attended 15 community events, surveyed 1,237 watercraft at 18 launches and connected with 3,360 people.



INVASIVE MUSSELS WORKING GROUP

In 2024, the OBWB focussed on building regional resilience to a potential future introduction of invasive mussels. While we continued to prioritize prevention efforts, we also started looking at what will be needed to withstand the shock of a mussel invasion, and to recover as quickly and completely as possible. We started by developing a first-of-its-kind guide to assess the vulnerability of in-water infrastructure. “*Preparing for Invasive Mussels: Vulnerability Assessment Guide for Raw Water Infrastructure*” leads users through the steps needed to understand the vulnerability and specific risks to any system, and what can be done in advance to mitigate those risks. The guide was produced in partnership with RNT Consultants, a leading expert in North America

on invasive mussels, and was written in an easy-to-use way, with comprehensive information, in a step-by-step format.

We also built regional resilience by convening the new Okanagan-Interior Invasive Mussel Working Group. The first meeting of the group was attended by more than 100 people representing 59 organizations. The working group identified 55 actions to help prevent and—if needed—adapt to invasive mussels. In 2025, new committees of the working group will tackle specific priority areas including communications and outreach, funding and resource development, gap analysis and research, and regional emergency planning.

AT A GLANCE

INVASIVE MUSSELS WORKING GROUP



Began in
2024



59
Organizations
Involved



100 People
attended the
first meeting



55 Actions
were identified
by the working
group to help
prevent and—
if needed—
adapt to invasive
mussels



Invasive mussels working group meeting



New amphibious harvester purchased

MILFOIL CONTROL

This was a major year for the milfoil control program as we expanded our ability to address this harmful invasive weed by purchasing a new, first-of-its-kind in North America amphibious harvester. The new machine is mounted on tracks similar to an excavator, and has a floating hull, which allows it to both launch itself into the water and bring full loads onto the beach for pickup by truck. The new machine will be launched for the summer of 2024.

In 2024 we also worked to renew our environmental permits for the milfoil control program for the next five years. With new mapping and an updated operational and environmental protection plan, we received an expanded harvesting permit that will allow us to harvest milfoil where it is growing, rather than being restricted to pre-defined polygons. This is an important change as milfoil conditions and locations can vary from year to year. The new permit is in effect for summer 2024.



James attending Pacific NorthWest Economic Region Conference in July 2023




2024 City of Kelowna sewer re-lining project

SEWERAGE FACILITIES ASSISTANCE GRANTS

The Sewerage Facilities Assistance Grant Program is one of the original mandates of the OBWB, starting in the 1970s. The program provides grants to local governments to build or improve wastewater treatment plants and bring sewer pipes to neighbourhoods. In 2024, we did a comprehensive review of the program, and updated the terms of reference to expand eligibility and to be consistent with new provincial housing policies. The updated program helps protect community health, and surface and groundwater from wastewater pollution, while also supporting increased housing densification and liquid waste management planning in both urban and rural areas. The changes to the program will take effect starting in 2025.

AT A GLANCE SFA PROGRAM

-  Began in **1970**

-  **TOTAL FUNDS Allocated Since Inception:** \$72.5 mill.



- **GRANT FUNDS Allocated 2023-24:** \$1.2 mill.



- **RESULTS** The SFA program has led to a significant improvement in the water quality in valley lakes and streams

LOOKING FORWARD

This year, we are winding up our 2019-2024 strategic plan, and thinking about how the Okanagan Basin Water Board can make the greatest positive impacts over the next five-year plan.

Our priority is to protect what we love—our clean water, our quality of life—while expecting and adapting to change. And there is a lot of change going on in the region. Being prepared for change, anticipating and preventing potential harms, is the essence of planning for resilience.

Wildfire is top of mind for most Okanagan communities, who are working hard to reduce fuel sources in the wildland-urban interface. This includes clearing out the forest understory, and limbing large trees up three to four metres. Areas being managed this way by the Westbank First Nation, averted a forest fire from burning into nearby neighbourhoods. In a similar way, we can plan ahead to protect from flooding, by changing our building standards, making room for high water from creeks and lakes, and upsizing our infrastructure. We can do advance planning for drought conditions, developing water use plans, in which the major users of a water source can make agreements ahead of time about how and when they will cut back their demand. These agreements by water users protect the agricultural economy, as well as protecting environmental flows. In all the examples above, proactive planning and management reduce the need to do extensive repair and recovery after an extreme event.



For 2024-25, we will continue to improve our programs, making the valley more resilient. Our Hydrometric Monitoring Program helps communities prepare in advance for water shortages. We intend to use this hydrometric data to update the Mission Creek Water Use Plan. Our flood maps will help communities establish floodplain bylaws, for flood-resilient development. Our communications program is working with water utilities and fire chiefs to help the public understand what to do with their water during a wildfire alert. Our Sewerage Facilities Grant Program helps communities densify development in areas without increasing water pollution. In all our work, we are helping Okanagan communities become more resilient in the face of new challenges.

FINANCIAL OVERVIEW

This year, the biggest financial news was that we completed the purchase of an amphibious harvester for the milfoil program, an investment in clean beaches for the future.

With our long-term, multiyear projects, our reserve amounts fluctuate depending on where we are in the project budget cycle. This year, we added to our milfoil equipment reserve, and drew down the Water Management project reserves funds—spending the grants we received in prior years.

In 2023-24, the OBWB received \$42,750 in grants for water management projects. As well, we had a number of financial partnerships, and generous sponsorships (cash and in-kind) of the 2023 environmental flows conference, titled *siwtk^w (Water) For All—Co-Creating Futures*. The “*Make Water Work*” and “*Don’t Move a Mussel*” campaigns attracted cash and in-kind contributions from local governments, improvement districts, media and other partners together totaling more than \$90,000.

As a grantmaker, in 2023-24 the OBWB awarded more than \$1.25 million in infrastructure grants to improve wastewater treatment, and \$350,000 in Water Conservation and Quality Improvement (WCQI) grants to local governments and community groups. Another aspect of our grantmaking is to be active participants in both Environmental Funders Canada (EFC), and the B.C. Water Funders Collaborative. By building relationships with other funders, we raise awareness about Okanagan water issues, and perform a matchmaking role with grantees in the valley.



The OBWB also grows water research funding by supporting the work of university students and faculty, who often have their own sources of grant funding. Many federal funding programs require small in-kind or cash contributions from community organizations like ours. The OBWB helps by providing access to data and facilitating contacts between the university and community stakeholders. In this way, we leverage the talents and resources of our post-secondary institutions to have more water research done in the valley. This year we continued our partnership with the UBC Engineering Department, supporting their work on a benchmarking project for Okanagan municipal water systems.



Okanagan Basin Water Board
Financial Statements
For the year ended March 31, 2022

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Okanagan Basin Water Board are the responsibility of management and have been approved by the Chairperson on behalf of the Board.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the financial statements are based on management's best estimates and judgements. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Okanagan Basin Water Board maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Board's assets are appropriately accounted for and adequately safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report.

The financial statements have been audited by external auditors BDO Canada LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the Board. The independent auditor's report expresses their opinion on these financial statements. The external auditors have full and free access to the accounting records and to the Board of the Okanagan Basin Water Board.

DocuSigned by:
Blair Inland
20115E8B03714AE
Board of Directors Chairperson

DocuSigned by:
Anna Warwick Sears
A2115E8A02764B9
Executive Director

June 4, 2024



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Independent Auditor's Report

To the Directors of Okanagan Basin Water Board

Opinion

We have audited the financial statements of the Okanagan Basin Water Board (the "Board"), which comprise the statement of financial position as at March 31, 2024, and the statements of financial operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Okanagan Basin Water Board as at March 31, 2024, and its financial operations, change in net financial assets and cash flows for the year then ended in accordance with public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 1 to the financial statements, which explains that certain comparative information for the year ended March 31, 2023 has been restated. Our opinion is not modified in respect of this matter.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information included elsewhere in the annual report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

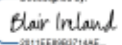
Chartered Professional Accountants

Kelowna, British Columbia
June 4, 2024

**Okanagan Basin Water Board
Statement of Financial Position**

March 31	2024	Restated 2023
Financial Assets		
Cash (Note 2)	\$ 3,275,192	\$ 3,542,333
Accounts receivable	145,893	36,042
	<u>3,421,085</u>	<u>3,578,375</u>
Financial Liabilities		
Accounts payable and accrued liabilities	466,909	280,029
Grants payable (Note 3)	483,135	465,280
Asset retirement obligation (Note 4)	-	31,186
	<u>950,044</u>	<u>776,495</u>
Net Financial Assets	<u>2,471,041</u>	<u>2,801,880</u>
Non-Financial Assets		
Prepaid expenses	14,474	126,522
Tangible capital assets (Note 5)	1,519,462	739,233
Accumulated Surplus (Note 6)	<u>\$ 4,004,977</u>	<u>\$ 3,667,635</u>

Approved on behalf of the Board:

DocuSigned by:

 Blair Inland
 20115EB90371A6E... Chairperson

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

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**Okanagan Basin Water Board
Statement of Operations**

For the year ended March 31	2024	2024	Restated 2023
	Actual	Budget	Actual
Revenues (Note 12)			
Levies from member Regional Districts (Note 7)	\$ 3,833,982	\$ 3,833,982	\$ 3,693,604
Grants	42,750	-	56,855
Interest income	210,338	18,050	133,770
Other income	306,887	-	-
Gain on disposal of assets	-	-	8,406
	<u>4,393,957</u>	<u>3,852,032</u>	<u>3,892,635</u>
Expenses (Note 12)			
Aquatic weed control	778,694	884,227	759,424
Sewerage facilities assistance	1,254,894	1,248,441	1,254,091
Water management	2,023,027	1,819,364	1,898,408
	<u>4,056,615</u>	<u>3,952,032</u>	<u>3,911,923</u>
Annual surplus (deficit) (Note 12)	<u>337,342</u>	<u>(100,000)</u>	<u>(19,288)</u>
Accumulated surplus, beginning of the year	<u>3,667,635</u>	<u>3,667,635</u>	<u>3,635,431</u>
Adjustment on tangible capital assets (Note 1)	-	-	51,492
Accumulated surplus, beginning of the year, as restated	<u>3,667,635</u>	<u>-</u>	<u>3,686,923</u>
Accumulated surplus, end of year	<u>\$ 4,004,977</u>	<u>\$ 3,567,635</u>	<u>\$ 3,667,635</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

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**Okanagan Basin Water Board
Statement of Change in Net Financial Assets**

For the year ended March 31	2024	2024	Restated 2023
	Actual	Budget	Actual
Annual surplus (deficit)	\$ 337,342	\$ (100,000)	\$ (19,288)
Acquisition of tangible capital assets	(860,089)	-	(45,181)
Amortization of tangible capital assets	79,858	-	63,015
Increase in tangible capital assets due to asset retirement obligations	-	-	(29,961)
Prepaid expenses	112,050	-	(126,522)
Net change in net financial assets	(330,839)	(100,000)	(157,937)
Net financial assets, beginning of the year	2,801,880	2,801,880	2,959,817
Net financial assets, end of year	\$ 2,471,041	\$ 2,701,880	\$ 2,801,880

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

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**Okanagan Basin Water Board
Statement of Cash Flows**

For the year ended March 31	2024	Restated 2023
Cash provided by (used in)		
Operating Activities		
Annual surplus (deficit)	\$ 337,342	\$ (19,288)
Items not involving cash		
Amortization	79,857	63,014
Accretion	-	1,225
Gain on disposal of tangible capital assets	-	(8,406)
	417,199	36,545
Changes in working capital items		
Account receivable	(109,850)	508,124
Accounts payable and accrued liabilities	186,879	58,593
Asset Retirement Obligations	(31,186)	-
Grants payable	17,859	162,427
Prepaid expenses	112,047	(126,522)
	175,749	602,622
Cash from operations	592,948	639,167
Capital activities		
Purchase of tangible capital assets	(860,089)	(45,181)
Proceeds on disposal of tangible capital assets	-	8,406
Net change in cash and cash equivalents	(267,141)	602,392
Cash, beginning of the year	3,542,333	2,939,941
Cash, end of year	\$ 3,275,192	\$ 3,542,333

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

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Okanagan Basin Water Board Summary of Significant Accounting Policies

Nature of Business	The Okanagan Basin Water Board ("The Board") is established under Section 138 of the Municipalities Enabling and Validating Act (Province of British Columbia) and administers and operates the aquatic weed control program, the sewerage facilities assistance fund, and a water management program as an agent of the three participating regional districts. The participating regional districts are: Regional District of Central Okanagan (R.D.C.O); Regional District of Okanagan-Similkameen (R.D.O.S); and Regional District of North Okanagan (R.D.N.O).
Basis of Presentation	The financial statements of the Board are the representations of management and are prepared in accordance with Public Sector Accounting Standards.
Financial Instruments	<p>The Board has elected to measure other specific financial instruments at fair value, to correspond with how they are evaluated and managed.</p> <p>Cash and equity instruments quoted in an active market are measured at fair value. All other financial instruments, are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.</p> <p>Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.</p> <p>For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.</p> <p>All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.</p> <p>Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.</p>
Use of Estimates	<p>The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities and asset retirement obligations.</p> <p>Actual results could differ from these estimates.</p>

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Okanagan Basin Water Board Summary of Significant Accounting Policies

Tangible Capital Assets	<p>Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:</p> <table> <tr> <td>Buildings</td><td>40 years</td></tr> <tr> <td>Equipment</td><td>20 - 25 years</td></tr> <tr> <td>Vehicles</td><td>5-7 years</td></tr> <tr> <td>Office furniture & equipment</td><td>10 years</td></tr> <tr> <td>Computers</td><td>4 years</td></tr> </table>	Buildings	40 years	Equipment	20 - 25 years	Vehicles	5-7 years	Office furniture & equipment	10 years	Computers	4 years
Buildings	40 years										
Equipment	20 - 25 years										
Vehicles	5-7 years										
Office furniture & equipment	10 years										
Computers	4 years										
Asset Retirement Obligations	<p>An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the Board will be required to settle. The Board recognizes asset retirement obligations when there is a legal obligation to incur retirement costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.</p> <p>Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities.</p> <p>Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset. Subsequently, the asset retirement costs are allocated to expenses over the useful life of the tangible capital asset. The obligation is adjusted to reflect the period-to-period changes in the liability resulting from the passage of time and for revisions to either the timing or the amount of the original estimate of the undiscounted cash flows or the discount rate.</p>										
Revenue Recognition	<p>The levies from member Regional Districts are recognized when the levies for the fiscal year are approved by the Board and requisitioned.</p> <p>Grants, interest and other income are recognized in the period in which they are earned.</p> <p>Sales of services and other revenue is recognized on an accrual basis.</p>										
Government Transfers	<p>Government transfers, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. The transfer of revenue is initially deferred and then recognized in the statement of operations as the stipulation liabilities are settled.</p> <p>When the Board is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.</p>										

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March 31, 2024

It has been determined that the Hydrometric Monitoring equipment was not recognized as a tangible capital asset in accordance with public sector accounting standards. As a result, accumulated surplus, tangible capital assets and amortization were misstated in prior periods. A retroactive adjustment with restatement of prior periods, has been made to reflect equipment as a tangible capital asset. The restatement had the following impact on the financial statements:

2. Cash

4. Asset Retirement Obligations

During the 2024 fiscal year, the Board remediated the mold and oil spills for which the asset retirement obligation was established. The Board also approved a grant to the Okanagan Regional District for the purpose of funding the Okanagan Regional District's water management issues and promotes more uniform standards and best practices throughout the valley. Up to \$350,000 per year is made available for Okanagan projects. Grants will be expended in the year of approval as per the budget.

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March 31, 2024

5. Tangible Capital Assets

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Okanagan Basin Water Board
Notes to the Financial Statements

For the year ended March 31, 2024 (Prior year comparative information)

5. Tangible Capital Assets (continued)

	Buildings	Equipment	Vehicles	Office furniture and equipment	Computers	Total
Cost, beginning of year						
Additions	\$ 118,352	\$ 1,620,207	\$ 239,748	\$ 1,518	\$ 22,651	\$ 2,002,476
Additions due to ARO recognition (Note 4)	-	45,181	-	-	-	45,181
Disposals	29,961	-	-	-	-	29,961
Cost, end of year	-	(59,085)	(58,710)	-	-	(117,795)
Accumulated amortization, beginning of year	148,313	1,606,303	181,038	1,518	22,651	1,959,823
Amortization	70,925	1,057,935	127,398	909	18,203	1,275,370
Disposals	5,456	38,634	16,050	152	2,723	63,015
Accumulated amortization, end of year	-	(59,085)	(58,710)	-	-	(117,795)
Net carrying amount, end of year	76,381	1,037,484	84,738	1,061	20,926	1,220,590
	\$ 71,932	\$ 568,819	\$ 96,300	\$ 457	\$ 1,725	\$ 739,233

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Okanagan Basin Water Board
Notes to the Financial Statements

March 31, 2024

6. Accumulated Surplus

The Board maintains a reserve for future expenditures. Canadian public sector accounting standards require that non-statutory reserves be included with operating surplus. The reserve and changes therein are included in the operating surplus as follows:

	2024	Restated 2023
Aquatic Weed Control Equipment Reserve		
Balance, beginning of year	\$ 609,485	\$ 563,784
Proceeds from sale of tangible capital assets	-	8,406
Gain on disposal of tangible capital assets	-	(8,406)
Net surplus	108,865	27,580
Transfer of amortization	55,974	48,082
Transfer for acquisition of tangible capital assets	(860,089)	-
Transfer for recognition of asset retirement obligations	-	(29,961)
Balance, end of year	(85,765)	609,485
Invested in Tangible Capital Assets		
Balance, beginning of year	739,231	675,612
Prior year transfer for acquisition of tangible capital assets	-	75,406
Prior year transfer of amortization	-	(23,914)
Transfer of amortization	(79,857)	(63,015)
Transfer for acquisition of tangible capital assets	860,089	45,181
Transfer for recognition of asset retirement obligations	-	29,961
Balance, end of year	1,519,463	739,231
Sewerage Facilities Assistance Reserve Fund		
Balance, beginning of year	1,151,797	1,160,373
Net deficit	(30,061)	(8,576)
Balance, end of year	1,121,736	1,151,797
Water Management Accumulated Surplus		
Balance, beginning of year	1,167,122	1,235,662
Prior period adjustment on transfer of tangible capital assets	-	(45,181)
Net surplus (deficit)	258,538	(38,292)
Transfer of amortization	23,883	14,933
Balance, end of year	1,449,543	1,167,122
	\$ 4,004,977	\$ 3,667,635

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**Okanagan Basin Water Board
Notes to the Financial Statements**

March 31, 2024

7. Levies from Member Regional Districts

	2024 Actual		2024 Budget		Restated 2023 Actual
North Okanagan	\$ 687,049	\$	687,049	\$	662,527
Central Okanagan	2,394,322		2,394,322		2,305,399
Okanagan Similkameen	752,611		752,611		725,678
	<u>\$ 3,833,982</u>	\$	<u>3,833,982</u>	\$	<u>3,693,604</u>

8. Sewerage Facility Grants to Member Local Governments

Included in Sewerage Facilities Assistance are the following grants to member local governments:

	2024		Restated 2023
City of Kelowna	\$ 162,339	\$	162,652
City of Penticton	155,777		152,338
City of Vernon	130,359		112,757
City of West Kelowna	1,012		23,353
District of Coldstream	10,888		10,888
District of Lake Country	137,690		176,049
District of Peachland	118,709		135,511
District of Summerland	261,016		261,016
Town of Osoyoos	16,401		16,401
Regional District of Okanagan Similkameen	119,665		119,665
Westbank First Nation	41,037		41,937
	<u>\$ 1,154,893</u>	\$	<u>1,212,567</u>

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**Okanagan Basin Water Board
Notes to the Financial Statements**

March 31, 2024

9. Budget information

The budget adopted by the Board was not prepared on a basis consistent with that used to report actual results based on current PSAB standards. The budget was prepared on a modified accrual basis while PSAB requires a full accrual basis. The following reconciles the difference:

	2024
Budget surplus (deficit) for the year as per board budget	\$ -
Less:	
Transfer from previous years surplus in revenues	(100,000)
Budget deficit per statement of financial operations	<u>\$ (100,000)</u>

10. Commitments

The Board has exercised its right to renew their lease with the Regional District of North Okanagan for another five year term, which will end March 31, 2029 for the lease of land, on which the Board's machine shop building resides. There is an automatic renewal term in place, which will begin April 1, 2029 and end March 31, 2034. Annual lease payments are \$24,800, with annual increases of 2.5% thereafter. At the conclusion of the lease term, ownership of the Board's building will be transferred to the Regional District of North Okanagan.

The Board is also currently in a five year lease agreement, which expires December 31, 2028, with the option to renew for one additional term of five years, with the Regional District of Central Okanagan for office space as well as financial, administrative and technology services. The agreement provides for a monthly payment of \$9,512.

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**Okanagan Basin Water Board
Notes to the Financial Statements**

March 31, 2024

11. Employee Benefits

The Board and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2022, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Board paid \$74,863 (2023 - \$66,188) for employer contributions to the plan in fiscal 2024.

The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

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**Okanagan Basin Water Board
Notes to the Financial Statements**

March 31, 2024

12. Segment Disclosures

Aquatic Weed Control

This program controls the growth of Eurasian watermilfoil in the shallow waters around Okanagan beaches and boating areas. This is a year-round program managing weed growth with rototillers in the winter and harvesters in the summer. The goal of the program is to keep public areas clear of weed, but when time allows operators and equipment will also contract work on a cost-recovery basis.

Sewerage Facilities Assistance

This program reduces the discharge of polluted water to Okanagan lakes and streams by supporting upgrades of sewage treatment plants and community sewers. Grants go to Okanagan municipalities as a local match for senior government infrastructure funding. It is one of the Board's longest-running programs, and has led to great improvements in water quality.

Water Management

This initiative undertakes projects and programs that support water sustainability in the Okanagan. It supports the original mandate of the board, providing leadership and coordinating water management activities in the interests of Okanagan citizens. The initiative includes the Water Conservation and Quality Improvement grant program, water education and outreach, advocacy to senior government for Okanagan water concerns, and establishing the science and monitoring systems required for informed decision making. Many of the projects are conducted as multi-year partnerships with other funding agencies, and operating surplus balances are specifically designated for project commitments through funding agreements with senior government, or targeted to planned projects in development. The Water Management Accumulated Surplus includes \$1,008,245 (2023 - \$932,041) for previously committed projects.

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Okanagan Basin Water Board
Notes to the Financial Statements

March 31, 2024

12. Segment Disclosures and Expense by Object (continued)

	Aquatic Weed Control	Sewerage Facilities Assistance	Water Management	2024 Total
Revenues				
Levies	\$ 881,277	\$ 1,138,841	\$ 1,813,864	\$ 3,833,982
Grant income	-	-	42,750	42,750
Interest income	6,282	85,992	118,064	210,338
Other income	-	-	306,887	306,887
	<u>887,559</u>	<u>1,224,833</u>	<u>2,281,565</u>	<u>4,393,957</u>
Expenses				
Assistance grants	-	1,154,894	322,223	1,477,117
Amortization	55,974	-	23,883	79,857
Contract services	48,456	-	706,724	755,180
Director's remuneration and expenses	7,805	-	9,682	17,487
Equipment costs	98,173	-	4,151	102,324
Insurance	32,033	-	3,443	35,476
Interest charge	-	-	237	237
Office	14,505	-	44,635	59,140
Outreach and publicity	524	-	42,978	43,502
Overhead allocation	(50,000)	100,000	(50,000)	-
Professional fees	41,792	-	44,183	85,975
Rental costs	33,756	-	10,763	44,519
Safety	11,014	-	-	11,014
Stewardship council expenses	-	-	5,589	5,589
Travel, conference and meetings	13,085	-	193,202	206,287
Utilities, yard supplies and maintenance	18,167	-	570	18,737
Wages and benefits	453,410	-	660,764	1,114,174
	<u>778,694</u>	<u>1,254,894</u>	<u>2,023,027</u>	<u>4,056,615</u>
Annual surplus (deficit)	\$ 108,865	\$ (30,061)	\$ 258,538	\$ 337,342

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Okanagan Basin Water Board
Notes to the Financial Statements

For the year ended March 31, 2024 (Prior year comparative information)

12. Segment Disclosures and Expense by Object (continued)

	Aquatic Weed Control	Sewerage Facilities Assistance	Water Management	Restated 2023 Total
Revenues				
Levies	\$ 749,650	\$ 1,193,567	\$ 1,750,387	\$ 3,693,604
Grant income	-	-	56,855	56,855
Interest income	28,948	51,948	52,874	133,770
Other income	8,406	-	-	8,406
	<u>787,004</u>	<u>1,245,515</u>	<u>1,860,116</u>	<u>3,892,635</u>
Expenses				
Assistance grants	-	1,212,567	350,000	1,562,567
Amortization	48,082	-	14,933	63,015
Accretion expense	1,225	-	-	1,225
Contract services	14,712	1,524	847,619	863,855
Director's remuneration and expenses	6,917	-	7,450	14,367
Equipment costs	129,904	-	4,106	134,010
Insurance	41,742	-	2,905	44,647
Interest charge	-	-	92	92
Office	13,852	-	33,987	47,839
Outreach and publicity	481	-	40,088	40,569
Overhead allocation	(20,000)	40,000	(20,000)	-
Professional fees	40,073	-	40,543	80,616
Rental costs	23,462	-	8,903	32,365
Safety	4,397	-	(340)	4,057
Stewardship council expenses	-	-	2,311	2,311
Travel, conference and meetings	1,128	-	45,418	46,546
Utilities, yard supplies and maintenance	19,124	-	-	19,124
Wages and benefits	434,325	-	520,393	954,718
	<u>759,424</u>	<u>1,254,091</u>	<u>1,898,408</u>	<u>3,911,923</u>
Annual surplus (deficit)	\$ 27,580	\$ (8,576)	\$ (38,292)	\$ (19,288)

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**Okanagan Basin Water Board
Notes to the Financial Statements**

For the year ended March 31, 2024 (Prior year comparative information)

13. Financial Instruments

The Board is exposed to credit risk, liquidity risk and interest rate risk from its financial instruments. This note describes the Board's objectives, policies, and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Board is exposed to credit risk through its cash and accounts receivables.

The Board manages its credit risk by holding cash at federally regulated chartered banks with cash accounts insured up to \$100,000. The Board measures its exposure to credit risk based on how long amounts have been outstanding and historical experience regarding collections. The maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable. Accounts receivable are with other local governments, and reimbursement from the federal government for GST credits. Based on this knowledge, credit risk of cash and accounts receivable are assessed as low.

Liquidity risk

Liquidity risk is the risk that the Board will not be able to meet its financial obligations as they become due. The Board is exposed to liquidity risk through its accounts payable and accrued liabilities and grants payable.

To help manage the risk, the Board has in place a planning, budgeting and forecasting process to help determine the funds required to support the normal operating requirements. The Board's five-year financial plan is approved by the Board of Directors, which includes operational activities and capital investments. The Board measures its exposure to liquidity risk based on the results of cash forecasting and expected outflows and extensive budgeting.

Interest rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Board is exposed to interest rate risk only when it uses its line of credit.

The Board manages its interest rate risk on its line of credit by planning, budgeting and forecasting processes to help determine when they will begin to utilize their line of credit and for how long. The Board measures its exposure to interest rate risk based on the results of cash forecasting and expected outflows and extensive budgeting.

14. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

This image shows a blank sheet of white paper with horizontal ruling lines. On the right side, there is a decorative graphic composed of several overlapping, semi-transparent geometric shapes in light blue and light orange colors. The overall appearance is that of a clean, unused page from a notebook or a template for a document.

Spring sunrise over Okanagan Lake at Peachland





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