



2025

ANNUAL REPORT



Okanagan Basin
WATER BOARD

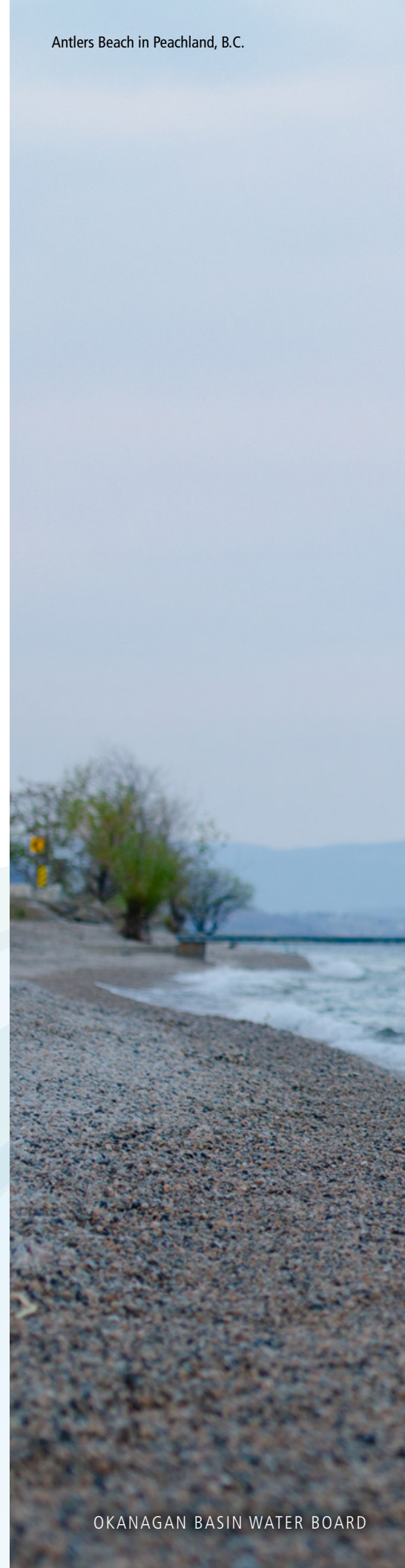
Flowing FORWARD

Flowing FORWARD

As we present our latest Annual Report, we are inspired by the theme “Flowing Forward,” a reflection of the Okanagan Basin Water Board’s unwavering commitment to the future of our region’s precious water. This past year has been one of both challenge and remarkable progress, demonstrating the resilience of our communities and the dedication of all those who work tirelessly to protect our vital lakes and streams.

The Okanagan Basin is a unique and cherished place that faces complex water challenges, from the impacts of a changing climate to the pressures of a growing population and the persistent threat of invasive species. In response, the Okanagan Basin Water Board (OBWB) continues to advance its mission, providing leadership and fostering collaboration across all levels of government, First Nations, and community partners. Our comprehensive work spans basin-wide programs for aquatic weed control, wastewater infrastructure funding, and critical water research and management. We actively advocate for local needs to senior governments, provide science-based information for sustainable planning, and build funding opportunities to expand local capacity.

This year we have seen significant strides in our initiatives, strengthening our data collection, improving educational outreach, and implementing innovative solutions that build resilience throughout the basin. These achievements are not ours alone; they are the direct result of robust partnerships and the shared vision of a healthy, vibrant Okanagan. As we look ahead, the OBWB remains dedicated to adapting, innovating, and working together with our partners to ensure that the waters of the Okanagan continue to flow clean, abundant, and secure for generations to come. Thank you for your continued support as we flow forward together.



FLOWING FORWARD

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LAND ACKNOWLEDGEMENT

We acknowledge that we work on the traditional, ancestral, and unceded tm̓xwúlaʔxʷ (land) of the syilx (Okanagan) people who have resided here since time immemorial. We honour and respect this land and the siwl̓k (water) which flows through the valley and connects us all.



MESSAGE FROM THE CHAIR

Water flows, ever changing, and as it leaves an indelible mark on the riverbed underneath, it continues to flow forward. It is always in a state of transition and change and ready to make its next mark. This past year, the Board of Directors was tasked with moving forward in a pivotal moment of change.

Sparked by key staff changes and a lapsing strategic plan, the Board embraced the challenge of defining a new direction and vision to ensure the continued success of this more than 50-year-old organization.

A significant shift began with Dr. Anna Warwick Sears' announcement in the fall of 2024 that she would retire. After 19 years of dedicated service, Dr. Sears' has left an indelible mark on the OBWB. Her unwavering commitment to sustainable water resource management, combined with her deep understanding of the Okanagan's unique challenges and her extensive expertise in government relations and water science, established her as an unparalleled voice for our region.

While the task of replacing Dr. Sears was a significant undertaking, I was inspired by one of the Syilx principles for *siwłkʷ* (water) that explains that like *siwłkʷ*, we must always find a way around obstructions: under, over, and through. *siwłkʷ* teaches us that anything is possible and that we are resilient and able to adapt.

With that in mind, the Board knew it was essential to leverage the decades of combined experience and expertise within our existing OBWB staff while also integrating fresh perspectives to guide us forward.

To maintain operational excellence and deliver on our strategic priorities amidst intensifying water challenges, we created the Chief Operating Officer (COO) role. James Littley, with his 13 years at the OBWB and extensive experience in water management, environmental policy, and program leadership, was the ideal choice to serve as our first COO. Mr. Littley's transformative influence on our most vital programs and his unparalleled expertise in invasive mussel management have been indispensable. The Board is confident that his leadership and irreplaceable depth

of institutional knowledge will be a catalyst for the OBWB's continued advancement.

Finding the right Executive Director to build upon the legacy created by long-serving staff, including Dr. Sears, Mr. Littley, Water Stewardship Director Dr. Nelson Jatel, and former Communications Director Corinne Jackson, was no easy task. After a rigorous and competitive process, Melissa Tesche joined the OBWB as Executive Director in April 2025. Already well-known to the organization, Ms. Tesche brings extensive experience from her roles as General Manager of the B.C. Fruit Growers Association and the Okanagan-Kootenay Sterile Insect Release Board.

Ms. Tesche is an exceptional addition to the OBWB, and the Board is very excited to work with her to drive our future. In today's challenging climate, we needed a strong leader who can effectively address the growing threats to our water, such as increasing drought conditions, invasive mussels, and chemical pollution. Dr. Sears captured this perfectly when she said, "Knowing the legacy I helped build is in such capable hands makes leaving not an ending, but a beautiful continuation."

The Board looks ahead to 2025 with optimism as we approach creating a brand-new strategic plan with a strong OBWB team that have the skills, expertise and vision to move us forward.

Like water, we are always changing, evolving and flowing forward.

Blair Ireland
OBWB Chair



PASSING THE TORCH:

REFLECTIONS ON OBWB'S EVOLUTION

It is with mixed emotions that I write this, my final contribution to the OBWB Annual Report. Much has changed in the 19 years since I joined the Okanagan Basin Water Board (OBWB), and it's equally interesting to note what has remained constant.

I was hired in 2006 as the Water Stewardship Director to help develop the new OBWB Water Management program. At that time, there were just four employees – Greg Armour, the General Manager, and three dedicated milfoil control stalwarts. Looking back, my early interview answers paint a clear picture of my initial approach:

"It's a very creative kind of process, figuring out what the biggest issues of concern are, and what are the issues we could actually get some traction on and make a positive difference in the basin. We're not starting with preconceived ideas to do one thing or another, we're seeing what the needs are and what's possible. Finding a way to get people to work together is my biggest goal right now."

The following year, Greg Armour retired, and I became Executive Director. Dr. Nelson Jatel joined as the new Water Stewardship Director, bringing an abundance of ideas and extensive local networks – both essential for growing the program. During this period of rapid growth, we also expanded our team by hiring dedicated communications and grants personnel. The Board was incredibly supportive, helping us build trust within local government communities. The Okanagan Water Stewardship Council, newly formed as a technical advisory body to the Board, proved invaluable in understanding critical issues and identifying areas where we could provide the most support.

Our first major initiative was the Okanagan Water Supply and Demand Project. This four-year undertaking involved collaboration with at least six senior government agencies and numerous consultant teams. Our collective goal was to assess how growing population and climate change would affect water availability, both then and into the future. This foundational project established the OBWB as a highly effective leader in water science and paved the way for dozens of future collaborations with local and senior governments, the Okanagan Nation, and other groups.

With almost two decades of perspective, if I had to choose, I'd say the three most significant long-term projects we've led have been the Environmental Flows project, Okanagan Mainstem Floodplain Mapping, and the Don't Move a Mussel campaign and policy work. The OBWB has been a leader in B.C. and Canada with these initiatives, which continue to have direct, positive impacts in the valley.

The Environmental Flows work, a partnership with the Okanagan Nation, includes the build-out of the Okanagan hydrometric network, with Dr. Jatel as the OBWB lead. It establishes the water flows necessary to support fish populations in our streams and provides alerts if key streams drop to critically low levels. The Mainstem Flood Mapping was a partnership with the three Okanagan regional districts and the Okanagan Nation. Following the historic floods of 2017 and 2018, we developed state-of-the-art flood maps for valley lakes and Okanagan River channels, which are still actively used today to develop bylaws protecting lakeshore communities and infrastructure. The Don't Move a Mussel campaign combines public outreach, policy analysis, and advocacy to decision-makers, alongside collaborations with individuals and groups across the valley and B.C., all aimed at preventing the

invasion of zebra, quagga, and now golden mussels into our region. Under James Littlely's leadership, the OBWB has been the strongest, most consistent voice for change, and has likely been an important force in preventing invasion to date.

Beyond these, dozens of other successful and important projects have been undertaken – too numerous to list here. However, it's also interesting to note what significant challenges have not changed much – such as source protection. As I said in early 2007:

“We want to get more control about what’s happening in the watersheds and the way the political situation is set up we don’t actually have the tools to get that kind of protection and so I think that that’s going to be a really big challenge, getting control of our watersheds.”

My suggestion then was:

“I think that there would have to be some kind of political process where the local government entities, not just the Water Board but collectively the local governments, would have to start being able to work together, to harness some of this substantial political power that is present in the Okanagan and exert it in Victoria.”

Interestingly, this is precisely what is happening with the Aberdeen Plateau, where the City of Vernon, the District of Lake Country, and the RDNO are now collaborating with the Okanagan Indian Band to protect water sources and cultural/heritage values on the plateau from wildfires and other threats.

While working for the OBWB has been the best, most interesting, and most satisfying career I can imagine, it is now time to pass the torch to the next generation. I am very pleased and proud to have Melissa Tesche succeed me as Executive Director, supported by a top-tier team of professionals, a passionate Board of Directors, and a strong Water Stewardship Council. We are in a time of rapid change – climate change, cultural shifts, advances in reconciliation, and global political upheaval. We still need to be creative and curious, and we still need to help people work together. The OBWB has a very resilient structure, enjoys the trust and support of communities, and will continue to do great things to help the waters of the Okanagan into the future.

Anna Warwick Sears
Retired OBWB Executive Director
2006 - 2025





A GLIMPSE AHEAD: THE EXECUTIVE DIRECTOR'S OUTLOOK

The Okanagan Basin Water Board (OBWB) has always been small but mighty — our own Little Engine That Could. Powered by people and partnerships, the OBWB has tackled challenges no single community could take on alone, steadily climbing towards the organization's vision of clean and healthy water for all future generations.

At the heart of this work is a team of dedicated and talented staff. It is my honour and privilege to join the OBWB as Executive Director this year, following in the footsteps of Dr. Anna Warwick Sears, who leaves behind a legacy of excellence — and big shoes to fill. I'm deeply grateful for the steady leadership of our long-serving team members, whose experience offers invaluable continuity and insight. I'm equally inspired by the fresh energy and ideas our newer team members bring to the table.

Beyond the staff is the broader network of people who make the OBWB's work possible. Every month, professionals and community leaders from across the region convene at the Water Stewardship Council meetings where they generously share their knowledge, time, and deep commitment to protecting Okanagan water. Their contributions reflect the collaborative spirit at the core of everything we do.

And of course, none of this would be possible without the vision and support of our elected officials. It was a group of forward-thinking leaders who, in 1969, recognized the need for a collaborative approach to stewarding water, launching the landmark Okanagan Basin Study and developing the infrastructure grant and the milfoil programs. Next year will mark two decades since OBWB renewed that vision of a collaborative approach with the creation of the Water Management Program. More than 50 years have passed since the original study, and the OBWB

Board of Directors remain a group of forward-thinking leaders committed to continuing and improving those collaborations.

"... no administrative machinery yet exists to provide the means by which local problems can be properly researched and identified and the necessary corrective or preventative measures developed and enforced. The Okanagan Basin Water Board should be established to fulfill this function..." (1969)

As we look to the year ahead, a central priority will be the development of a new strategic plan. It will be a year of reflection, deep thinking, and digging into challenges and exploring new opportunities. All the while, we will continue to strive for excellence through our core programs — including infrastructure grants, milfoil control, invasive mussel prevention, the Water Stewardship Council, and the Make Water Work conservation campaign.

I look forward to working with our staff, our board, and water champions across the valley to map out the next phase of the OBWB's journey — and to deciding, together, which mountains we'll climb next.

Melissa Tesche
OBWB Executive Director



ORGANIZATIONAL OVERVIEW

The OBWB is a partnership of the three regional districts of the Okanagan Basin and the Okanagan Nation, serving an area with 11 municipalities, five First Nation bands, and more than 390,000 people. Our board includes mayors and other elected officials from Armstrong in the north to Osoyoos in the south, and additional board directors from the Okanagan Nation Alliance, the Water Supply Association of B.C., and the Okanagan Water Stewardship Council.

Our mandate is to protect and enhance the quality of life in the Okanagan through sustainable water stewardship. For more than 50 years the Board's central responsibilities include reducing water pollution from all sources, and supporting long-term water supply for people, agriculture, and the environment.

Board Directors



Chair Blair Ireland, RDCO Director, Mayor of Lake Country



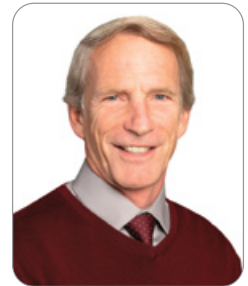
Vice Chair Doug Holmes, RDOS Director, Mayor of Summerland



Victor Cumming, RDNO Director, Mayor of Vernon



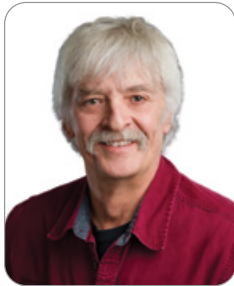
Rick Fairbairn, RDNO Director, Area D (Rural Lumby)



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



Charlie Hodge, RDCO Director, Kelowna City Councillor



Wayne Carson, RDCO Director, Central Okanagan West



Sue McKortoff, RDOS Director, Mayor of Osoyoos



Subrina Monteith, RDOS Electoral Area 'I' (Skaha West, Kaleden and Apex)



Timothy Lezard, ONA, Penticton Indian Band Councillor



Robert Hrasko, Water Supply Association of B.C.



Jeremy Fyke, Okanagan Water Stewardship Council

In Memoriam

Rick Knodel Rick served as an OBWB Director from April 2019 until his passing in January 2025. He was a strong advocate for invasive mussel control and helped to bring the milfoil program back into Vaseux Lake for the first time in decades. He took care to represent the agricultural community and rural residents and advocated to protect water and sensitive habitats during land use decisions in the South Okanagan.

Office Staff



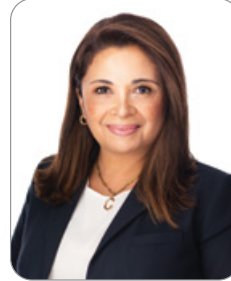
Melissa Tesche,
Executive Director



James Littley,
Chief Operating Officer



Nelson Jatel,
Water Stewardship Director



Carolina Restrepo-Tamayo,
Office and Grants Manager



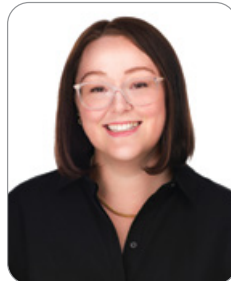
Carmen Weld,
Communications Manager



Christina White,
Water Quality Project Manager



Sandra Schira,
Water Science Specialist



Amanda Burnett,
Communications Coordinator



Anna Warwick Sears,
Retired Executive Director



Corinne Jackson,
Former Communications Director

Milfoil Staff



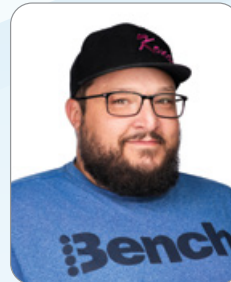
Pat Field,
Milfoil Supervisor



David Hoogendoorn,
Milfoil Control Operator



Darby Taylor,
Milfoil Control Operator



Robert Unruh,
Milfoil Control Operator



Stu Wells Stu served on the OBWB Board of Directors from 2009 - 2014, acting as Chair from 2012-2014. He was a Town of Osoyoos councillor before being elected mayor from 2008-2014. He championed the Osoyoos Lake Water Science Forum in both 2007 and 2011, loving both the organization and emceeing of the events. Stu loved anything to do with Osoyoos and was extremely passionate about water quality.



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 our Financial Statements for Fiscal Year 2024-25.

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

Celebrating its 18th year, the Okanagan Water Stewardship Council (OWSC) continues as a cornerstone of the OBWB's Water Management Program. Under the leadership of Chair Dr. Jeremy Fyke, Vice-chair Dr. Sheena Spencer, and staff lead Dr. Nelson Jatel, the Council dedicated more than 1,150 volunteer hours this year, reflecting a strong commitment to collaborative watershed governance.

The Council hosted nine meetings, drawing an average of 23 members and seven guests, representing 38 organizations—including local, provincial, federal, First Nations governments, academia, industry, and non-profits. This broad participation ensures decisions are guided by diverse expertise and local knowledge.

Guest speakers provided valuable insights on pressing water issues. Highlights included:

- A watershed security panel with Adrian Arts, Lindsay King, James Telford, and George Wong;
- Blue-green algae discussions with Heather Larratt, Bob Hrasko, Ed Hoppe, Nicolas Peleato, Donovan Klassen, Stephen Horsman;
- Climate change and flood risk guidance from Joel Trubilowicz;
- Governance initiatives with Tessa Terbasket and Scott Boswell on the Okanagan-Similkameen Collaborative Leadership Table;
- Fisheries habitat compensation (DFO) by Jason Schleppe; and
- Agricultural water management cost-benefit analysis by Alberto Ceccacci.



COO James Littlely presents to the OWSC.

Four active committees advanced work on ethical space for water stewardship, water quality and health, policy, and water demand and supply. The committees met roughly every two months, with some meetings occurring more frequently.

This collective effort strengthens the Okanagan's capacity to address climate impacts, uphold reconciliation, and guide sustainable water management. The Council remains integral to ensuring local and regional water decisions are rooted in sound science, Indigenous perspectives, and community collaboration.

Arrowleaf Balsamroot in
Bear Creek Provincial Park.



Water Stewardship Council

AT A GLANCE



Formed in
2006

2024-25



4 Active
Committees



9 Half-day
Meetings



23 Members
Attend on Average



32 Organizations
Represented



1150
Volunteer Hours

WATER SCIENCE AND INFORMATION

Hydrometric Monitoring

The Hydrometric Monitoring Program underscores the OBWB's commitment to building a robust and transparent water data network, critical for meeting environmental flow needs (EFN), drought management, and infrastructure planning.

Following decades of decline in monitoring capacity, the Okanagan Basin Hydrometric Information Network was launched in 2020 with the Okanagan Nation Alliance (ONA) and Environment and Climate Change Canada (ECCC) to restore long-term monitoring. In 2023-24, six new OBWB stations and three new ECCC stations were added, bringing the total to 32, in line with our target of 54 real-time stations.

Significant milestones this year included:

- The BX Creek station at BX Ranch Park becoming operational in April, with a rating curve under development for accurate discharge data.
- Vernon Creek station at Swalwell Park is moving forward under a new municipal permit.

Data management advancements included a new online tool linking hydrometric data with EFNs across critical fish-bearing streams. Integration with B.C.'s hydrometric warehouse supports broader regional water stewardship and transparent public access.

The multi-agency Technical Advisory Committee met in December, shaping operational priorities for installation and maintenance. Its strong endorsement reinforces the shared value of hydrometric data for licensing, flow allocation, fish management, flood protection, and drought planning.

With climate extremes increasingly stressing water systems, this program remains vital for securing water supplies, guiding environmental flow protections, and safeguarding ecosystem health throughout the Okanagan. Learn more at obwb.ca/hydrometrics.



Mission Creek Hydrometric Station.

Okanagan Hydrometric Program

AT A GLANCE



Started in
2020



6 New Stations
This Year



Total
Stations
Now at **32**



Goal of **54**
Real-Time
Stations



STRATEGIC PARTNERSHIP

- Okanagan Nation Alliance
- Water Survey Canada

Wetland Strategy

The OBWB continues to champion wetland conservation through the Okanagan Wetland Action Plan. Recognizing that over 90 percent of valley-bottom wetlands have been lost, we support initiatives that integrate Indigenous knowledge with Western science to build resilience.

Building on the 2023 Okanagan Collaborative Conservation Program and the Thompson-Nicola Conservation Collaborative launched “Conservation Planning for Climate Change,” the OBWB supported projects advancing mapping, predictive modelling, and traditional knowledge to inform new land-use policies. Meanwhile, the Okanagan Indian Band has led habitat restoration efforts across 16 sites, using fencing and native plantings to protect species at risk.

Additionally, the Okanagan Water Stewardship Council’s Wetland Committee advanced multi-year research with UBC Okanagan on climate impacts to wetlands and grasslands, aiming to refine predictive models and bolster local bylaws with conservation best practices.

The OBWB urges all local governments to leverage the Action Plan (found at obwb.ca/wetlands) to strengthen community resilience to climate change.



Vaseux Lake and wetlands, near Oliver, B.C.

Wetland Strategy

AT A GLANCE



Since **2014**
(Phase I Strategy Report)

Currently in the

3rd

ACTION PHASE

titled “implementation”



90% Wetland Lost
(or significantly degraded)



Updated
**SATELLITE
TRACKING**



**STRATEGIC
PARTNERSHIP**

- Okanagan Collaborative Conservation Program
- UBC Okanagan

Information Management

In the past year, OBWB’s investment in modern data systems has significantly advanced regional water management. The hydrometric program’s Google Cloud and GitHub data strategies now serve up-to-date hydrology models and datasets, supporting EFN, drought, and flood decisions.

The Board also expanded the integration of third-party data into public portals, improving quality control and transparency. This supports local communities, water purveyors, and the public with reliable tools for planning, licensing, and adapting to climate pressures.



Drought Planning and Response

OBWB endeavours to address drought comprehensively, leading and supporting efforts in preparedness, mitigation, communication, response, and long-term planning. Our work includes the OBWB's Hydrometric Monitoring Program that collects and provides data to understand drought conditions, and our Make Water Work campaign which supports residential water conservation through education and outreach.

Although not as severe as 2023, the Okanagan spent all of 2024 in drought. The 2024 drought started

with a low snowpack, which melted both early and quickly. For example, the snow station at Brenda Mine was snow-free in early May, which was the earliest on record. Fortunately, several rain events occurred throughout the summer, which held off the worst of the drought. However, the rain events were not enough to take the Okanagan out of drought fully. Impacts on individual streams varied, with some maintaining healthy flows while others were dry for a significant portion of the summer.

Climate Indicators

Staff at the OBWB work to answer questions like “Is July normally this hot?” To do this, we compare each year’s numbers to more than 100 years of temperature and precipitation data and make that available on the [OBWB Climate Indicators Dashboard](#). We communicate our findings to a broad audience, including local experts, media, educators, and policymakers.

- **Average temperatures** were well above normal in 2024 (see Table 1). Fall was much warmer than usual – in fact, it was the warmest fall on record in Kelowna. Summer and winter were slightly warmer than usual, while spring was more typical.
- **Precipitation** was low, and the Okanagan remained in drought, but we did get more rain than in 2023. The year started with a low snowpack, but critically, several well-timed rain events throughout the summer were vital in preventing a severe drought and refilling low reservoirs (Figure 1).

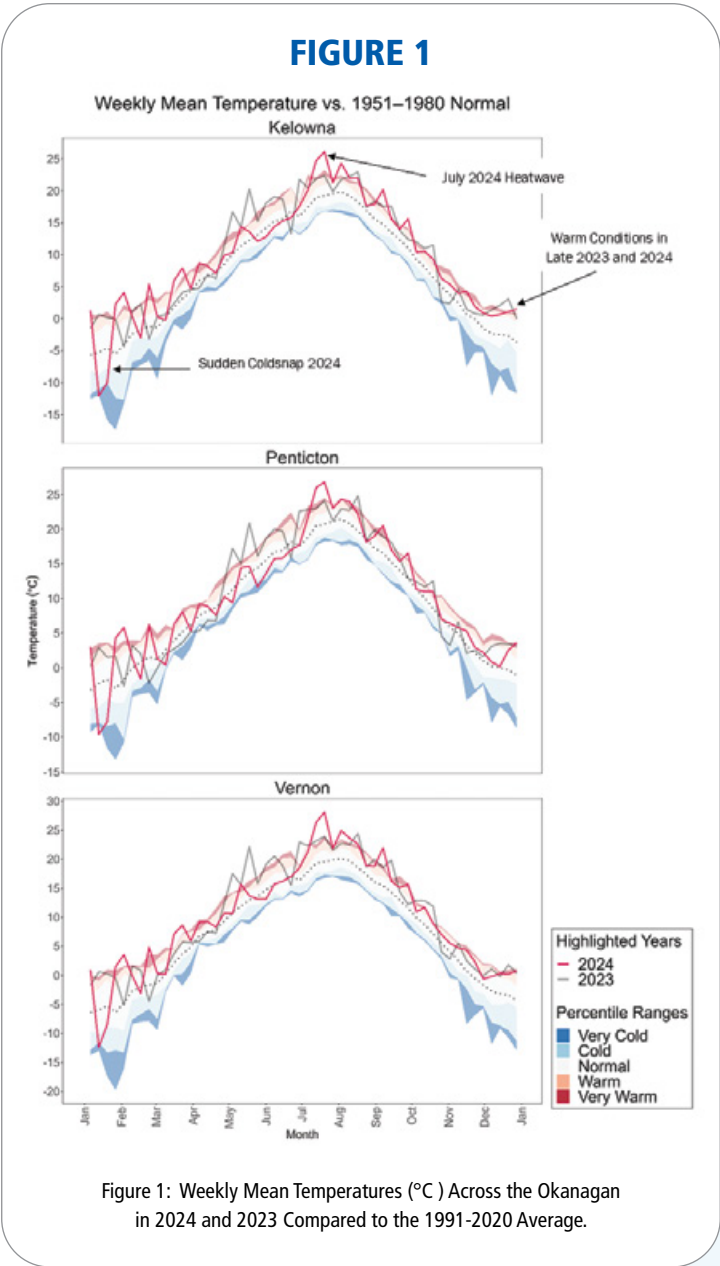


TABLE 1: Annual Mean Temperature Statistics compared to 1915 to 2024 period

CITY	2024	RANK (Hottest to Coldest)	COLDEST ON RECORD	HOTTEST ON RECORD
Vernon (Coldstream Ranch)	9.9 °C	4th	5.4 °C (1996)	10.2 °C (2023)
Kelowna	9.3 °C	4th	5.0 °C (1929)	9.6 °C (2015)
Penticton	10.2 °C	18th	7.3 °C (1955)	11.1 °C (2015)

Notable Extreme Events

JANUARY COLD SNAP

2024 began with a **cold snap** between January 11 and 15, where temperatures suddenly dropped from around 0°C to below -20°C (Figure 1). The sudden temperature drop caused significant damage to fruit trees and vines across the valley. Typically, cool weather sets in more gradually, allowing plants to become hardened and dormant; however, due to a warm fall in 2023, this did not happen, and plants were vulnerable to the sudden cold temperatures.

JULY HEATWAVE

The number of **extremely hot days** jumped significantly in 2024 (Figure 2). Historically, in July, the Okanagan experienced around three days with a maximum temperature over 35 °C. In 2024, there were more than two weeks of this very hot weather. This resulted in more total days over 35°C than 2021, the heat dome event year. The heat dome was a more intense consecutive period at the end of June, rather than spread over a whole month.

So to answer the question at the start: **No, July is not usually this hot.**



FIGURE 2

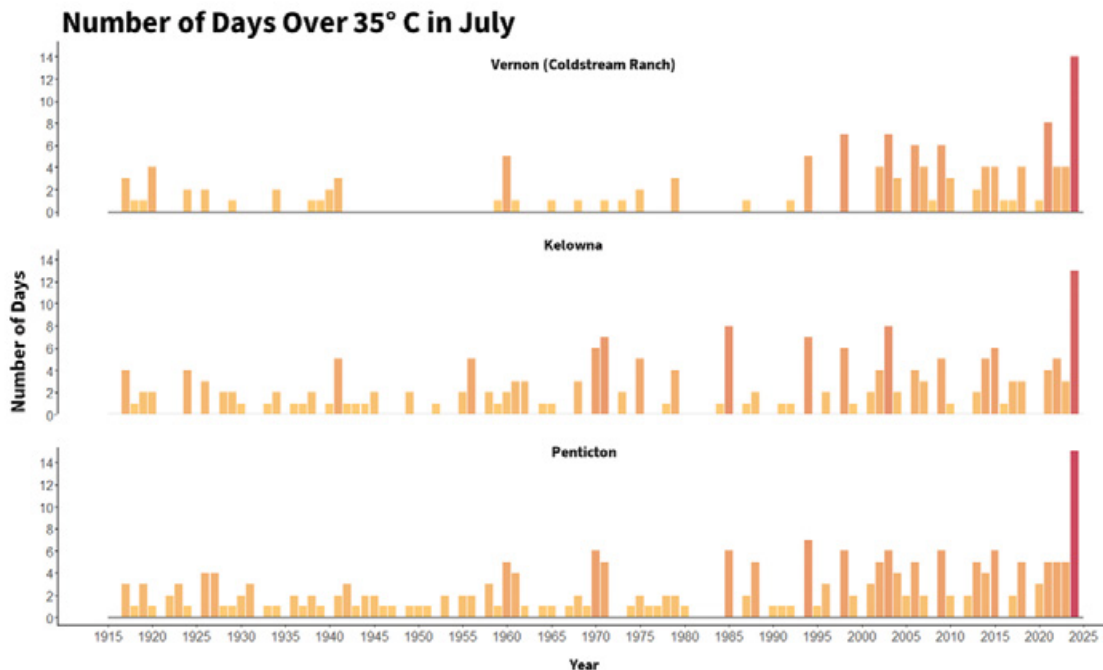


Figure 2: The number of days in July with a maximum temperature over 35 °C between 1915 and 2024 in the Okanagan.

WATER CONSERVATION AND QUALITY IMPROVEMENT GRANTS

The Water Conservation and Quality Improvement Grants (WCQI) program awards \$350,000 annually to support local and Indigenous governments, improvement districts, and non-profits working to protect and conserve water in the Okanagan Basin. Grants up to \$30,000 per project fund initiatives with valley-wide benefits. For the 2024–2025 intake, the program theme was “Drought Resilience,” selecting 14 innovative, action-oriented projects across the Okanagan that aimed to strengthen water sustainability and community preparedness in the face of increasing drought conditions.

Below are highlights from two of the awarded initiatives.

Impacts of Dam Operations in the McDougall Watershed Following Wildfire – Okanagan Nation Alliance:

The McDougall Creek watershed, with its complex interplay of wildfire impacts, dam infrastructure, and reservoir systems, offers a valuable case study for other Okanagan Valley watersheds facing similar environmental challenges. As a critical community watershed, it serves dual purposes: supplying essential water resources to downstream populations, and maintaining vital aquatic ecosystems.

Building on recommendations from the OBWB's Dams and Reservoirs Committee, this project was led in collaboration with Indigenous communities, governments, and dam operators. McDougall Creek, a wildfire-affected watershed with significant reservoir infrastructure, was specifically chosen to better understand post-fire impacts on water flow and storage.

In 2024, fieldwork involved mapping routes across the watershed, assessing dam and reservoir conditions, and collecting stream, rainfall, and snowmelt samples to trace hydrological changes. High-resolution LiDAR and drone imagery of Taylor Meadow were captured, with further imagery planned for the next phase. Findings revealed that only one reservoir remains operational, raising concerns about water storage capacity. These insights will inform improved reservoir operations, enhance flood and drought response planning, and contribute to long-term water sustainability across the Okanagan Basin.

Collaboratively Mitigating Development and Climate Impacts to Foreshore Values on Wood and Kalamalka Lakes – Living Lakes Canada (LLC):

The Foreshore Inventory and Mapping (FIMP) project for Wood and Kalamalka Lakes aims to assess current shoreline conditions to support long-term, collaborative lake management. Co-developed with the Upper Nicola Band and in partnership with the Okanagan Indian Band (OKIB), the project integrates Indigenous knowledge and values to guide planning and decision-making. A diverse steering committee—comprising local governments, provincial agencies, and Indigenous partners—oversees the project and supports collaboration across jurisdictions.

2024–2025 saw extensive outreach, training, and capacity-building efforts. LLC hosted public events and water monitoring workshops across B.C. and the Yukon and presented the project at several key forums. OKIB and Kwusen Research conducted Cultural Overview Assessments (COA), capturing traditional and oral knowledge about the lakes. Consultants, selected through a joint process, will begin ecological fieldwork in June 2025, alongside trained OKIB technicians. This approach ensures that the findings are grounded in both ecological science and Indigenous perspectives, promoting lasting stewardship. This project is ongoing.



The Rose Valley Reservoir before and after the 2023 McDougall Creek Wildfire. Contributed by Larratt Consulting.

Project Funding

AT A GLANCE



Began in
2006



358 Projects
Funded since 2006



Total Funding
Available Per Year:
\$350,000

2024-25



14 of 23 Proposals Approved for Funding



\$631,725
Funding Requested



\$1.7 MILLION
in Leveraged Funding

COMMUNICATIONS AND OUTREACH

Communication in 2024-2025: Connecting with the Basin

Throughout the 2024-2025 reporting period, our communication efforts were both robust and strategic. We issued 12 news releases on vital topics including urgent calls to action against invasive mussels and chemical use in our lakes, crucial water conservation practices, and celebrating new tools like the Climate Indicators Dashboard, and a new milfoil harvester.

As drought conditions intensified across our valley last summer, we proactively released three Drought Bulletins. These critical updates were distributed to Okanagan water managers, elected officials, and media, and widely shared across our social media channels. Following each board meeting, we consistently distributed a Board Report highlighting key discussions and decisions to more than 300 recipients, including Okanagan Water Stewardship Council

members, water staff at all levels of government, local elected officials, and media partners.

New videos were commissioned under the Make Water Work banner featuring Lake Country Fire Chief Darren Lee, Westbank First Nation Councillor Jordan Coble, Paynter's Fruit Market owner Jennay Oliver and Master Gardener Pat Zander. This video series showcased the amazing work being done up and down the valley to conserve water, and will be featured heavily in the summer 2025 campaign.

Our proactive outreach yielded significant results: between April 1, 2024, and March 31, 2025, more than 650 news stories were generated focusing on the Okanagan Basin Water Board and our collective efforts to address pressing water issues.



Screengrabs of the 2024 Make Water Work video series.



OBWB Social Media: Digital Engagement

Complementing these efforts, the OBWB continued its vital work in raising awareness of water issues and promoting practical solutions. As of March 31, 2025 (the close of this reporting year), our digital community continued to grow significantly:

- **Facebook:** 3,114 followers
- **Instagram:** 1,336 followers
- **LinkedIn:** 1,068 followers
- **YouTube:** 4,490 subscribers
- **Twitter/X:** 1,884 followers

These platforms are instrumental in fostering an informed and engaged public, which is crucial for our shared journey of sustainable water management.

STAY INFORMED!

Like and follow us
on social media.



Facebook
[@OkanaganBasinWaterBoard](#)



Instagram
[@okanaganbasinwaterboard](#)



LinkedIn
[okanagan-basin-water-board](#)



BlueSky
[@obwb.bsky.social](#)



Twitter/X
[@Ok_WaterBoard](#)



YouTube
[@OkanaganBasinWaterBoard](#)

Make Water Work

The 2024 Make Water Work spring launch, held May 30, 2024 at Lakestone Villas in Lake Country, was an emotional day as firefighters recounted their experiences a year before as they fought off the Clarke Creek wildfire just feet from Okanagan homes. This was a stark reminder of the ever growing need to save water, for the environment, for food crops, and for firefighting efforts. This event highlighted the critical connection between water management and fire response, particularly as each summer becomes known as 'wildfire season'.

This year, Make Water Work continued its essential role in educating Okanagan residents, empowering them to contribute actively to regional water security and wildfire preparedness through informed WaterWise choices. Seventeen local governments and 10 garden centres across the Okanagan contributed to the 2024 Make Water Work Campaign, which aims to get Okanagan residents to reduce their outdoor water use. Residential use is the second greatest use of water in the Okanagan behind agriculture, and higher use than golf courses, car washes, and other commercial businesses.

Public engagement with provided resources, such as the updated Plant Collection and information on Watering Restrictions, indicated a strong public interest in the Make Water Work message. A central element driving public engagement continues to be the Take the Pledge contest, which encourages Okanagan residents to commit to water-saving actions.

Since its inception 12 years ago, the Make Water Work program has been run by longtime Communications Director Corinne Jackson, and 2024 was her final year with the Okanagan Basin Water Board. Her dedicated leadership has been instrumental in shaping Make Water Work into a cornerstone of Okanagan water conservation efforts, establishing an inspirational foundation for the program.

Building on our commitment to water conservation, the OBWB was pleased to once again partner with the Okanagan Xeriscape Association (OXA) for our Make



Community Champion winner, Lisa Boulanger with a ProSource staff member, receives her \$500 WaterWise yard prize certificate.

Water Work campaign. OXA's Executive Director, Sigrie Kendrik, actively engaged with the community by visiting garden center partners throughout the Okanagan. She spoke directly with Okanagan residents, offering valuable insights into xeriscape principles and reinforcing the essential Make Water Work message of responsible outdoor water use.

Make Water Work & OXA

AT A GLANCE



Digital Audience:
1.7 MILLION Reached



318
Pledges Taken



First OXA hosted **CLIMATE RESILIENT WORKSHOP** held in February 2025, was a **SOLD-OUT EVENT**



OXA online **PLANT DATABASE** nets over **25,000** visits



Monthly **GARDENING WITH NATURE** column on Castanet averages **6,000** views

Don't Move A Mussel

For the last 13 years, the Okanagan Basin Water Board has been raising the alarm about the threat of invasive zebra and quagga mussels. These microscopic, vigorous creatures have been leaving a wake of destruction across Canadian lakes since they were first introduced in 1986. Their relentless spread gets closer to the Okanagan every year.

The discovery of quagga mussels in the Snake River in Idaho, a Columbia River tributary, marks their closest known presence to the Okanagan Basin. While the science on natural spread is still developing, this proximity significantly heightens the threat to our region. This threat requires greater vigilance and robust prevention measures, particularly against high-risk and contaminated watercraft. There is a critical need for continued public education, rigorous monitoring, and agile response strategies to protect the Okanagan's valuable aquatic ecosystems from devastating infestation.

Through our public outreach campaign, Don't Move a Mussel, the OBWB was proud to partner again with the Okanagan and Similkameen Invasive Species Society (OASISS), delivering the Don't Move A Mussel message to Okanagan residents and tourists. OASISS completed boat launch surveys, attended community events, promoted the message on social media and distributed invasive mussel resources.

OASISS conducted bi-weekly sampling across the Okanagan from June 2024 until September 2024 – and for another year the Okanagan, and B.C., remain free from invasive zebra/quagga mussels.



The team from Okanagan and Similkameen Invasive Species Society at the Osoyoos Canada Day Parade. Contributed by OASISS.

Don't Move a Mussel & OASISS

AT A GLANCE

As our primary public outreach partner, OASISS:



SURVEYED 986 Watercraft
at **15** Okanagan Boat Launches



SPOKE TO Over
5,200 People



DISTRIBUTED
Resources to
187 Businesses



ATTENDED 24
Community Events



PRESENTED
to **677** Youth

WATERCRAFT SURVEY:

Of the Watercraft surveyed by OASISS at Okanagan Boat Launches:

91%

came from within the province

9%

came from out of province

90%

were knowledgeable of aquatic invasive species

10%

were not aware of aquatic invasive species

INVASIVE MUSSEL POLICY

As we flow forward into an era of greater environmental uncertainty, 2025 delivered a stark reminder of what's at stake. Two alarming developments underscored the growing threat of invasive mussels: a confirmed quagga mussel infestation in the Snake River, Idaho—just 750 km from the Okanagan—and the first North American detection of golden mussels in California.

The Snake River infestation is particularly concerning. Water from this river system is hydrologically linked to the Columbia River Basin, increasing the odds of downstream spread through interconnected waterways and trailered watercraft. With recreational boaters frequently crossing the B.C. border, the risk to the Okanagan is rising rapidly.

Meanwhile, golden mussels present a new kind of danger. Unlike zebra and quagga mussels, which require moderate-to-high calcium levels, golden mussels can survive in water with as little as 1 mg/L of calcium. This dramatically expands their potential

habitat—including parts of the Okanagan once thought too low in calcium to support invasive mussels.

In response, the OBWB intensified its advocacy for stronger protections. We called on the Province of B.C. to implement **mandatory inspections for all out-of-province watercraft**, supported by robust penalties and year-round enforcement. This effort was backed by local governments, First Nations, utilities, and community organizations across the valley.

In April 2025, the Province responded, introducing legislative changes to enable future regulations for mandatory inspections. It was a landmark moment—proof that proactive, coordinated advocacy can lead to meaningful policy change.

As these threats move closer, the OBWB remains committed to flowing forward with clear vision, collaborative action, and a deep responsibility to protect Okanagan waters for future generations.



A boat being power washed and checked at a mandatory B.C. watercraft inspection station. OASSIS Photo.



INVASIVE MUSSEL DEFENCE: OBWB's Ongoing Impact

The Okanagan Basin Water Board (OBWB) has been a driving force in the fight to keep invasive zebra and quagga mussels out of British Columbia. Working in close partnership with local governments, Indigenous communities, non-profits, tourism associations, chambers of commerce, Rotary Clubs, businesses, and provincial and federal agencies, OBWB has helped shape prevention policy and push for stronger protections across jurisdictions.

Watercraft Inspections

- **2012:** OBWB calls for the creation of a provincial watercraft inspection program
- **2015:** B.C. launches its first inspection stations, following years of advocacy by OBWB and its partners
- **2015–2024:**
 - » **282,150** watercraft inspected
 - » **164** mussel-fouled watercraft intercepted (*not including 2025 data*)

Mandatory Watercraft Inspections

- **2016:** OBWB calls for mandatory inspections for *all* watercraft entering B.C.
- **2025:** The Province introduces enabling legislation to allow mandatory inspections under future regulations—marking a major step forward driven by collective advocacy

Federal Legislation on Prohibited Species

- **2012:** OBWB urges the federal government to list invasive mussels as prohibited species under aquatic invasive species regulations
- **2015:** Canada designates zebra and quagga mussels as prohibited aquatic invasive species

"Pull the Plug" Drain Regulations

- **2020:** OBWB recommends B.C. adopt "Pull the Plug" legislation to require draining of watercraft during transport
- **2024:** Province-wide "Pull the Plug" regulations come into effect, supported by a broad coalition of water stewards and community leaders

OBWB's leadership—amplified through strong partnerships—has helped drive policy change at every level. While much has been accomplished, the threat of invasive mussels continues to grow. Ongoing collaboration, investment, and public awareness are essential to safeguard B.C.'s waters for future generations.



Hippo Harvester working hard harvesting milfoil in Osoyoos Lake.

MILFOIL CONTROL

In 2025, the Okanagan Basin Water Board's Milfoil Control Program exemplified the theme of Flowing Forward—modernizing its tools, expanding its reach, and reimagining service for the next generation. Once built on 1970s infrastructure, the program has undergone a quiet transformation. Just over a decade ago, the average age of our equipment was 23.7 years. Today, it's 12.2—thanks to long-term asset planning, steady investments, and strategic innovation.

This modernization includes the addition of North America's first amphibious harvester—equipped with a floating hull and track-mounted frame—enabling safe access to remote or challenging shoreline areas. This cutting-edge equipment reduces the need for transport by truck, cuts fuel consumption, and opens new opportunities to respond quickly to emerging infestations.

In tandem, OBWB secured a flexible new five-year environmental permit, allowing crews to harvest where milfoil is actually growing—not just in pre-designated areas. This shift empowers the program

to target high-use public beaches, sensitive habitat zones, and growing problem areas around marinas and docks more effectively.

New tools for digital mapping, on-board tracking, and environmental monitoring have strengthened oversight and accountability. Crews now use enhanced GPS and sonar data to guide their work, monitor lake health, and document treatment impact more precisely than ever before.

This year's efforts are about more than machinery—they reflect a deeper commitment to protecting water quality, preserving native ecosystems, and supporting safe, enjoyable access to Okanagan lakes. By investing in innovation and smarter service delivery, the OBWB is flowing forward—ensuring our lakes remain swimmable, navigable, and ecologically balanced, for both today's users and tomorrow's.

SEWAGE FACILITIES ASSISTANCE (SFA) GRANT PROGRAM:

Renewing a Legacy for Clean Water and Healthy Communities

The Sewage Facilities Assistance (SFA) Grant Program has, for more than 40 years, helped communities across the basin make dramatic reductions in nutrient loading to lakes and streams. Originally launched in 1970, the program was instrumental in supporting the construction of wastewater treatment plants and sewer lines in neighbourhoods developed before 1978. This foundational work led to significant improvements in the water quality of Okanagan lakes and streams.

The SFA program continues to operate on the principle that clean water benefits all Okanagan residents. By offering a local, reliable source of matching funds for provincial infrastructure grants, OBWB has helped local governments and First Nations build the systems necessary to protect both public and environmental health.

In June 2024, the OBWB approved major updates to the program to reflect modern growth patterns and emerging water quality challenges. These changes include:

- Expanded eligibility to include lots created before 2007 originally built on septic systems
- New funding for rural communities to develop Liquid Waste Management Plans
- Support for groundwater protection and community health in both urban and rural areas.

The updated Terms of Reference are aligned with current provincial housing policies and support both urban densification and rural sustainability. Grants under the new program structure are now available. More information: obwb.ca/overview-grants/sfa/

Modernizing the SFA program shows the OBWB commitment to clean water, resilient infrastructure, and sustainable development throughout the Okanagan Basin.

SFA Grant Program

AT A GLANCE



Began in
1970



Total Funds Allocated
Since Creation:
\$73 MILLION



Allocated
Funds 2024-25:
\$0.87 MILLION



Vernon Water Reclamation Centre. City of Vernon photo.



Financial OVERVIEW

The 2024-25 fiscal year, while marked by significant staff changes and organizational transition, also saw consistent financial progress for the OBWB. Given the nature of our long-term, multi-year projects, reserve levels are subject to fluctuation based on the project budget cycle. We are committed to a balanced approach, maintaining and expanding our programs while ensuring cost efficiency. Our sustained high-quality service delivery is made possible through robust partnerships and our capacity to effectively leverage all resources.

In our role as a grant-making organization, the OBWB awarded more than \$870,000 in infrastructure grants for wastewater treatment improvements and \$350,000 in Water Conservation and Quality Improvement (WCQI) grants to local governments and community groups. Complementing our direct grant initiatives, we maintain active participation in both Environmental Funders Canada (EFC) and the B.C. Water Funders Collaborative. These relationships

enable us to elevate awareness of Okanagan water challenges and serve as a valuable liaison for potential grantees within the valley.

Furthermore, the OBWB fosters water research by providing support to university students and faculty, who frequently access independent grant funding. Recognizing that many federal funding programs require modest in-kind or cash contributions from community organizations, the OBWB assists by facilitating data access and connections between academic institutions and community stakeholders. This strategic approach allows us to leverage the expertise and resources of our post-secondary partners, thereby increasing the volume and impact of water research conducted in the valley. A key initiative this year was our continued partnership with the UBC Engineering Department, supporting their benchmarking project for Okanagan municipal water systems.



**Okanagan Basin Water Board
Financial Statements
For the year ended on March 31, 2025**

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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.

Signed by:

2041EE80B3744AE

Board of Directors Chairperson

Signed by:

93EB916FE007415

Executive Director

June 3, 2025

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, 2025, 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, 2025, 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.

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.

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 3, 2025

Okanagan Basin Water Board Statement of Financial Position

March 31	2025	2024
Financial Assets		
Cash	\$ 3,742,031	\$ 3,275,192
Accounts receivable	162,182	145,893
	3,904,213	3,421,085
Financial Liabilities		
Accounts payable and accrued liabilities	380,351	466,909
Grants payable (Note 2)	830,170	483,135
	1,210,521	950,044
Net Financial Assets	2,693,692	2,471,041
Non-Financial Assets		
Prepaid expenses	164,001	14,474
Tangible capital assets (Note 4)	1,489,314	1,519,462
Accumulated Surplus (Note 5)	\$ 4,347,007	\$ 4,004,977

Approved on behalf of the Board:

Signed by:



2011EE00B0714AE

Chairperson

Okanagan Basin Water Board Statement of Operations

For the year ended March 31	2025	2025	2024
	Actual	Budget (Note 8)	Actual
Revenues (Note 11)			
Levies from member Regional Districts (Note 6)	\$ 3,910,386	\$ 3,910,386	\$ 3,833,982
Grants	4,000	-	42,750
Interest income	189,663	33,845	210,338
Other income	78,054	-	306,887
	4,182,103	3,944,231	4,393,957
Expenses (Note 11)			
Aquatic weed control	872,169	1,144,196	778,694
Sewerage facilities assistance (Note 7)	971,845	827,959	1,254,894
Water management	1,996,059	2,022,076	2,023,027
	3,840,073	3,994,231	4,056,615
Annual surplus (deficit) (Note 11)	342,030	(50,000)	337,342
Accumulated surplus, beginning of the year	4,004,977	4,004,977	3,667,635
Accumulated surplus, end of year	\$ 4,347,007	\$ 3,954,977	\$ 4,004,977

Okanagan Basin Water Board Statement of Change in Net Financial Assets

For the year ended March 31	2025	2024	2024
	Actual	Budget (Note 8)	Actual
Annual surplus (deficit)	\$ 342,030	\$ (50,000)	\$ 337,342
Acquisition of tangible capital assets	(71,302)	-	(860,089)
Amortization of tangible capital assets	101,450	-	79,858
Prepaid expenses	(149,527)	-	112,050
Net change in net financial assets	222,651	(50,000)	(330,839)
Net financial assets, beginning of the year	2,471,041	2,471,041	2,801,880
Net financial assets, end of year	\$ 2,693,692	\$ 2,421,041	\$ 2,471,041

Okanagan Basin Water Board Statement of Cash Flows

For the year ended March 31	2025	2024
Cash provided by (used in)		
Operating Activities		
Annual surplus	\$ 342,030	\$ 337,342
Items not involving cash		
Amortization	101,450	79,857
	<u>443,480</u>	<u>417,199</u>
Changes in working capital items		
Account receivable	(16,289)	(109,850)
Accounts payable and accrued liabilities	(86,558)	186,879
Asset Retirement Obligations	-	(31,186)
Grants payable	347,035	17,859
Prepaid expenses	(149,527)	112,047
	<u>94,661</u>	<u>175,749</u>
Cash from operations	<u>538,141</u>	<u>592,948</u>
Capital activities		
Purchase of tangible capital assets	(71,302)	(860,089)
Net change in cash and cash equivalents	<u>466,839</u>	<u>(267,141)</u>
Cash, beginning of the year	<u>3,275,192</u>	<u>3,542,333</u>
Cash, end of year	<u>\$ 3,742,031</u>	<u>\$ 3,275,192</u>

Okanagan Basin Water Board

Summary of Significant Accounting Policies

Nature of Business	<p>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).</p>
Basis of Presentation	<p>The financial statements of the Board are the representations of management and are prepared in accordance with Public Sector Accounting Standards.</p>
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>

Okanagan Basin Water Board

Summary of Significant Accounting Policies

Tangible Capital Assets

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:

Buildings	40 years
Equipment	20 - 25 years
Vehicles	5-7 years
Office furniture & equipment	10 years
Computers	4 years

Asset Retirement Obligations

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.

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.

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.

Revenue Recognition

The levies from member Regional Districts are recognized when the levies for the fiscal year are approved by the Board and requisitioned.

Grants, interest and other income are recognized in the period in which they are earned.

Revenues from transactions with performance obligations are recognized as the Board satisfies the performance obligations, which occurs when control of the benefits associated with the promised good or services have passed to the payor.

Government Transfers

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.

When the Board is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.

Okanagan Basin Water Board Notes to the Financial Statements

March 31, 2025

1. Change in Accounting Policy - PSAS 3400 Revenue

Effective April 1, 2024, the Board adopted the new Public Sector Accounting Handbook Standard, PS 3400 - Revenue. The standard provides guidance on the recognition, measurement, and presentation of revenue in the public sector. The standard was adopted on a prospective basis at the date of adoption. Under the prospective method, the Board assessed the timing of revenue recognition for any transactions involving performance obligations, revenue recognition policies and the classification of revenues and estimates.

2. Grants Payable

The Sewerage Facilities grants program provides funds for municipalities to upgrade their waste water treatment system, the Board's grants provide partial funding for debt repayment on 20-25 year MFA notes. The process for the Sewerage Facilities grants program involves municipalities requesting an approximate grant amount early in their funding process, then verifying the final grant amount once municipalities have secured MFA notes and begin making payments. Once the grants are awarded, the Board will only issue the grants based on the proper documentation submitted by individual municipalities, such as a formal invoice to the Board.

The Water Conservation and Quality Improvement grant program provides funds to Okanagan local governments, improvement districts, and non-government organizations to support innovative, tangible, on the ground, water initiatives. The program takes a collaborative approach to 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 expensed in the year of approval as per the budget.

3. Asset Retirement Obligations

The Board owns and operates a building that is constructed on leased land, which was found to contain mold in the roof of the building and oil spills on the property. Mold and oil spills are considered contaminants in the lease agreement, and the Board is legally obligated to remediate these contaminants at their own cost.

During the 2024 fiscal year, The Board remediated the mold and oil spills for which the asset retirement obligation standard existed and for which it is directly responsible and has concluded that no contamination exists that exceeds an environmental standard. Accordingly, no amount has been accrued in the financial statements as a liability for asset retirement obligation.

	2025	2024
Opening asset retirement obligation	\$ -	31,186
Settlement of asset retirement obligation	-	(31,186)
Closing asset retirement obligation	\$ -	-

Okanagan Basin Water Board
Notes to the Financial Statements

March 31, 2025

4. Tangible Capital Assets

	2025				
	Buildings	Equipment	Vehicles	Office furniture and equipment	Computers
Cost, beginning of year	\$ 167,011	\$ 2,440,227	\$ 181,038	\$ 1,518	\$ 26,124
Additions	-	71,302	-	-	-
Cost, end of year	167,011	2,511,529	181,038	1,518	26,124
Accumulated amortization, beginning of year	83,395	1,091,469	100,788	1,213	19,591
Amortization	7,014	76,367	16,050	152	1,867
Accumulated amortization, end of year	90,409	1,167,836	116,838	1,365	21,458
Net carrying amount, end of year	\$ 76,602	\$ 1,343,693	\$ 64,200	\$ 153	\$ 4,666
					\$ 1,489,314

Okanagan Basin Water Board
Notes to the Financial Statements

For the year ended March 31, 2025 (Prior year comparative information)

4. Tangible Capital Assets (continued)

	2024					
	Buildings	Equipment	Vehicles	Office furniture and equipment	Computers	Total
Cost, beginning of year	\$ 148,313	\$ 1,606,302	\$ 181,038	\$ 1,518	\$ 22,651	\$ 1,959,822
Additions	18,698	833,925	-	-	7,466	860,089
Disposals	-	-	-	-	(3,993)	(3,993)
Cost, end of year	167,011	2,440,227	181,038	1,518	26,124	2,815,918
Accumulated amortization, beginning of year	76,381	1,037,485	84,738	1,061	20,926	1,220,591
Amortization	7,014	53,984	16,050	152	2,658	79,858
Disposals	-	-	-	-	(3,993)	(3,993)
Accumulated amortization, end of year	83,395	1,091,469	100,788	1,213	19,591	1,296,456
Net carrying amount, end of year	\$ 83,616	\$ 1,348,758	\$ 80,250	\$ 305	\$ 6,533	\$ 1,519,462

Okanagan Basin Water Board Notes to the Financial Statements

March 31, 2025

5. Accumulated Surplus

The Board maintains a reserve for future expenditures. The reserve and changes therein are included in the operating surplus as follows:

	2025	2024
Aquatic Weed Control Equipment Reserve		
Balance, beginning of year	\$ 10,436	\$ 609,485
Net surplus	271,438	108,865
Transfer of amortization	65,760	55,974
Transfer for acquisition of tangible capital assets	(1,333)	(763,888)
Balance, end of year	346,301	10,436
Invested in Tangible Capital Assets		
Balance, beginning of year	1,519,463	739,231
Transfer of amortization	(101,450)	(79,857)
Transfer for acquisition of tangible capital assets	71,302	860,089
Balance, end of year	1,489,315	1,519,463
Sewerage Facilities Assistance Reserve Fund		
Balance, beginning of year	1,121,736	1,151,797
Net deficit	(6,841)	(30,061)
Balance, end of year	1,114,895	1,121,736
Water Management Accumulated Surplus		
Balance, beginning of year	1,353,342	1,167,122
Net surplus	77,433	258,538
Transfer of amortization	35,690	23,883
Transfer for acquisition of tangible capital assets	(69,969)	(96,201)
Balance, end of year	1,396,496	1,353,342
	\$ 4,347,007	\$ 4,004,977

6. Levies from Member Regional Districts

	2025 Actual	2025 Budget	2024 Actual
North Okanagan	\$ 687,838	\$ 687,838	\$ 687,049
Central Okanagan	2,454,940	2,454,940	2,394,322
Okanagan Similkameen	767,608	767,608	752,611
	\$ 3,910,386	\$ 3,910,386	\$ 3,833,982

Okanagan Basin Water Board Notes to the Financial Statements

March 31, 2025

7. Sewerage Facility Grants to Member Local Governments

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

	2025	2024
City of Kelowna	\$ 164,311	\$ 162,339
City of Penticton	173,697	155,777
City of Vernon	128,082	130,359
City of West Kelowna	-	1,012
District of Coldstream	11,465	10,888
District of Lake Country	118,175	137,690
District of Peachland	69,534	118,709
District of Summerland	30,397	261,016
Town of Osoyoos	16,402	16,401
Regional District of Okanagan Similkameen	119,665	119,665
Westbank First Nation	40,116	41,037
	<u>\$ 871,844</u>	<u>\$ 1,154,893</u>

8. 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:

	2025
Budget surplus (deficit) for the year as per board budget	\$ -
Less:	
Transfer from previous years surplus in revenues	(50,000)
Budget deficit per statement of financial operations	<u>\$ (50,000)</u>

Okanagan Basin Water Board

Notes to the Financial Statements

March 31, 2025

9. 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 \$25,400 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, with annual increases of 3% thereafter.

10. 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, 2023, the plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 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, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Board paid \$83,385 (2024 - \$74,863) for employer contributions to the plan in fiscal 2025.

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.

March 31, 2025

11. 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 \$1,180,714 (2024 - \$1,008,245) for previously committed projects.

Okanagan Basin Water Board
Notes to the Financial Statements

March 31, 2025

11. Segment Disclosures and Expense by Object (continued)

	Aquatic Weed Control	Sewerage Facilities Assistance	Water Management	2025 Total
Revenues				
Levies	\$ 1,142,840	\$ 882,597	\$ 1,884,949	\$ 3,910,386
Grant income	-	-	4,000	4,000
Interest income	767	82,407	106,489	189,663
Other income	-	-	78,054	78,054
	1,143,607	965,004	2,073,492	4,182,103
Expenses				
Assistance grants	-	871,845	350,000	1,221,845
Amortization	65,760	-	35,690	101,450
Contract services	17,141	-	764,113	781,254
Director's remuneration and expenses	8,232	-	12,346	20,578
Equipment costs	144,525	-	662	145,187
Insurance	41,356	-	4,045	45,401
Interest charge	-	-	364	364
Office	29,210	-	46,071	75,281
Outreach and publicity	21	-	30,053	30,074
Overhead allocation	(50,000)	100,000	(50,000)	-
Professional fees	41,815	-	41,555	83,370
Rental costs	34,948	-	9,548	44,496
Safety	18,324	-	-	18,324
Travel, conference and meetings	11,402	-	58,857	70,259
Utilities, yard supplies and maintenance	28,443	-	-	28,443
Wages and benefits	480,992	-	692,755	1,173,747
	872,169	971,845	1,996,059	3,840,073
Annual surplus (deficit)	\$ 271,438	\$ (6,841)	\$ 77,433	\$ 342,030

Okanagan Basin Water Board
Notes to the Financial Statements

For the year ended March 31, 2025 (Prior year comparative information)

11. 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)	<u>\$ 108,865</u>	<u>\$ (30,061)</u>	<u>\$ 258,538</u>	<u>\$ 337,342</u>

Okanagan Basin Water Board

Notes to the Financial Statements

March 31, 2025

12. 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.

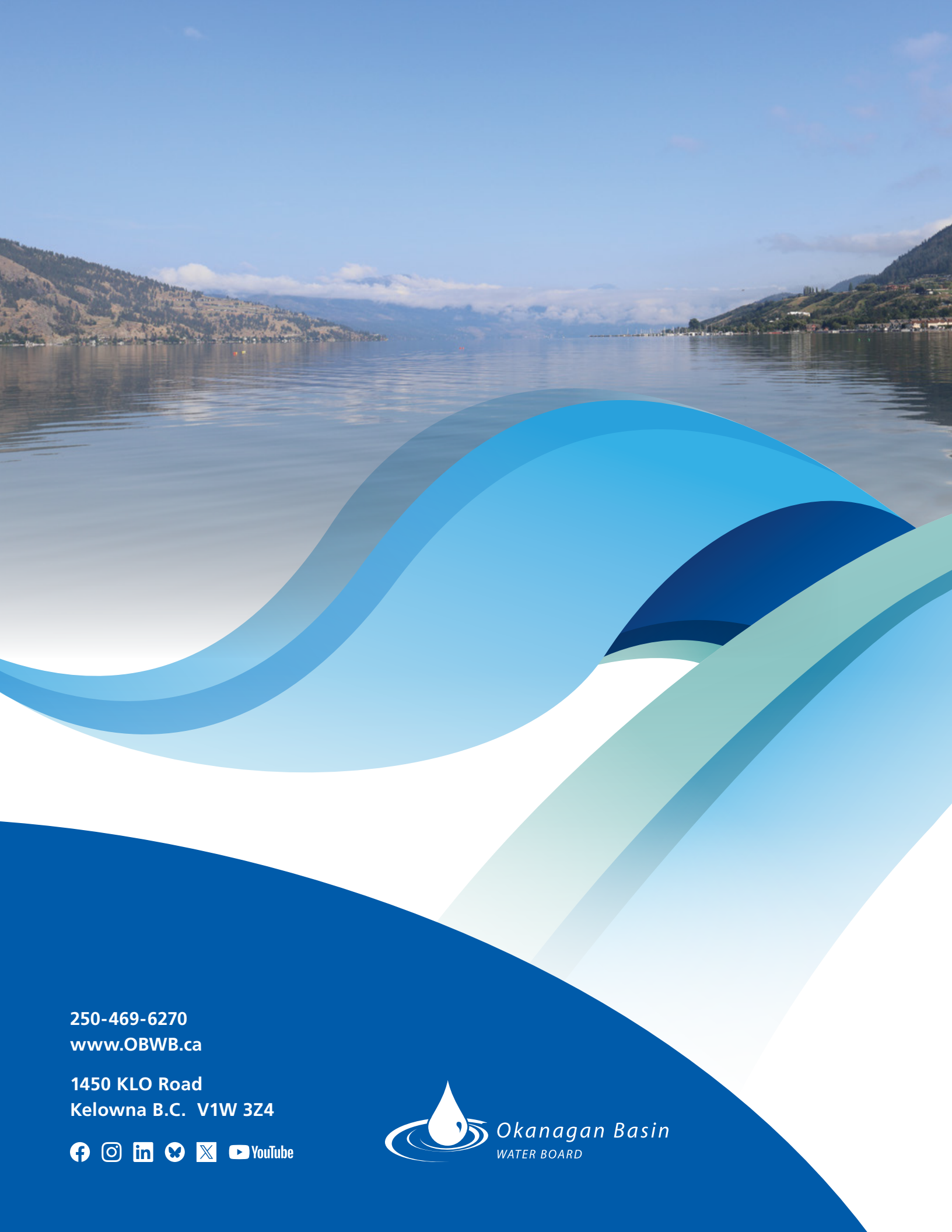
The Board manages its interest rate risk on its line of credit by planning, budgeting and forecasting processes to help determine when they will begin to utilize their line of credit and for how long. The Board measures its exposure to interest rate risk based on the results of cash forecasting and expected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

13. Comparative Figures

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

Kayaker on Osoyoos Lake.





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Okanagan Basin
WATER BOARD