

Okanagan Basin Water Board Meeting Agenda



Okanagan Basin

WATER BOARD

DATE: Tuesday, June 3, 2025

TIME: 10:00 a.m. – 1:00 p.m.

PLACE: Regional District Of Okanagan-
Similkameen office, 101 Martin St.
Penticton, B.C.

1. CALL MEETING TO ORDER

- 1.1 Acknowledgement of First Nations Traditional Territory

We acknowledge that we work on the traditional, ancestral, and unceded tm̓x̓wúlaʔx̓w (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.

2. INTRODUCTION OF LATE ITEMS

3. APPROVAL OF AGENDA

4. ADOPTION OF MINUTES

- 4.1 Minutes of the Regular Meeting of the Okanagan Basin Water Board of May 6, 2025 held at the Capri Hotel, 1171 Harvey Ave, Kelowna, BC V1Y 6E8.

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5. BOARD CHAIR REMARKS

6. DELEGATION

- 6.1 Zoe Eyjolfson, Fluvial Geomorphologist at Okanagan Nation Alliance regarding the Okanagan Lake Dam East Salmon Passage project.
- 6.2 Mario Piroddi, CISA, CPA, CA, Partner, BDO, presenting on the OBWB's 2024 Audited Financial Statements
- 6.2.1 OBWB 2024 Management Letter P. 8
- 6.2.2 OBWB 2024 Representation Letter P. 9
- 6.2.3 OBWB Draft 2024 Financial Statements P. 14
- 6.2.4 OBWB Audit Final Report to the Board P. 35

7. STAFF REPORTS

- 7.1 Executive Director Report P. 56
- 7.2 Water Stewardship Director Report P. 57
- 7.3 Office and Grants Manager Report P. 59
- 7.4 Communications Manager Report P. 62
- 7.5 Water Science Specialist Report P. 68

8. NEW AND UNFINISHED BUSINESS

9. CORRESPONDENCE

- 9.1 Letter from the Honourable Randene Neill, Minister of Water, Land and Resource Stewardship, acknowledging the OBWB's letter and advocacy towards keeping B.C. free of invasive mussels.

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10. **NEXT MEETING**

- 10.1 The next meeting of the Okanagan Basin Water Board will be on Tuesday, August 5, 2025 at 10 a.m. at the Regional District of North Okanagan office, 9848 Aberdeen Road, Coldstream, BC V1B 2K9.

11. **ADJOURNMENT**

** **NOTE:** Meetings of the Okanagan Basin Water Board are open to the public, and only closed for in-camera sessions as set out in the B.C. Community Charter. From time-to-time, the board will be holding its meeting online. If you are interested in attending an online meeting, please contact communications@obwb.ca for further details.*

**MINUTES OF THE REGULAR MEETING OF THE OKANAGAN BASIN WATER BOARD
HELD MAY 6, 2025 AT THE KELOWNA CAPRI HOTEL, 1171 HARVEY AVE, KELOWNA, B.C.**

PRESENT

Chair Blair Ireland	Regional District Central Okanagan
Vice Chair Doug Holmes	Regional District Okanagan-Similkameen
Director Rick Fairbairn	Regional District North Okanagan
Director Victor Cumming	Regional District North Okanagan
Director Bob Fleming	Regional District North Okanagan
Director Charlie Hodge	Regional District Central Okanagan
Director Wayne Carson	Regional District Central Okanagan
Director Sue McKortoff	Regional District Okanagan-Similkameen
Director Subrina Monteith	Regional District Okanagan-Similkameen
Director Sheena Spencer	Okanagan Water Stewardship Council
Director Bob Hrasko	Water Supply Association of B.C.

REGRETS

Director Tim Lezard	Okanagan Nation Alliance
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STAFF

Melissa Tesche	Executive Director
Nelson Jatel	Water Stewardship Director
Carolina Restrepo-Tamayo	Office and Grants Manager
Carmen Weld	Communications Manager
Christina White	Water Quality Project Manager
Amanda Burnett	Communications Coordinator

GUESTS

James Telford
Kristina King
Zee Marcolin
Rob Birtles
Denise Neilsen
Kirsten Hanam

1. CALL MEETING TO ORDER

Chair Ireland called the meeting to order at 10:04 a.m.

He respectfully acknowledged 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 siw̓łk (water) which flows through the valley and connects us all.

2. INTRODUCTION OF LATE ITEMS

- 2.1 Melissa Tesche submitted a late correspondence from the Okanagan Nation Alliance to the B.C. Ministry of Water, Land and Resource Stewardship. This was submitted as item 9.3.

3. APPROVAL OF AGENDA

“THAT the agenda of the regular meeting of the Okanagan Basin Water Board of May 6, 2025, be approved.”

CARRIED

4. ADOPTION OF MINUTES

- 4.1 Minutes of the Regular Meeting of the Okanagan Basin Water Board of April 1, 2025, at the offices of the District of Coldstream.

“THAT the minutes of the regular meeting of the Okanagan Basin Water Board on April 1, 2025, held at the offices of the District of Coldstream, be approved.”

CARRIED

5. BOARD CHAIR REMARKS

- 5.1 Chair Ireland provided an update after his recent attendance at the Okanagan Similkameen Collaborative Leadership Table, held on April 24, 2025 at the offices of the Okanagan Indian Band in Lake Country, B.C. At the meeting, the Terms of Reference were unanimously adopted, and Westbank First Nation Chief Robert Louie and Lake Country Councillor Tricia Brett were appointed as Co-Chairs. Chair Ireland reported the meeting was marked with a sense of cooperation and respectful exchange of ideas.

6. DELEGATION

- 6.1 There were no delegations at this meeting.

7. STAFF REPORTS

- 7.1 Executive Report – Melissa Tesche

Ms. Tesche reminded the Board that this meeting will be abbreviated to allow for an extended, annual joint meeting with the Okanagan Water Stewardship Council (OWSC). Comprehensive staff reports are scheduled for the next regular meeting of the Okanagan Basin Water Board (OBWB) on June 3, 2025.

Ms. Christina White was introduced as OBWB’s new Water Quality Project Manager. Ms. White is a Registered Professional Biologist with 12 years of experience in aquatic biology. Her responsibilities will encompass planning and permitting for the watermilfoil program, management of invasive mussel prevention initiatives, support for water quality research and restoration, and policy analysis.

Board Directors were informed of the ongoing preparations for the fiscal year-end and the upcoming audit with BDO. The draft financial statements are expected to be circulated for Board review and approval prior to the June meeting, where auditors will deliver the presentation and address inquiries.

Ms. Tesche spoke to the board about the miscellaneous statutes amendment act, 2025, introduced to the legislative assembly on April 29 (Correspondence 9.1). The amendments, proposed under the Wildlife Act, targeted for implementation during the 2025 summer boating season, include requirements for draining water from watercraft ("Pull the Plug") and as well as clarifying the legal basis for mandatory stops at watercraft inspection stations. Furthermore, the amendments could enable mandatory inspections for watercraft entering British Columbia from other jurisdictions before launching starting in the 2025 boating season.

“THAT the Executive Report, dated April 29, 2025, be received.”

CARRIED

7.2 Water Stewardship Director Report – Dr. Nelson Jatel

Dr. Jatel provided an update on the OWSC. At the April 10 OWSC meeting, Ms. Deborah Curran presented on strategies for Canadian legal systems to better support community-led watershed governance. Her presentation explored legislative reform opportunities to enhance ecological resilience and highlighted the potential for Indigenous and settler legal traditions to co-exist in water protection efforts.

Dr. Jatel shared that the Special Joint Board-Council Meeting following that day will be an opportunity for collaboration and communication between the Council and the Board. Presentations from the Chairs of the OWSC committees will provide updates on current activities and priorities, with the aim of supporting strategic alignment for the 2025-2029 planning cycle.

Directors heard from Dr. Jatel on the collaborative funding application submitted to Environment and Climate Change Canada for a project titled "Collaborative Monitoring and Early-Warning System for Harmful Algal Blooms". This initiative, in partnership with the City of Kelowna and Westbank First Nation, seeks to address the increasing prevalence of cyanobacteria blooms in Okanagan Lake. Since the presence of cyanobacteria in Okanagan drinking water is seen as an emerging threat, the project's objectives include establishing a regional monitoring network, developing predictive modeling tools, creating an early-warning system and response dashboard, providing training for water suppliers, and strengthening collaboration among stakeholders. Key deliverables will feature a shared data hub, predictive models for bloom forecasting, tables on treatment effectiveness, and a training module for water utility operators. The project is anticipated to span from September 2025 to August 2027 with an estimated budget of \$180,000. The proposed system is designed for scalability and transferability.

"THAT the Water Stewardship Director Report, dated April 29, 2025, be received."
CARRIED

7.3 Sole-Source Contract Approval with Okanagan Nation Alliance – Dr. Nelson Jatel

Dr. Nelson Jatel asked for Board approval to continue the sole-source contract with the Okanagan Nation Alliance (ONA) for the operation and maintenance of hydrometric stations within the OBWB Hydrometric Information Network Program for the 2025-26 fiscal year. The contract also incorporates the installation and maintenance of nine new manual stations on Mission Creek as part of a joint study on surface-groundwater interactions. The ONA has been involved since the program's inception in 2020 and is the preferred service provider due to their technical expertise, cost-efficiency, regional understanding, and alignment with the OBWB's Indigenous partnership goals. It was noted that transitioning to the program to a full federal management contract would result in an approximate 40% increase in annual costs to the program. The proposed contract for 2025-26 has a total value of \$344,080, allocated within the approved Water Management Program budget, and covers the maintenance and operation of 23 real-time and three manual stations.

"THAT the OBWB Board to approve awarding a sole-source contract to the Okanagan Nation Alliance for \$344,080 to deliver hydrometric station operation and maintenance services for the 2025-26 fiscal year."

CARRIED.

7.4 Communications Manager Report – Carmen Weld

Ms. Weld reported on the ongoing efforts to streamline public outreach efforts, which includes informative creative pieces about the OBWB and its various programs that were recently debuted at the annual Southern Interior Local Government Association conference tradeshow held in Merritt, B.C. Directors also heard about the upcoming launch of the 2025 Make Water Work and Don't Move a Mussel campaigns. An official partnership with FireSmart™ for the Make Water Work campaign was announced; this partnership will emphasize WaterWise landscaping that is fire

resilient.

The Make Water Work campaign is scheduled to commence on May 21, 2025, in Armstrong. The Don't Move a Mussel campaign will prioritize messaging regarding the importance of stopping at inspection stations and will introduce a Responsible Recreation Checklist. Billboards and digital, print, and social media advertisements are planned to begin in late May. Collaboration with the Okanagan Xeriscape Association and the Okanagan and Similkameen Invasive Species Society will continue for educational outreach. The Communications Manager report also included a summary of media coverage received between March 24 and April 28, 2025.

“THAT the Communications Manager Report dated April 29, 2025, be received.”

CARRIED.

7.5 Water Science Specialist Report – Christina White for Sandra Schira

Ms. White provided the weather update on behalf of Sandra Schira. Directors were informed that snowmelt is occurring at lower elevations, with April precipitation within normal ranges and temperatures cooler and steady. Most streams are entering the freshet period, with peak flows anticipated in the next two months. Okanagan Lake levels are presently high due to precipitation in March, suggesting a potential earlier start to the lake's freshet. No flood warnings have been issued by the Province. Long-term forecasts, while variable, indicate a high probability of hot and dry summer conditions over the next three months.

The Okanagan snowpack on April 1 was slightly below normal at 82%. While April precipitation was variable and did not significantly increase snowpack, it was within normal conditions for the month. The Okanagan will require consistent precipitation to fully recover from ongoing drought conditions. Temperatures remained relatively consistent in April after a cooler shift in the middle of the month. Stream flows across the valley are increasing, signaling the start of freshet, and are generally within normal ranges for this time of year, representing an improvement compared to the previous year. Lake levels remain high.

Directors discussed observations of current flows in Short's Creek, Mission Creek and other Okanagan creeks.

“THAT the Water Science Specialist Report dated April 30, 2025, be received.”

CARRIED.

8. NEW AND UNFINISHED BUSINESS

8.1 There was no new and unfinished business at this meeting.

9. CORRESPONDENCE

9.1 Information Bulletin from the Ministry of Attorney General, dated April 29, 2025. The bulletin describes the introduction of miscellaneous statutes amendment act, 2025. If passed by the legislature, the amendments include changes to the Wildlife Act to enact pull the plug requirements and could include mandatory stops at watercraft inspection stations, targeted for the 2025 summer boating season.

In response Directors discussed sending a letter of thanks to Hon. Minister Randene Neill, Minister of Water, Land and Resource Stewardship.

Directors also discussed encouraging a more rapid timeline on the proposed amendments to the Wildlife Act in response to the rapidly approaching boating season.

9.2 Letter from Columbia Shuswap Regional District Board Chair Natalya Melnychuk to the province to Honourable Randene Neill, M.P. Minister of Land, Water and Resource Stewardship in support of the Okanagan Basin Water Board's Calls to Action – Preventing

Invasive Mussels in BC. Dated April 4, 2025.

- 9.3 Correspondence from the Okanagan Nation Alliance to the B.C. Ministry of Water, Land and Resource Stewardship on behalf of the Syilx Okanagan Nation's Chiefs Executive Council and Natural Resources Committee with a statement strongly opposing the recent federal and provincial approval of chemicals for use in open water including an aquatic herbicide "ProcellaCOR FX" to treat milfoil, and an aquatic pesticide Potash to treat invasive mussels. The letter was sent in support of the OBWB's opposition and recent official statement against the use of chemical pesticides and aquatic herbicides in Okanagan lakes, streams, and reservoirs. Directors discussed thanking the ONA for their letter; and Ms. Tesche responded that staff will follow through.

"THAT correspondences to the OBWB, dated May 6, 2025, be received."
CARRIED.

10. NEXT MEETING

The next meeting of the Okanagan Basin Water Board will be Tuesday, June 3, 2025, at 10:00 a.m., at the offices of the Regional District of Okanagan-Similkameen, 101 Martin St. Penticton.

NOTE: Meetings of the Okanagan Basin Water Board are open to the public, and only closed for in-camera sessions as set out in the B.C. Community Charter. From time-to-time, the board will be holding its meeting online. If you are interested in attending an online meeting, please contact Communications@obwb.ca for further details.

11. ADJOURNMENT

"THAT there being no further business, the regular meeting of the Okanagan Basin Water Board of May 6, 2025 be adjourned at 10:31 a.m."
CARRIED

Certified Correct:		
Chair		Executive Director



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BDO Canada LLP
400-1631 Dickson Ave
Kelowna, BC
V1Y 0B5

June 3, 2025

Okanagan Basin Water Board
1450 KLO Road
Kelowna, BC
V1W 3Z4

Dear Melissa Teshe,

The objective of an audit is to obtain reasonable assurance whether the financial statements are free of any material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. Accordingly an audit would not usually identify all such matters.

During the course of our audit of the financial statements of Okanagan Basin Water Board for the year ended March 31, 2025, we did not encounter any significant matters which we believe should be brought to your attention.

This communication is prepared solely for the information of management and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.

We would like to express our appreciation for the cooperation and assistance which we received during the course of our audit from Lori White and Andrew Farmer.

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

Yours truly,

Mario Piroddi, CPA, CA, CISA
Partner through a corporation
BDO Canada LLP
Chartered Professional Accountants

June 3, 2025

BDO Canada LLP
Chartered Professional Accountants
1631 Dickson Avenue
Suite 400
Kelowna British Columbia
V1Y 0B5

This representation letter is provided in connection with your audit of the financial statements of Okanagan Basin Water Board for the year ended March 31, 2025, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian Public Sector Accounting Standards.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated September 5, 2024, for the preparation of the financial statements in accordance with Canadian Public Sector Accounting Standards; in particular, the financial statements are fairly presented in accordance therewith.

- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and/or disclosure that are reasonable in accordance with Canadian Public Sector Accounting Standards.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian Public Sector Accounting Standards.
- All events subsequent to the date of the financial statements and for which Canadian Public Sector Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- The financial statements of the entity use appropriate accounting policies that have been properly disclosed and consistently applied.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter.

Information Provided

- We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

- We are responsible for the design, implementation and maintenance of internal controls to prevent, detect and correct fraud and error, and have communicated to you all deficiencies in internal control of which we are aware.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Fraud and Error

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.

General Representations

- Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements or has otherwise been disclosed to you.
- We have provided you with significant assumptions that in our opinion are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity when relevant to the use of fair value measurements or disclosures in the financial statements.
- There have been no plans or intentions that may materially affect the recognition, measurement, presentation, or disclosure of assets and liabilities (actual and contingent).
- There were no direct contingencies or provisions (including those associated with guarantees or indemnification provisions), unusual contractual obligations nor any substantial commitments, whether oral or written, other than in the ordinary course of business, which would materially affect the financial statements or financial position of the entity.

Other Representations Where the Situation Exists

- We have informed you of all known actual or possible litigation and claims, whether or not they have been discussed with legal counsel. Since there are no actual, outstanding or possible litigation and claims, no disclosure is required in the financial statements.
- The financial statements and any other information in the annual report provided to you prior to the date of this representation letter are consistent with one another, and there is no material

misstatement of the other information. We have provided you with the final version of the document(s) comprising the annual report.

Yours truly,

Signature

Position

Signature

Position

Okanagan Basin Water Board

Year End: March 31, 2025

Journal Entries

Date: 1999-01-12 To 2025-03-31

0.10

Prepared by RED 2025-05-20	Detail Rev MA 2025-05-21	Gen Rev	Quality Rev
4th Level Rev	Tax Rev	IS Audit Rev	Other Rev

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
1	2025-03-31	ACCRUED PAYABLES	1-4-05-025	FSD.06		15,323.64		
1	2025-03-31	WATER MANAGEMENT RESERVE	1-4-07-095-116	FSD.06	15,323.64			
1	2025-03-31	CONTRACT SERVICES & PROJECT DEVELOP	1-2-10-141-100-116	FSD.06	15,323.64			
1	2025-03-31	TRANSFER TO/FROM WATER MGT RESERVE	1-2-10-801-100-116	FSD.06		15,323.64		
		PBC1: To record accrual of OKAN802 795-063.						
					30,647.28	30,647.28		
Net Income (Loss)			342,027.79					

Okanagan Basin Water Board
Summary of Unadjusted Misstatements
March 31, 2025

Description of Misstatement	Identified Misstatements	Projections of Identified Misstatements	Estimates	Proposed Adjustments			
				Assets Dr(Cr)	Liabilities Dr(Cr)	Opening R/E Dr(Cr)	Income Dr(Cr)
Adjustment related to contract services performed in March 2024.	22,867					22,867	(22,867)
Likely Aggregate Misstatements Before Effect of Previous Year's Errors and Estimates	22,867	-	-	-	-	22,867	(22,867)
Effect of Previous Year's Errors				-	-	-	-
Likely Aggregate Misstatements				-	-	22,867	(22,867)

Details of why no adjustment has been made to the financial statements for the above items:
Amount is not material to adjust the financial statements.



**Okanagan Basin Water Board
Financial Statements
For the year ended 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.

Board of Directors Chairperson

Executive Director

June 3, 2025



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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, 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.

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:

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	Total	
Cost, beginning of year	\$ 167,011	\$ 2,440,227	\$ 181,038	\$ 1,518	\$ 26,124	\$ 2,815,918	
Additions	-	71,302	-	-	-	71,302	
Cost, end of year	167,011	2,511,529	181,038	1,518	26,124	2,887,220	
Accumulated amortization, beginning of year	83,395	1,091,469	100,788	1,213	19,591	1,296,456	
Amortization	7,014	76,367	16,050	152	1,867	101,450	
Accumulated amortization, end of year	90,409	1,167,836	116,838	1,365	21,458	1,397,906	
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:

	<u>2025</u>	<u>2024</u>
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:

	<u>2025</u>
Budget surplus (deficit) for the year as per board budget	\$ -
Less:	
Transfer from previous years surplus in revenues	<u>(50,000)</u>
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
	887,559	1,224,833	2,281,565	4,393,957
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
	778,694	1,254,894	2,023,027	4,056,615
Annual surplus (deficit)	\$ 108,865	\$ (30,061)	\$ 258,538	\$ 337,342

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.



Okanagan Basin Water Board

Audit final communication to the Board of Directors for the year ended March 31, 2025

START



To the Board of Directors of Okanagan Basin Water Board

We are pleased to provide you with the results of our audit of Okanagan Basin Water Board (the "Board") financial statements for the year ended March 31, 2025.

The enclosed final communication includes our approach to your audit, including: significant risks identified and the nature, extent, and results of our audit work. We will also communicate any significant internal control deficiencies identified during our audit and reconfirm our independence.

During the course of our audit, management made certain representations to us - in discussions and in writing. We documented these representations in the audit working papers.

We look forward to discussing our audit conclusions with you. In the meantime, please feel free to contact us if you have any questions or concerns.

Yours truly,

BDO Canada LLP
June 3, 2025



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For the year ended March 31, 2025



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Audit at a glance

Preliminary materiality was \$125,000. Final materiality remained unchanged from our preliminary assessment.

We are not aware of any fraud affecting the Board. If you have become aware of changes to processes or are aware of any instances of actual, suspected, or alleged fraud since our discussions held at planning, please let us know.

We have complied with relevant ethical requirements and are not aware of any relationships between Okanagan Basin Water Board and our Firm that may reasonably be thought to bear on our independence.

LEAD
PARTNER
ON YOUR
AUDIT

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START
DATE

October 2024

END DATE

June 3, 2025





Status of the audit

We have substantially completed our audit of the year ended March 31, 2025 financial statements.

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement. See [Appendix A](#) for our final independent auditor's report.

The scope of the work performed was substantially the same as that described in our Planning Communication to the Board of Directors dated January 7, 2025.



Audit findings

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Board's accounting practices, including accounting policies, accounting estimates and financial statements disclosures. We look forward to exploring these topics in depth and answering your questions. A summary of the key discussion points are below:

Financial statement areas	Risks noted	Audit findings
Management override of internal controls <i>This risk is required to be addressed for all audits pursuant to Canadian audit standards.</i>	Management is in a unique position to directly or indirectly change the accounting records without oversight and prepare financial statements by overriding controls that otherwise appear to be operating effectively.	BDO tested the appropriateness of journal entries recorded in the general ledger, reviewed key estimates and other adjustments made in the preparation of the financial statements. All audit testing in the area was executed as planned with no issues to be reported.
Fraud risk due to improper revenue recognition <i>This risk is required to be addressed for all audits pursuant to Canadian audit standards.</i>	Per CAS 240.26, the auditor shall presume that there are risks of fraud in revenue recognition. Per CAS 240.A28, material misstatement due to fraudulent financial reporting relating to revenue recognition often results from an overstatement of revenues through or recording fictitious revenues. It may result also from an understatement of revenues.	BDO executed planned procedures and found there was no evidence of fraud due to improper revenue recognition.



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Internal control matters

During the audit, we performed the following procedures regarding the Board's internal control environment:

- ▶ Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- ▶ Discussed and considered potential audit risks with management.
- ▶ We considered the results of these procedures in determining the extent and nature of audit testing required.



We are required to communicate to you in writing about any significant deficiencies in internal control that we have identified during the audit.

A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that merits the attention of those charged with governance.

The audit expresses an opinion on the Board's financial statements. As a result, it does not cover every aspect of internal controls—only those relevant to preparing the financial statements and designing appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

No control deficiencies were noted that, in our opinion, are of significant importance to discuss.



Adjusted and unadjusted differences

Summary of unadjusted differences

A summary of unadjusted differences have been provided to and approved by the management during the course of our audit engagement. We are proposing no further changes.

Summary of adjusted differences

There were no differences that were corrected by management during the course of our audit engagement.



Other required communications

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the attached table summarizes these additional required communications.

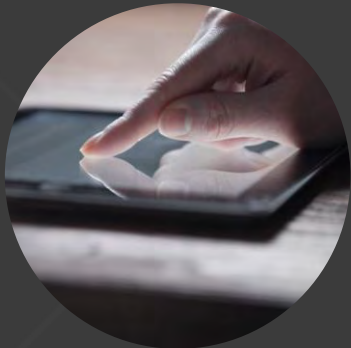
Issue	BDO response
Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements.	No pending litigation noted.
Material uncertainties related to events and conditions that may cast significant doubt on the Board's ability to continue as a going concern.	No material uncertainties noted that may cast significant doubt on the Board's ability to continue as a going concern.
Disagreements with management about matters that, individually or in the aggregate, could be significant to the Board's financial statements or our audit report.	No disagreements with management occurred.
Matters involving non-compliance with laws and regulations.	No non-compliance with laws and regulations noted.
Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.	No significant related party transactions outside of the normal course of business identified throughout the course of the audit.
Management consultation with other accountants about significant auditing and accounting matters.	No management consultation with other accountants on significant auditing or accounting matters noted during the year.



Recommended Resources

Staying in the know with knowledge and perspective

Key changes to financial reporting



When the rules of reporting change, you may need to fine-tune how to present financial statements and govern the organization.

ACCESS OUR
KNOWLEDGE CENTRE

The latest tax pointers



Corporate. Commodity. Transfer pricing. International tax. Government programs. Together they add up to immense differences on the organization's bottom line. Our tax collection keeps you current.

STAY ON TOP OF TAXES

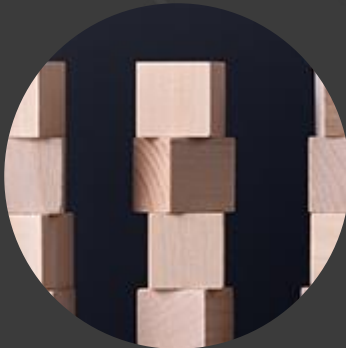
Trending topics



As a community of advisors with the best interests of our clients in mind, we keep our ear to the ground to bring insights and perspectives related to key business trends to you.

EXPLORE NOW

Specific to you



We think the resource below may be of interest to the Board of Directors.

READ ARTICLE



Spotlight on ESG



Transformative world events—an international health crisis, social movements, shareholder and investor values, global supply chains, energy transition, smart cities, and sustainable finance—are transforming Canadian business.

Standards and regulations are rapidly changing to reflect the goals of all of your stakeholders. Organizations, investors, and customers are embracing environmental, social, and governance (ESG) considerations as important measures of success. Non-financial and financial information is becoming more interconnected.

ESG Insights



Sector insights at your convenience

EXPLORE NOW



Spotlight on public sector



Industry insights to shape your business

At BDO, we help governments create efficient ways of working to achieve better outcomes for their citizens and public servants. From technology-based solutions to program development, advisory and audit, our team can guide you through critical strategic decisions to ensure you deliver on your vision, goals, and accountability expectations.

Public sector Insights



Resources to support your business

EXPLORE NOW



Appendices

- ▶ Appendix A: Independent auditor's report
- ▶ Appendix B: Representation letter



Appendix A: Independent auditor's report



Tel: (250) 763-6700
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Toll free: (800) 928-3307
www.bdo.ca

BDO Canada LLP
400-1631 Dickson Ave
Kelowna, BC
V1Y 0B5

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.

Chartered Professional Accountants

Kelowna, British Columbia
June 3, 2025



Appendix B: Representation letter

Okanagan Basin Water Board
1450 KLO Road
Kelowna, BC
V1Q 3Z4

June 3, 2025

BDO Canada LLP
Chartered Professional Accountants
1631 Dickson Avenue
Suite 400
Kelowna British Columbia
V1Y 0B5

This representation letter is provided in connection with your audit of the financial statements of Okanagan Basin Water Board for the year ended March 31, 2025, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian Public Sector Accounting Standards.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated September 5, 2024, for the preparation of the financial statements in accordance with Canadian Public Sector Accounting Standards; in particular, the financial statements are fairly presented in accordance therewith.

- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and/or disclosure that are reasonable in accordance with Canadian Public Sector Accounting Standards.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian Public Sector Accounting Standards.
- All events subsequent to the date of the financial statements and for which Canadian Public Sector Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- The financial statements of the entity use appropriate accounting policies that have been properly disclosed and consistently applied.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter.

Information Provided

- We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

- We are responsible for the design, implementation and maintenance of internal controls to prevent, detect and correct fraud and error, and have communicated to you all deficiencies in internal control of which we are aware.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Fraud and Error

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.

General Representations

- Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements or has otherwise been disclosed to you.
- We have provided you with significant assumptions that in our opinion are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity when relevant to the use of fair value measurements or disclosures in the financial statements.
- There have been no plans or intentions that may materially affect the recognition, measurement, presentation, or disclosure of assets and liabilities (actual and contingent).
- There were no direct contingencies or provisions (including those associated with guarantees or indemnification provisions), unusual contractual obligations nor any substantial commitments, whether oral or written, other than in the ordinary course of business, which would materially affect the financial statements or financial position of the entity.

Other Representations Where the Situation Exists

- We have informed you of all known actual or possible litigation and claims, whether or not they have been discussed with legal counsel. Since there are no actual, outstanding or possible litigation and claims, no disclosure is required in the financial statements.
- The financial statements and any other information in the annual report provided to you prior to the date of this representation letter are consistent with one another, and there is no material

misstatement of the other information. We have provided you with the final version of the document(s) comprising the annual report.

Yours truly,

Signature

Position

Signature

Position

Okanagan Basin Water Board
Summary of Unadjusted Misstatements
March 31, 2025

Description of Misstatement	Identified Misstatements	Projections of Identified Misstatements	Estimates	Proposed Adjustments			
				Assets Dr(Cr)	Liabilities Dr(Cr)	Opening R/E Dr(Cr)	Income Dr(Cr)
Adjustment related to contract services performed in March 2024.	22,867					22,867	(22,867)
Likely Aggregate Misstatements Before Effect of Previous Year's Errors and Estimates	22,867	-	-	-	-	22,867	(22,867)
Effect of Previous Year's Errors				-	-	-	-
Likely Aggregate Misstatements				-	-	22,867	(22,867)

Details of why no adjustment has been made to the financial statements for the above items:
Amount is not material to adjust the financial statements.



MEMORANDUM

To: OBWB Directors
From: Melissa Tesche
Date: May 27, 2025
Subject: Executive Director Report

Okanagan Basin Water Board
Regular meeting
June 3, 2025
Agenda No: 7.1

OBWB Annual Audit is Complete

Our 2024 audit is complete, and a representative from BDO will be presenting the audited financial statements to the board and answering any questions. Many thanks to our accountants at RDCO, for making the whole process smooth and efficient.

Upcoming OBWB Meetings

There will not be an OBWB meeting in July this year. The OBWB's next meeting will be on August 5, from 10:00 am – 2:00 pm at the RDNO in Coldstream. Directors who have vacation plans over that time should please give their alternates advance notice so that we can be sure of having a quorum.

Select Standing Committee on Finance and Government Services: Budget 2026 Consultation

The OBWB has been invited to present in person to the Committee, on Tuesday June 10. We are allowed to provide up to three recommendations. Considering the OBWB's priorities, we will again prioritize advocating for the need for consistent, long-term funding for the prevention of invasive zebra and quagga mussel infestations.

Canadian Water Resources Association (CWRA) National Conference Held in Penticton, May 25-29.

Ms. Schira, Mr. Jatel, and I attended the CWRA National Conference this week in Penticton. This year's theme was "Living Between Water: Connecting Water and Resilience," and the focus was on "collaborating across silos, respecting and upholding Indigenous rights, and the roles that municipalities, governments, and industry play in advancing resiliency."

Ms. Schira presented on the Climate Indicator Dashboard as a way of communicating climate change in the Okanagan Valley, and Mr. Jatel gave two presentations, speaking about the launch of the new Shiny app for monitoring real-time environmental flows as well as the role of trust in transboundary water governance.



MEMORANDUM

To: OBWB Directors
From: Nelson Jatel
Date: May 22, 2025
Subject: **Water Stewardship Director's Report**

Okanagan Basin Water Board
Regular meeting
June 6, 2025
Agenda No: 7.2

Okanagan Water Stewardship Council (OWSC) – a technical advisory body to the OBWB

Summary: Joint OBWB Board–Water Stewardship Council Meeting – May 6, 2025

The Okanagan Basin Water Board and Water Stewardship Council held a special joint meeting to strengthen collaboration and communication. The meeting featured updates from Council committees and a discussion to help shape OBWB's next strategic plan.

Committee Highlights:

- **Water Demand and Supply Committee:** Presented two major projects—one focused on advancing hydrologic modelling to support water use planning (e.g., Mission Creek), and another evaluating the economic benefits of irrigation in adapting to climate change. The committee recommends continued work into the next Council term to address data gaps and improve planning tools.
- **Policy Committee:** Reviewed work on drought response, Okanagan Lake Regulation System updates, and policy considerations for protecting Chinook salmon habitat. The committee is now exploring provincial rules around septic systems and managed aquifer recharge.
- **Building Ethical Space Committee:** Participants shared their journey of self-education to integrate Indigenous knowledge and better support reconciliation. Recommendations included embedding UNDRIP principles into OBWB's Strategic Plan and developing a protocol for ethical co-planning with Indigenous partners.

Strategic Planning Discussion:

Board and Council members participated in small group sessions to reflect on past strategic plans and identify priorities for the upcoming 2025–2029 plan.

Key themes included:

- Climate resilience
- Stronger partnerships with Indigenous communities
- Better integration of science and policy
- Governance and communication improvements

The meeting highlighted how Council committees advance practical, science-based solutions and provide critical regional water management and policy input.

June Council Meeting Preview

The upcoming Water Stewardship Council meeting is scheduled for June 12 from 12:00 to 4:00 p.m. at the Coast Capri Hotel. This meeting will feature a panel discussion with representatives from several professional regulatory bodies, including Engineers and Geoscientists BC, the College of Applied Biologists, the Association of BC Forest Professionals, and the BC Institute of Agrologists. These organizations are navigating significant changes in provincial legislation that reshape professional standards and accountability for water-related consultants and practitioners in British Columbia.

Following the panel, the Council will transition into a workshop-style session focused on developing our Term 12 work plan. This collaborative discussion will identify priority work areas, establish Council committees, and devise an action plan to guide our collective efforts over the next two years. Board members are encouraged to attend and participate.

MEMORANDUM

To: OBWB Directors
From: Carolina Restrepo, Office and Grants Manager
Date: May 22, 2025
Subject: Office and Grants Manager Report

Okanagan Basin Water Board Regular meeting June 3, 2025 Agenda No: 7.3

Water Conservation and Quality Improvement Grant Program:

WCQI 2025–2026 Grantee Status:

All 15 projects approved for funding in the 2025–2026 grant cycle have received and signed their contribution agreements. Each project has commenced activities according to its proposed schedule, and grantees are expected to submit their midterm reports by the end of October 2025.

WCQI 2024–2025 Final Reports:

To date, we have received final reports from 7 of the 14 funded projects from the 2024–2025 cycle. The remaining 7 projects have formally requested extensions to complete their work. This is a common occurrence, as WCQI projects often experience delays due to factors such as policy changes, climate-related challenges, coordination with additional funding sources, and project timeline adjustments.

This report includes brief summaries of the outcomes from two completed projects.

Project Title: Impact of Dam Operations in the McDougall Watershed Following Wildfire - Okanagan Nation Alliance.

Overview & Regional Relevance: This project examined how wildfire impacts, and dam operations are affecting water flow and storage in the McDougall Creek watershed—an ecologically and culturally significant area within the Syilx Nation's territory. As a major water source for downstream communities and aquatic ecosystems, the findings provide valuable insights that can benefit watershed management across the Okanagan Valley.

Key Successes:

- Conducted comprehensive fieldwork across all watershed zones (upstream, midstream, downstream).
- Collected significant water, rainfall, and snowmelt samples to analyze post-wildfire hydrological changes.
- Mapped all reservoirs and dam infrastructure, discovering that only one reservoir remains operational.
- Captured high-resolution LiDAR and drone imagery of Taylor Meadow to inform further analysis.
- Laid a strong foundation for continued data collection and improved summer low-flow water management to support both ecological needs and Indigenous cultural preservation.

Conclusion:

Despite logistical challenges, the project met most of its goals and generated critical data for future decision-making. It also strengthened collaboration between regional stakeholders and Indigenous communities, offering a replicable model for watershed resilience planning across the Valley.

Project Title: Collaboratively Mitigating Development and Climate Impacts to Foreshore Values on Wood and Kalamalka Lakes - Living Lakes Canada

Overview & Regional Relevance: This project addresses the ecological and cultural impacts of development and climate change on the shorelines of Wood and Kalamalka Lakes—areas of significant importance to the Okanagan Indian Band (OKIB) and surrounding communities. The project supports long-term lake stewardship by integrating Indigenous knowledge, community input, and collaborative governance. Its methods and partnerships can serve as a regional model for managing foreshore values across the Okanagan Valley.

Key Successes:

- Conducted community outreach through farmers markets, youth engagement, and workshops across BC and the Yukon.
- Highlighted the project and Indigenous knowledge frameworks in presentations to provincial agencies and national conferences.
- Formed a strong multi-stakeholder steering committee to guide project strategy and consultant selection.
- Completed a Cultural Overview Assessment with OKIB Knowledge Keepers; data archived in OKIB's knowledge system for future use.
- Built Indigenous capacity: OKIB staff will be trained and involved in ecological and drone-based fieldwork beginning in June 2025.

Conclusions

The project made strong progress in strengthening local stewardship through inclusive community engagement and Indigenous-led knowledge gathering. It laid the groundwork for ecological fieldwork in 2025 and fostered deep partnerships with OKIB and other regional entities. While challenges around access and participation highlighted the need for more time and cultural sensitivity, the project has already contributed valuable insights and frameworks for culturally-respectful shoreline management across the Okanagan Valley.

Environment Funders Canada (EFC) Conference – Navigate 2025 and beyond

I had the privilege of attending the 2025 Environmental Funders Canada (EFC) National Conference, hosted in partnership with the Kluane First Nation in Whitehorse, Yukon. The event gathered more than 120 participants, including leaders from philanthropic organizations, community foundations, all levels of government, First Nations, Indigenous knowledge keepers, and environmental changemakers.

Over three days, the conference provided a powerful space for place-based learning, deep storytelling, and meaningful relationship building. Sessions integrated Indigenous knowledge, environmental justice themes, and on-the-land experiences—including visits to glacier sites and local cultural landmarks.

Sessions included topics such as: Taking Stock of the Last Decade of Environmental Philanthropy; Insights and Guiding Principles to Shape the Next Decade of Environmental Philanthropy; Mining, Indigenous Rights & Sovereignty, Diversified Economic Pathways; Safeguarding our Water; Climate Opportunity and Anchoring in Joy Community and Resilience

Overall, the conference was a valuable opportunity for networking with peers, reflect on philanthropy's role in advancing environmental and climate justice, and recommit to community-driven, reciprocal approaches to funding and engagement.

Kluane National Park- Destruction Bay



Conference opening circle



Session 3 on mining, Indigenous rights & sovereignty



Session 5: Climate Opportunity



Whitehorse South Fuel Break



MEMORANDUM

To: OBWB Directors
From: Carmen Weld
Date: May 22, 2025
Subject: **Communications Manager Report**

Okanagan Basin Water Board Regular meeting June 3, 2025 Agenda No: 7.4

Make Water Work Launch

This year's Make Water Work campaign was launched May 21, 2025, on the cusp of wildfire season, titled "Make Water Work, Plant FireSmart™." Held in Armstrong City Hall's vibrant Make Water Work demonstration garden, the kickoff event brought together key partners to highlight how Okanagan residents can take simple, effective steps to protect their homes, conserve water, and build more fire-resilient communities.

The Make Water Work, Plant FireSmart™ campaign — led by the Okanagan Basin Water Board (OBWB) — aims to help residents adopt easy yet meaningful practices that not only protect their homes, but also conserve water, and strengthen the region's resilience to climate-related challenges.

Emceed by Executive Director Melissa Tesche, this event saw OBWB Chair Blair Ireland, Armstrong Mayor Joe Cramer, FireSmart™ BC Landscaping Expert Karla Hoffman and Okanagan Xeriscape Association (OXA) Executive Director Sigrie Kendrick speak.

There was tables and material provided by OBWB, the FireSmart™ BC team and OXA. Coffee and treats provided by Armstrong's own, PV BLVD Coffee.

Key partners in attendance included, OBWB Director Wayne Carson, OBWB Alt-Director Shirley Fowler, Armstrong City Councillor Jessie Valstar, Armstrong CAO Trevor Seibel and Township of Spallumcheen Councillors John Bakker and Christine LeMaire. Thank you being there.

I also want to acknowledge the fantastic work and support of the City of Armstrong team in hosting this event including Laurie Cordell, Manager of Planning Services, and Warren Smith, Community Services Manager.



Caption: Game on! It's Mayor Blair Ireland versus Mayor Joe Cramer in an epic WaterWise showdown for the Make Water Work Champion Community title! Armstrong has been top dog for 6 of the last 10 years, but Lake Country is ready to make a huge splash!

Don't Move a Mussel

This year's Don't Move a Mussel campaign is in full swing. Billboards have gone up at the north and south end of Okanagan Valley.



Our new easy-to-follow **Responsible Recreation Checklist** will also be displayed on rack cards that OASSIS will deliver up and down the Valley in coming weeks.



Watch for our updated sandwich boards and locations across the Valley this summer as well.



Key communications this month and what's coming up

- [Province Boosts Aquatic Protection: Invasive Mussel Focus in Proposed Wildlife Act Changes](#)
- Letter to Honourable Randene Neill, Minister of Water, Land and Resource Stewardship
- [Okanagan Resilience Starts in Your Yard: Discover FireSmart™ and Waterwise Landscaping](#)
- Coming May 26, 2025: New Tool Helps Protect Okanagan Streams and Fish with Real-Time Science-Driven Insights!
- We will be getting out to our partners at the end of May and early June to deliver this year's Make Water Work material and gardening gloves.
- OXA will be doing the same with our gardening centre partners in the coming weeks including the updated Make Water Work Plant Collection and lawn/plant signs.
- The team at the Okanagan and Similkameen Invasive Species Society has already hit the ground running and is delivering Don't Move a Mussel messaging at locations and events up and down the Valley.
 - The updated rack cards and sandwich boards above are being printed and will be given to them by the end of May.
- OBWB Comms will be attending the District of Peachland's Open House on Wed. June 11 (4 to 7 p.m.), more than 600 are expected to attend.

Media Tracking

Please find monthly media tracking below, listing articles from April 28 to May 22, 2025, in reverse chronological order.

Date	Source	Headline	Link
May 22, 2025	Vernon Morning Star and seven other Black Press publications across the Valley	Okanagan mayors duke it out as water-saving campaign takes FireSmart focus	https://www.vernonmorningstar.com/local-news/okanagan-mayors-duke-it-out-as-water-saving-campaign-takes-firesmart-focus-8021578
May 21, 2025	Castanet	Okanagan Basin Water Board launches new Make Water Work campaign	https://www.castanet.net/news/Vernon/551728/Okanagan-Basin-Water-Board-launches-new-Make-Water-Work-campaign
May 21, 2025	Castanet	Many insects found in gardens are actually helpful, not harmful	https://www.castanet.net/news/Gardening-with-nature/551472/Many-insects-found-in-gardens-are-actually-helpful-not-harmful
May 15, 2025	Castanet	BC Conservation Service trains 27 more people to inspect watercraft for invasive mussels	https://www.castanet.net/news/Vernon/550667/BC-Conservation-Service-trains-27-more-people-to-inspect-watercraft-for-invasive-mussels
May 15, 2025	The Penticton Herald	Tougher action against invasive mussels applauded by B.C. environmental group	https://www.pentictonherald.ca/life/article_6db34d95-b535-4451-9d22-4afa0f18cf6e.html
May 15, 2025	Castanet	Okanagan municipalities recommend climate friendly gardening and landscaping	https://www.castanet.net/news/Penticton/550488/Okanagan-municipalities-recommend-climate-friendly-gardening-and-landscaping
May 14, 2025	Water Canada	B.C. boosts aquatic protection	https://www.watercanada.net/b-c-boosts-aquatic-protection/
May 14, 2025	Kelowna Daily Courier and Penticton Herald	Tougher action against invasive mussels applauded by B.C. environmental group	(Print Editions)
May 12, 2025	Castanet	Okanagan Basin Water Board cheers provincial measures combating invasive mussels	https://www.castanet.net/news/Kelowna/549953/Okanagan-Basin-Water-Board-cheers-provincial-measures-combating-invasive-mussels
May 12, 2025	VernonNow	BC Interior groups applaud new law aimed at stopping invasive mussels, whirling disease threat	https://www.vernonnow.com/watercooler/news/news/Provincial/Okanagan-Water-Board-BC-Wildlife-Federation-applaud-changes-to-stop-invasive-mussel-threat/
May 12, 2025	The Daily Courier	Tougher action against invasive mussels lauded by BCWF	https://www.kelownadailycourier.ca/news/article_9f661290-31ab-4fbc-9e29-7f0a8aa0c300.html

May 12, 2025	KelownaNow	BC Interior groups applaud new law aimed at stopping invasive mussels, whirling disease	https://www.kelownanow.com/watercooler/news/news/Provincial/Okanagan_Water_Board_BC_Wildlife_Federation_applaud_changes_to_stop_invasive_mussel_threat/
May 12, 2025	West K News and seven other Black Press publications across the Valley	Okanagan Water Board applauds new B.C. laws to stop invasive mussel threat	https://www.westknews.com/local-news/okanagan-water-board-applauds-new-bc-laws-to-stop-invasive-mussel-threat-8001818
May 9, 2025	KelownaNow	Okanagan's snowpack down 15% from early April	https://www.kelownanow.com/watercooler/news/news/Okanagan/Okanagan_s_snowpack_down_15_from_early_April/
May 7, 2025	West K News and seven other Black Press publications across the Valley	Okanagan Basin Water Board briefs: New additions to administration continue	https://www.westknews.com/home/okanagan-basin-water-board-briefs-new-additions-to-administration-continue-7982102
May 7, 2025	Country Life in BC	Arts leads BCFGa forward	https://www.countrylifeinbc.com/arts-leads-bcfga-forward/
May 7, 2025	Castanet	Save every drop so we have water to live	https://www.castanet.net/news/Gardening-with-nature/548896/Save-every-drop-so-we-have-water-to-live#548896
May 7, 2025	Penticton Western News and seven other Black Press publications across the Valley	A 250-year plan is in the works to protect Okanagan-Similkameen watersheds	https://www.pentictonwesternnews.com/local-news/a-250-year-plan-is-in-the-works-to-protect-okanagan-similkameen-watersheds-7984238
May 7, 2025	Canadian Press version picked up in several additional Ontario publications	A 250-year plan is in the works to protect Okanagan-Similkameen watersheds	https://www.stcatharinesstandard.ca/news/canada/a-250-year-plan-is-in-the-works-to-protect-okanagan-similkameen-watersheds/article_5394f971-4db7-56a7-86c3-864348f63a72.html
April 30, 2025	Kelowna Daily Courier and Penticton Herald	New boss for beleaguered farmers' group	(Print Editions)

The Stats: April 28 to May 22, 2025

<i>Total individual articles mentioning OBWB work, projects etc.</i>	<i>Total Reach*</i>
60	17.9M

***Total Reach** is pulled from our media monitoring service Meltwater. It's important to note that in Meltwater, "reach" is inflated as it represents the potential number of unique visitors who could have seen a specific article or piece of content. It's calculated based on the monthly unique visitors to the source publication, not the number of times the content was displayed. This metric helps organizations understand the potential audience size and reach of their content across various platforms.



MEMORANDUM

To: OBWB Directors
From: Sandra Schira, Water Science Specialist
Date: May 20, 2025
Subject: Weather Update

Okanagan Basin Water Board
Regular meeting
June 3, 2025
Agenda No: 7.5

Weather Update

Snowpack was low at the start of May and melt is well underway. As of May 1, the Okanagan snowpack was at 67% of normal¹ – the third lowest in the last ten years (Figure 1). Across the valley, the freshet is well underway, and melt is occurring. Lower elevations, such as Brenda Mines, are snow-free, and at higher elevations, snowpack will take several more weeks to melt (Figure 2)². For all stations shown in Figure 2, the melt is occurring slightly earlier than normal.

In late May, there was some precipitation, but as of May 20 that precipitation had not shown a considerable impact on snow levels. The precipitation may help prevent early drought conditions, which often happen with a lower snowpack. By this time last year, the Province had already begun drought meetings. Currently, the first meeting is scheduled for early June. Therefore, conditions are dry but better than last year.

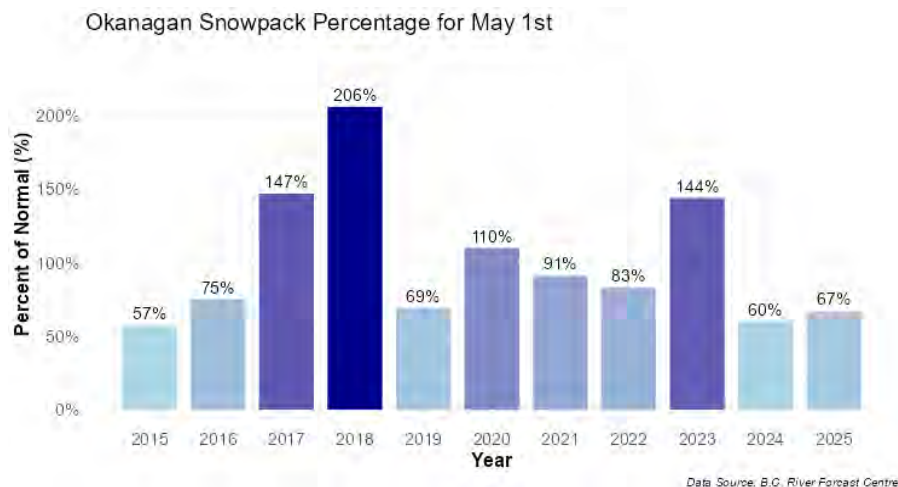
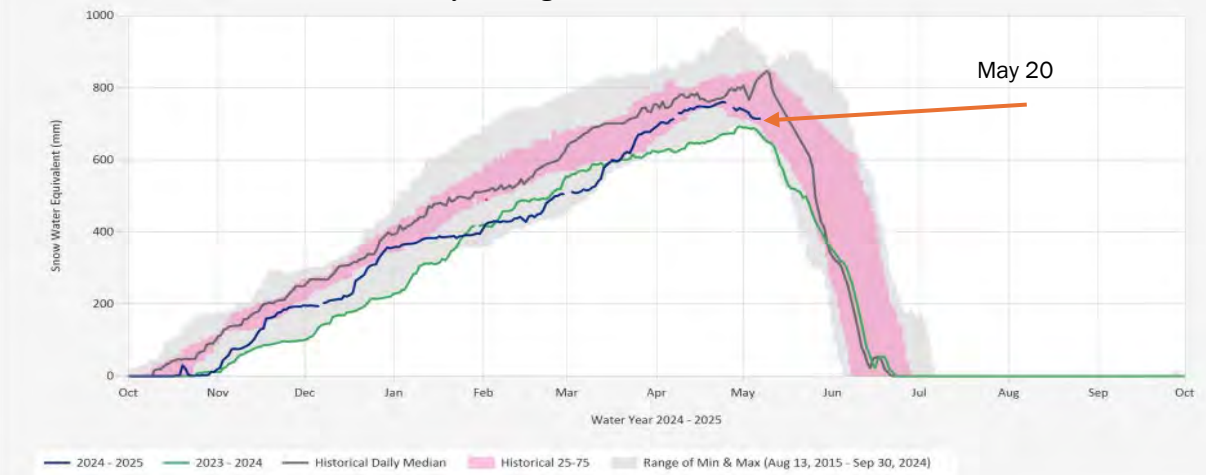


Figure 1 Comparison of May 1 snow index over the last ten years in the Okanagan.

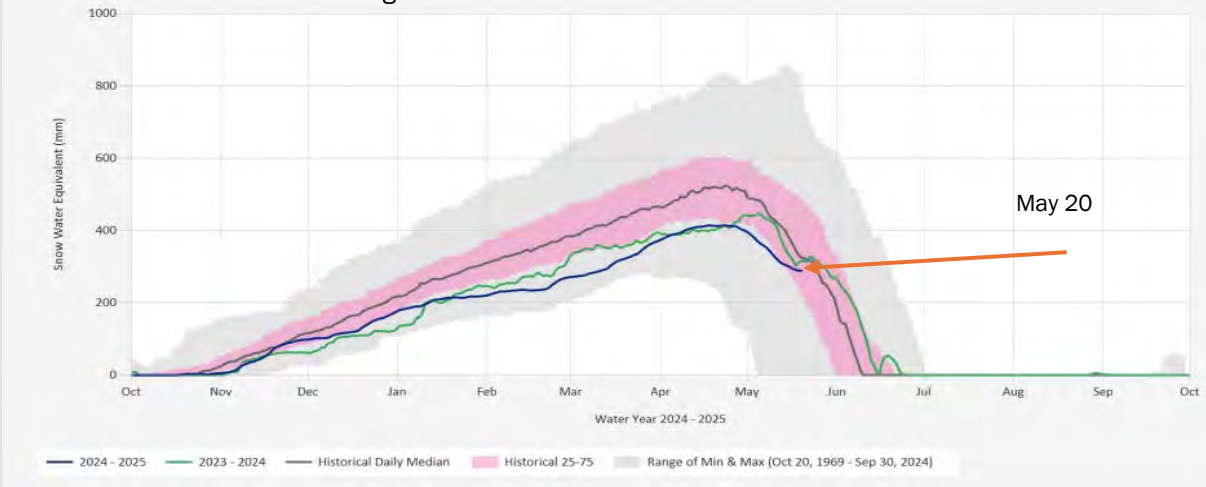
¹ March 2025 Provincial Snow Bulletin. B.C. River Forecast Centre. https://www2.gov.bc.ca/assets/gov/environment/air-land-water/water/river-forecast/2025_may1.pdf (Accessed 20.05.2025)

² Provincial Snow Data
<https://governmentofbc.maps.arcgis.com/apps/webappviewer/index.html?id=c15768bf73494f5da04b1aac6793bd2e> (Accessed 20.05.2025)

Silver Star Mountain: Peaked and Slowly Melting



Mission Creek: Peak and Melting



Brenda Mines: Melted Or Very Low

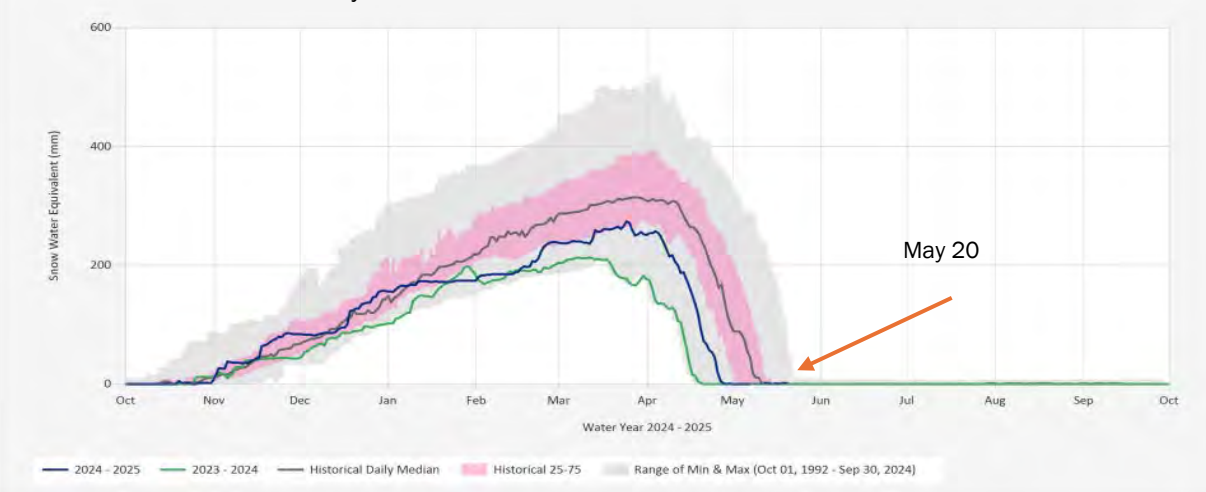


Figure 2 Weekly Snowpack Accumulation Across the Okanagan as of May 20. Data from the Province of B.C.².

Precipitation in May was within normal ranges by mid-month. As of May 20, the major cities across the Okanagan were all within the normal precipitation ranges (Figure 3). However, the amounts were variable, with Penticton seeing the highest of the three and Kelowna and Vernon being on the lower ends of their ranges. All Cities saw a major rain event on May 12, with a few other smaller events around that week. Please note, this memo is being written earlier in the month than usual, so at the meeting, a more complete picture of precipitation will be presented.

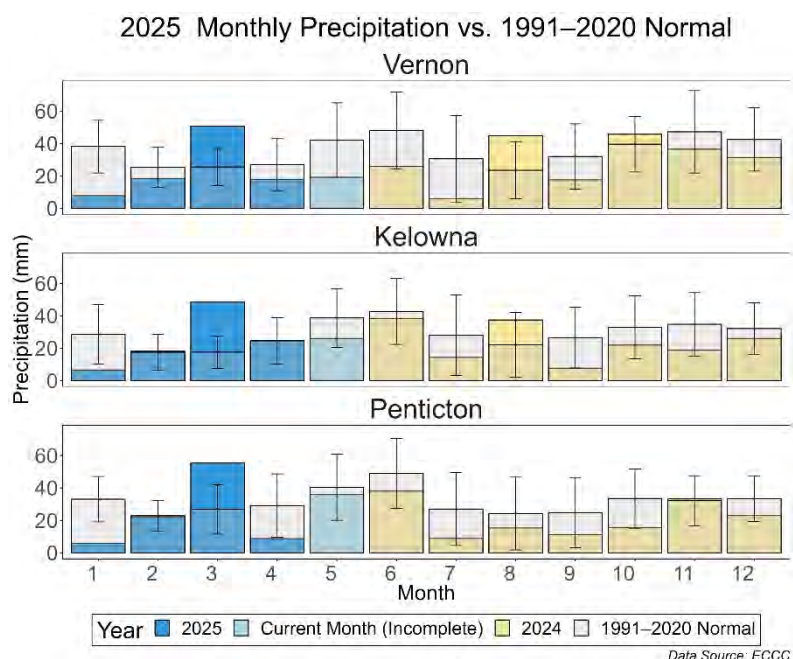


Figure 3: Monthly Precipitation in the Okanagan as of May 20. Compared to 1991 to 2020 range. Data retrieved from Environment and Climate Change Canada

Temperatures across the Okanagan

continue to be slightly above or around normal. By mid-month, temperatures across the Okanagan have averaged on the upper end of normal or warm (Figure 4). However, there has been some variability within weeks with some cooler conditions during the long weekend. While not as extreme as other years, the Okanagan has been consistently warm this spring which could result in the slightly early melt and some ecological impacts such as an early start to the growing season.

Seasonal forecasts indicate May through July are likely to be warm and dry. The Environment and Climate Change Canada³ long-term seasonal forecast shows a high possibility of above normal temperatures in Okanagan over the next three months. For precipitation, forecasts indicate below-normal precipitation is likely (Figure 5). Seasonal forecasting is highly challenging, so disagreement between models or variations from projections is not uncommon. Seasonal forecasts can be used to provide a sense of likely future conditions but should not be taken as 100% certain.

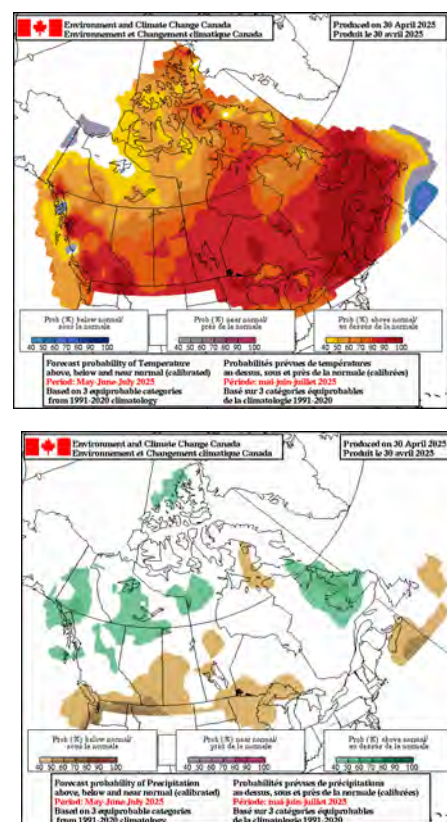


Figure 5 Three-Month Seasonal Forecast from ECC³ (May-Jul).

³ ECCC Seasonal forecasts. <https://climate-scenarios.canada.ca/?page=cansips-prob> (Accessed 24.03.2025)

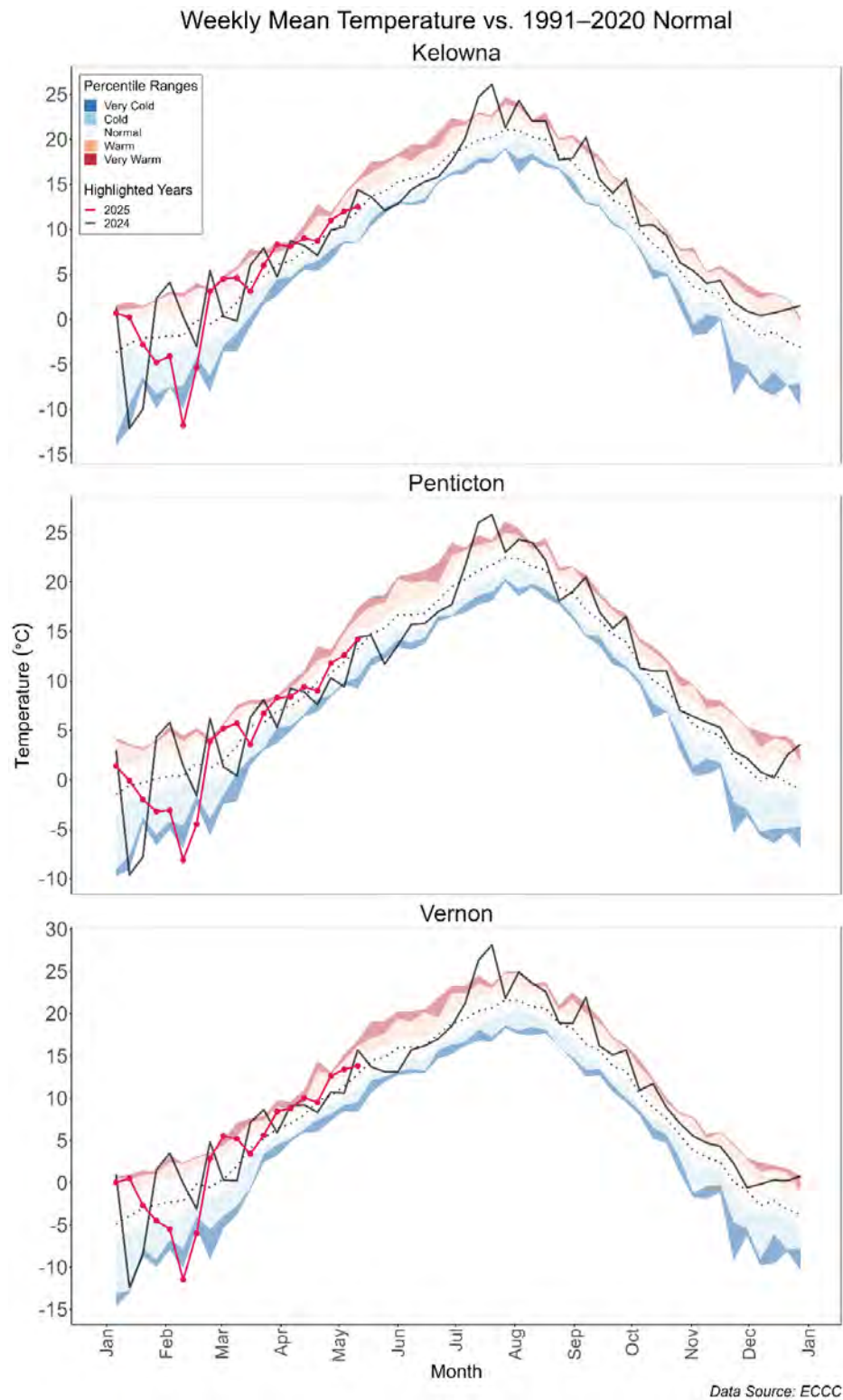


Figure 4 Weekly Average Temperature Across the Okanagan as of May 20 compared to 2024 and 1991 to 2020 range. Data retrieved from Environment and Climate Change Canada.

Okanagan Lake levels remain above normal. As of May 20, lake levels have been high for several months (Figure 6). Okanagan Lake is managed by the operator of the Okanagan Dam in Penticton.

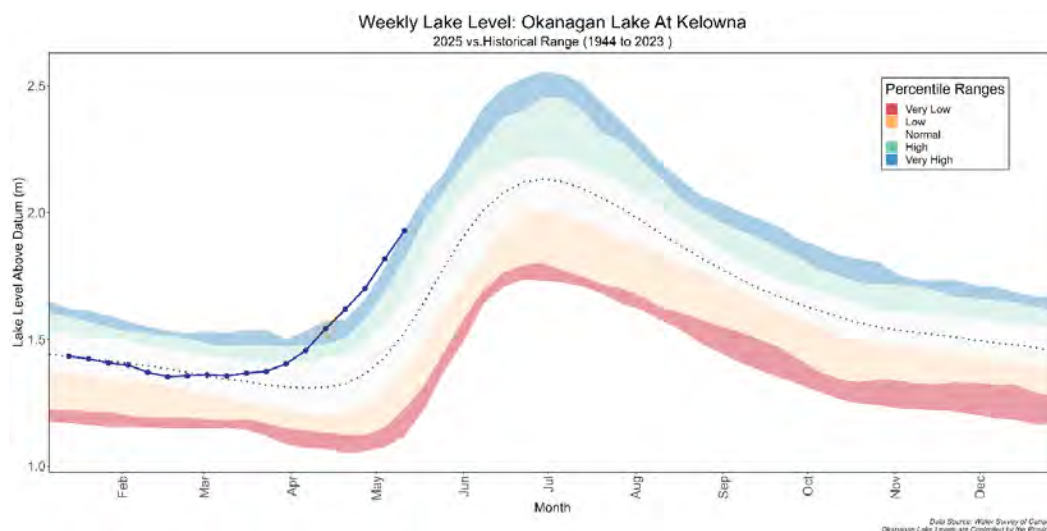


Figure 6 Weekly Lake levels for Okanagan Lake at Kelowna compared to the 1944 – 2023 range. Data is retrieved from the Water Survey of Canada

Freshet is underway across the valley. Flows are increasing across the Valley as the freshet period is well underway. Each stream is unique, and many streams in the valley are regulated and subject to some sort of control structures. Most streams have experienced, or will experience, peak flows within the next month. Many of the smaller creeks, such as Inkaneep and Lumby, had a peak at the beginning of May, while most of the larger streams, like Mission Creek, are still not at their normal level and likely have not peaked yet (Figure 7⁴). Overall flows are around normal and streams are not showing extremely high or low flows.

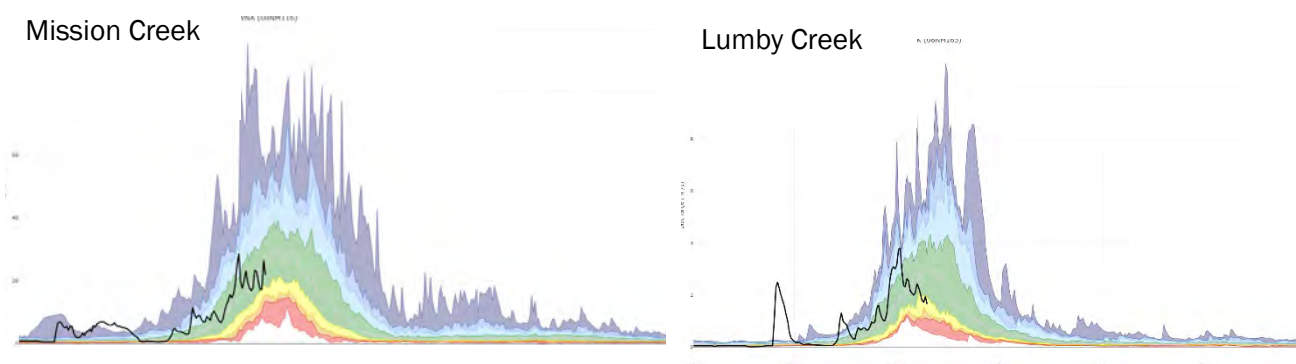


Figure 7 Daily Streamflow Levels (m³/s). Data from the Province of B.C.

⁴ Streamflow Data. https://bcrfc.env.gov.bc.ca/Real-time_Data/RFC_Conditions_Map.html (accessed 20.05.2025)

Provincial Drought Levels Update

The province is in the process of updating how it sets and communicates the Provincial drought levels. The goal is for drought levels to be more consistent across the province and for the levels to be more responsive to current conditions. The province wants the levels to be more analogous to the Richter scale used for earthquakes, where a five on that scale means the same thing anywhere in the world. The levels will be set focusing primarily on a set of primary indicators such as 7-day average streamflow and precipitation. Information on impacts (e.g. fish kills) will be communicated using a different system and will not be used to set the drought level.

The levels are being changed to:

- Separate conditions and impacts to focus on a drought condition at a point in time
- Avoid biases and ambiguity in characterizing drought hazards
- Be more consistent with other drought monitors and between years
- Clarify the purpose of drought levels
- Allow for regions to focus on impacts and advance management actions

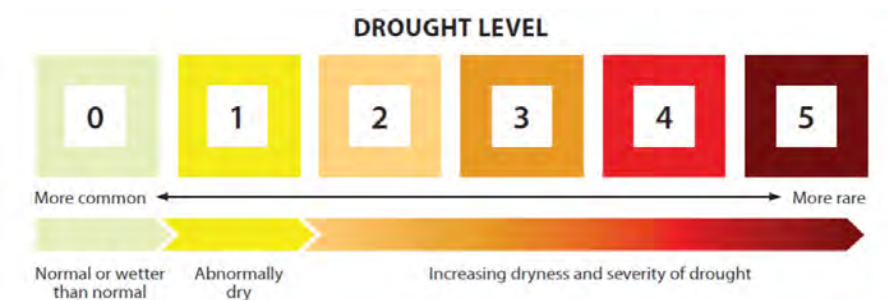


Figure 7 Provincial Drought Levels

The drought levels will continue to use the 0 to 5 scale (Figure 7). However, due to the tweaks, the drought levels will look different than previous years.

- **The same conditions may see a lower or higher drought level than in the past;**
- **There will be more changes in levels from week to week.**

Resources for more information on the Province's drought response and monitoring include the *Drought Information Portal*⁵ and the updated *Drought and Water Scarcity Response Plan*⁶.

OBWB Staff will work with the province on creating and distributing communication tools on drought conditions and the changes. Staff will provide a more thorough update on the drought levels once we have had time to review the new process in more detail.

As a reminder, drought levels are not directly linked to non-regulatory and regulatory actions. Actions can be taken at any drought level. Drought levels are also not the same as the water restrictions communicated by water providers, which reflect water supplies, among other things.

⁵ Provincial Drought Information Portal. <https://droughtportal.gov.bc.ca/> (accessed 20.05.2025)

⁶ British Columbia Drought and Water Scarcity Response Plan. https://www2.gov.bc.ca/assets/gov/environment/air-land-water/water/drought-info/drought_response_plan_final.pdf (accessed 20.05.2025)



Reference: 45742

May 7, 2025

VIA EMAIL

Hello:

Thank you for your letter and for your advocacy towards keeping B.C.'s lakes and rivers free of invasive mussels. Through the Invasive Mussel Defence Program, delivered by the Ministry of Water, Land and Resource Stewardship (WLRS) and partners, our government remains committed to preventing invasive mussels from establishing in our beautiful province.

We recognize the longstanding requests from the Okanagan Basin Water Board, First Nations, local governments and other partners for stronger regulatory tools to address the threat of invasive mussels. I am pleased to say that our government has tabled amendments to the *Wildlife Act*, now under consideration by the Legislature, which will create authorities for Conservation Officers to:

- Enforce "Pull the Plug," a requirement for all drain-plugs on vessels to be pulled prior to moving from the waterbody; and
- Require motorists transporting a watercraft in B.C. to stop at open watercraft inspection stations.

These proposed amendments are intended to commence for the 2025 summer boating season. There is an additional proposed amendment to enable mandatory inspections for watercraft entering B.C. from another jurisdiction prior to launch. This authority will be brought into force through regulations following further analysis and engagement.

WLRS continues to recognize our shared responsibility to keep our land and water environments safe from the threat of aquatic invasive species. We look forward to continuing to work with our partners to strengthen existing prevention efforts to mitigate the threat of invasive mussels in B.C.

Sincerely,

Randene Neill
Minister