

## REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

### FACT SHEET

February 26, 2025

#### West Bench Water Financial Information

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West Bench Irrigation District was taken over by the Regional District of Okanagan-Similkameen (RDOS) in 2011. It was determined that various infrastructure upgrades were needed, including a booster station, reservoir and water mains.

The total cost of the upgrade project was \$8.7 million and was funded through grants (\$5.3 million) and debt (\$2.29 million). Residents were given the option of paying for their portion of the debt up-front or paying annually on their property taxes (as a parcel tax.)

Approximately 17% of residents paid up-front and 83% chose to pay annually on their taxes.

The upgrade project was completed in 2015.

#### Loan Highlights

- Original Loan: \$1,896,000 (\$2.29 million less \$393,720 collected from residents that paid up-front)
- Authorizing Bylaws: 2590 and 2687
- Term: 20 years
- Payment frequency: semi-annual (April and October)
- Final scheduled payment: April 2035
- Interest rate (first ten years): 2.20%
- Interest rate (after rate reset at year ten): 4.1%
- Loan balance as of April 2025: \$1,109,473

Long-term loans (borrowed through the Municipal Finance Authority) have a “rate reset” at year ten and, if applicable, every five years following until the end of the loan.

The RDOS has been notified that the interest rate on the debt will be increasing from 2.2% to 4.1% (effective April 2025). The debt interest amount in the 2025 budget has been adjusted accordingly, and residents who did not pay their portion of the debt up-front will see an increase in the parcel tax amount owing on their property taxes.

#### Contact:

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