

Strategic Plan 2018 – 2022

Regional District of Okanagan Similkameen

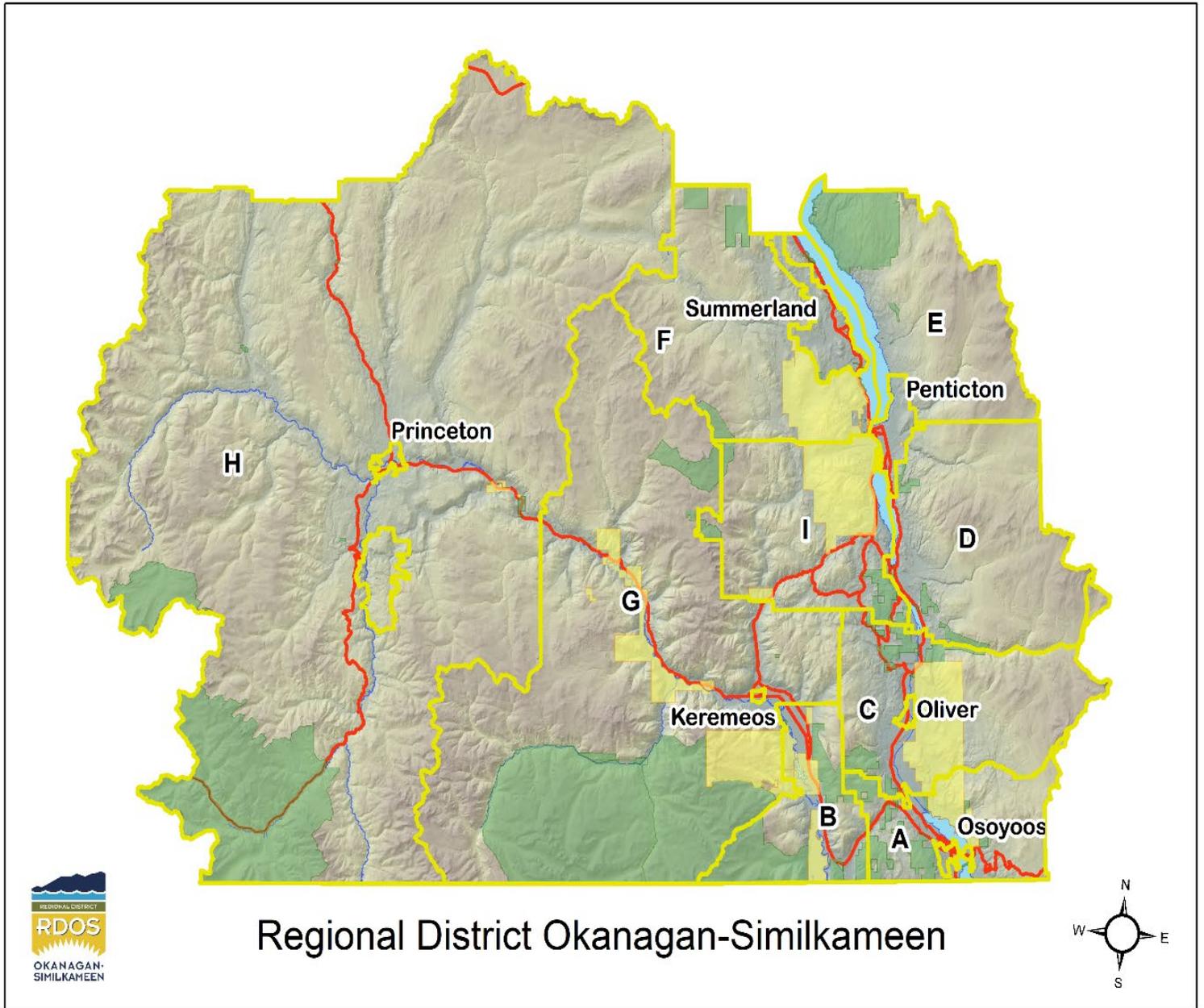


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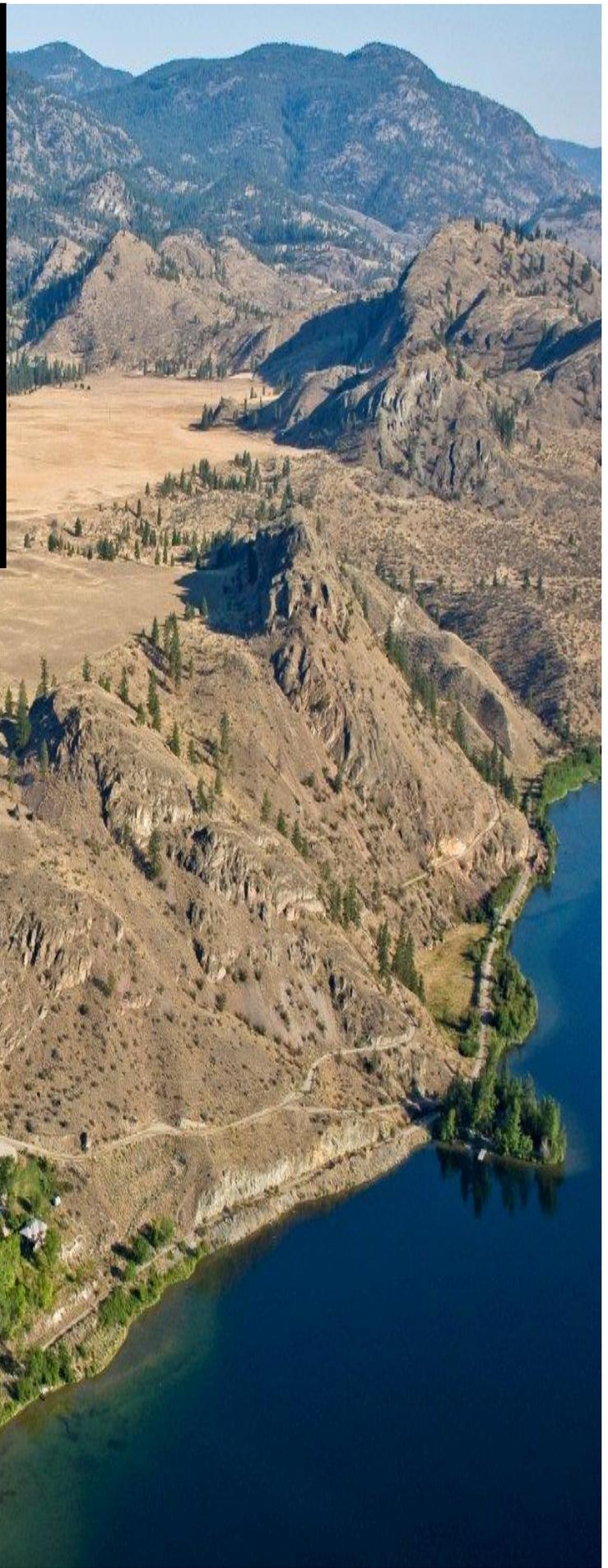
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INTRODUCTION

The Regional District of Okanagan Similkameen in south-central B.C. is one of the most geographically diverse regions of British Columbia. It includes vineyards and orchards, lakes, mountain ranges, and high plateaus. Summers are hot and dry, and winters, while below freezing, are relatively mild. It's the driest part of British Columbia, and home to the only official desert in Canada.



Local Government

Municipalities were created in certain geographic areas to accomplish tasks and provide services that could be more adequately achieved by action of a group than by the action of an individual. A Regional District operates on the same principle, but goes further, to provide a forum for incorporated local governments in the region and rural areas to come together to coordinate their actions for the benefit of their mutual constituents.

The basis of property taxation for incorporated local governments follows the Redistribution Principle, whereby the municipality taxes property and creates services which property owners might not individually subscribe to and redistribute it for the benefit of all. The Regional District form of government moves much closer to the Direct Benefit Principle of taxation, whereby we create service areas through establishment bylaws and only those directly benefiting from the service pay for it.

Mandate and Authority

Regional districts are an independent, responsible and accountable order of government within their jurisdiction¹. The purposes of a regional district include:

- (a) providing good government for its community,
- (b) providing the services and other things that the board considers are necessary or desirable for all or part of its community,
- (c) providing for stewardship of the public assets of its community, and
- (d) fostering the current and future economic, social and environmental well-being of its community.

Further, each regional district is a corporation and the governing body is its board of directors.

While the Local Government Act and the Community Charter are the foundation of enabling legislation for Regional Districts, we also draw authority from, or are affected by, many other pieces of Provincial legislation.

¹ Section 185 of the Local Government Act (LGA) of British Columbia, RSBC 2015, Chapter 1

Letters Patent

The Regional District of Okanagan Similkameen is a corporation officially established on March 4th, 1966 by Letters Patent issued by the Executive Council pursuant to Section 766 of the Municipal Act of British Columbia. As a creation of the Province, the Regional District relies on Provincial Legislation to provide the authority necessary for it to fulfil its mandate of providing services to the citizens within its corporate boundaries.

The Regional District is led by a Board of Directors of nineteen members, nine rural and ten urban. Based on population, the nine rural electoral areas, each have one elected director and of the six municipal members, Penticton appoints four Directors, Summerland appoints two Directors and Osoyoos, Oliver, Keremeos and Princeton appoint one each. The rural Directors are elected to a four-year term² while the urban members are appointed by, and serve at the pleasure of, their council. The Act also provides that the authority and power to govern the municipality is vested in Board as a whole³.

The Strategic Plan describes a vision and a balanced strategy to ensure we offer competitive and sustainable services that are focused on meeting the current and future needs of our citizens, customers and stakeholders, and making the South Okanagan and Similkameen Valley's a great place to live, work and play. To achieve success and the realization of the strategy, the Regional District relies on their dedicated employees who will work in collaboration with a range of diverse stakeholders.

STRATEGIC CONTEXT

The Regional District of Okanagan Similkameen makes significant and lasting contributions to the quality of life for their citizens. However, this can only be realized by offering competitive, effective and innovative services to those within our service area, to those that want to do business within our geographic boundaries, to those travelling through and to those other incorporated municipalities within our boundaries and who have representation on our Board of Directors.

The business environment in which we operate offers significant strengths. The geographic location and our climate are huge attractions. To further our advantage, our strong management team and a highly functional group of elected officials, all who keep the interests of the Region at the forefront and who are always looking for partnerships and economies of scale, lead the way.

Our efforts to build a stable, business-friendly environment face a number of challenges that have been identified and will be addressed in the coming years. The Regional District has a slow, but steadily growing, economy based on government services, agriculture, construction and quality of life (retirement). The cost of housing remains a concern in the area, if not British Columbia as a whole. The continuing downturn in oil prices and the Alberta economy evidence themselves in the regional district housing market as the Okanagan is a primary retirement and vacation target for Albertans.

² Local Government Act, Chapter 1, Revised Statutes of British Columbia, 2015

³ Ibid, Section 194

STRATEGIC OVERVIEW

Values

The Regional District of Okanagan Similkameen envisions that all of our members, officers and employees share intrinsic beliefs that they are expected to use, live by and demonstrate on a daily basis while executing their work responsibilities. These Values help define who we are and what we stand for and must be owned to the extent that each member of the organization is willing to hold themselves and others accountable to them. This is how we do business.

Honesty, Integrity, Ethical and Respectful Behaviour

We are honest, ethical, and fair in all of our activities, using consistent and sound judgment to build trust in our working relationships.

Accountability

We take responsibility for our actions by embracing common goals through teamwork and collaborative decision-making while putting the interest of the community first. We dedicate ourselves to maintaining professionalism in our work using our guidelines and standards that enable us all to be answerable for our choices and achieve results stated in our organizations goals and objectives.

Leadership/ Transparency

We value “leadership with integrity” and are committed to open, accessible and transparent local government.

Consistent Focus on the Customer Experience

We provide courteous, responsive, high-quality service by fostering a respectful, positive and welcoming environment for our customers. We provide consistency through sound business practices and professional standards.

Environmental Responsibility

We believe that a healthy environment promotes healthy living in our communities. We have a responsibility to maintain, enhance and protect the environment through the consideration of environmental impacts in our decision-making process.

Vision

Our Vision is a description of our preferred future. The Board of Directors and their senior administration came together early in 2009 to look twenty years into the future and define what the Regional District of Okanagan Similkameen should be. It forms a target to which all other plans are defined and that remains valid as our long-term future. It takes into account our rich history, our diverse culture and our unique position in the beautiful Okanagan and Similkameen Valley's. We know where we are, where we want to go and we'll chart a course to get there.

We envision the Regional District of Okanagan-Similkameen as a steward of our environment, sustaining a diverse and livable region that offers a high quality of life through good governance.

Mission

The Mission Statement defines why the corporation exists and brings a clarity of purpose as to how we will achieve our vision. The Mission Statement helps us define how our human and financial resources will be applied.

To initiate and implement policies which preserve and enhance the quality of life and serve the broader public interest in an effective, equitable, environmental and fiscally responsible manner.

Key Success Drivers

Key Success Drivers form part of our Guiding Principles and are the factors necessary for the Regional District to successfully achieve our vision and mission. They form the "bins" that we put our goals, objectives and performance indicators in to ensure we cover all components of our mission in an organized fashion.

1. High Performing Organization
2. Focus on Customer Experience
3. Regional Sustainability
4. Governance and Oversight in a representative democracy

Strategic Goals

Goals are developed under each of our Key Success Drivers to direct how the organization will drive our activities to allow us to progress towards achieving our vision. While adjustments can, of course, be made to our Goals to address volatility in the external or internal environment, it is typical for an organization to set goals as a long-term guide to their activities. The Regional District of Okanagan Similkameen sets goals based on the term of our elected officials, identifying what the Board of Directors intends to accomplish during their four years in office.

Corporate Business Plan

A companion document to our Strategic Plan is the annual development of a corporate business plan. During this process, the Board of Directors sets annual objectives, and performance indicators, along with measurements and responsibilities. Administration reports back to the Board on a quarterly basis during the year on their progress against the Business Plan.

GOVERNANCE & ACCOUNTABILITY

Regional governments perform important work and deal with important issues that affect the very lives of those who depend on us for service. They also rely on the Board to set a strategic direction for the Region and to do what's right to make their future sustainable and our organization responsive and accountable. The governance and accountability processes of the Regional District of Okanagan Similkameen are structured to promote the purposes and business of the Regional District as set forth in our enabling legislation.

The Local Government Act establishes that the governing body of a Regional District is the Board⁴, that it is a continuing body, and that the powers, duties and functions of the Regional District are only exercised by the Board.⁵ This legislated role is, by necessity, fairly vague.

The governance role for every board member is identified in the Community Charter:⁶ It requires members to consider the well-being and interests of the District as a whole; to contribute to the development and evaluation of the policies and programs of the District respecting its services and other activities; and defines the responsibility of every member to participate in Board meetings, committee meetings and meetings of other bodies to which the member is appointed;

The Board of Directors takes their oversight responsibilities seriously. Among other activities, the Board practices the following:

- i. to adopt a strategic plan for the corporation and regularly monitor progress towards the achievement of that plan, updating the plan when appropriate;
- ii. to understand the principal risks which the corporation faces and ensure the corporation is adequately protected against those risks;
- iii. to appoint a CAO to direct the business of the corporation, ensure training is available for current and prospective employees, regularly assess the performance and provide for succession;
- iv. to ensure there are communication processes in place to allow the corporation to communicate effectively with and receive feedback from its citizens; and
- v. to ensure there are effective internal controls and financial reporting systems to ensure the corporation's finances are protected and the corporation's financial reports may be relied upon with confidence as to their integrity and accuracy.

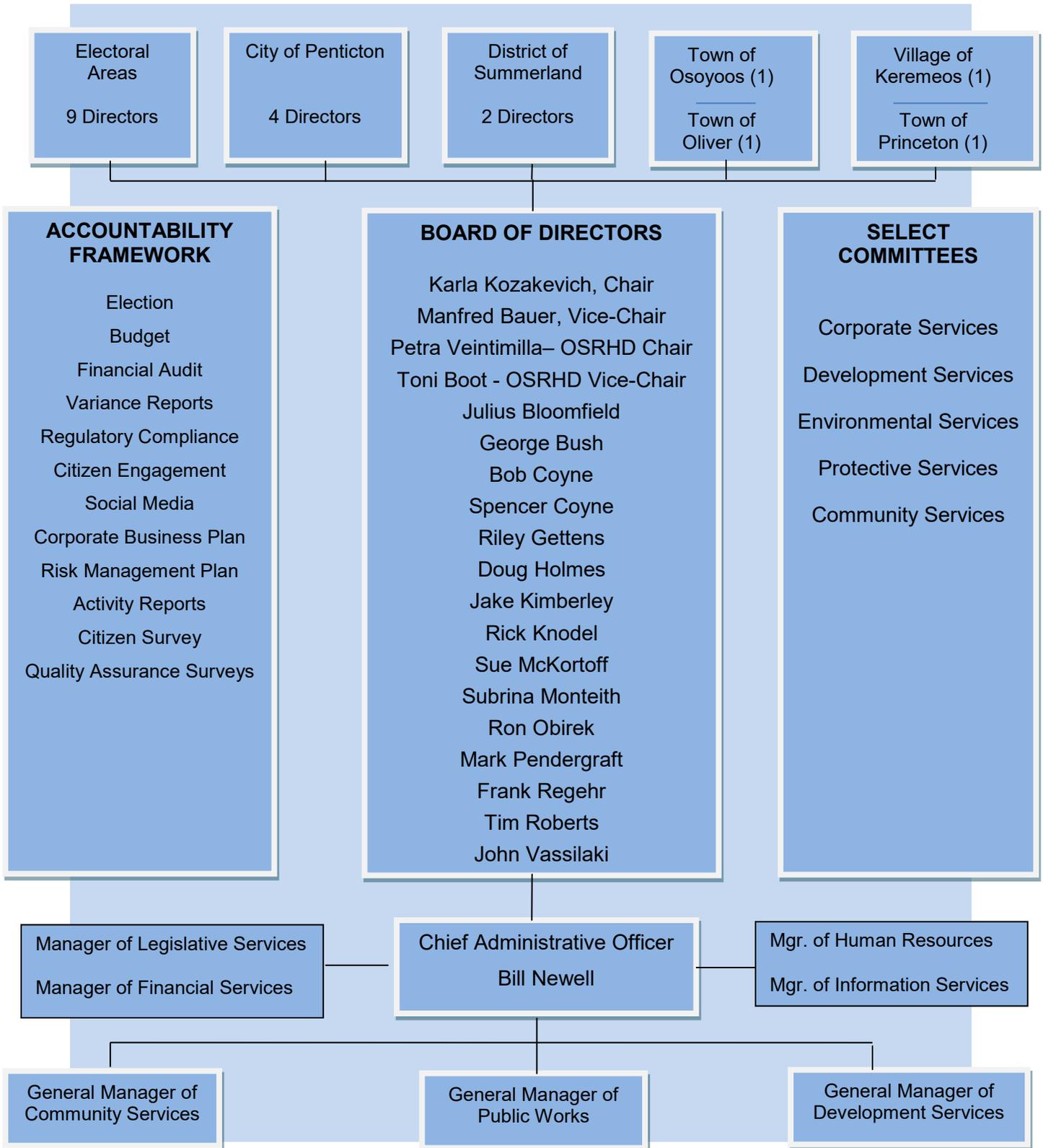
Accountability in an organization as diverse as the Regional District of Okanagan Similkameen relies on many different tools and processes to provide the Board the information they need to fulfill their oversight responsibilities and to hold their administration accountable for the implementation of the Boards policies and programs. The primary components of the Accountability Framework are identified below in model format.

⁴ *Local Government Act, RSBC 2015, Chapter 1, S. 176*

⁵ *Local Government Act, RSBC 2015, Chapter 1, S. 174*

⁶ *Community Charter s.115*

GOVERNANCE & ACCOUNTABILITY FRAMEWORK



STRATEGIC PLANNING PROCESS

Purpose of Planning

Strategic Planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it. It's all about managing change in an informed manner. Local Governments provide critical services to their citizens. On the premise that success is too important to leave to chance the Regional District needs to be very focussed on how they're going to achieve their vision so they can use their human and financial resources wisely.

To meet their social, economic, operational, and environmental obligations in the face of changing conditions, the Regional District of Okanagan Similkameen is constantly transforming their business models, facilities, and operational responsibilities. Generally local government, like other industries, is challenged when sudden or unexpected changes occur in the marketplace. The economic adjustment of 2008 and then the volatility leading to flat out growth over the past three years has had a significant impact on our region.

The Regional District has adopted a planning cycle and process to assist them in entrenching good planning basics into the organization. The framework followed is identified below.

The Planning Cycle

Phase I – Preparation and Gathering Input (September)

- Implementation of literature review, market assessment and economic forecast to look at trends or information that will keep the planning process rigorous. Department managers will engage their staff at this time for input to the planning process.
- Every second year, the Regional District will conduct a citizen survey.
- Every year we survey our staff and ask them how we're doing.
- Review and issue Budget Guidelines

Phase II – Planning (October)

- Staff will engage to gather intelligence and comment on data sets such as the S.W.O.T. analysis, Guiding Principles, adherence to Core Values, industry trends, etc.
- Management Meets to discuss:
 - Key Success Drivers
 - Goals
 - SWOT Analysis Results
 - Corporate Assumptions and Local Government Trends
 - Departmental Interdependencies
 - Develops Corporate Objectives & Performance Indicators
 - Business Plans and Budgets

Phase III – Approval (November - January)

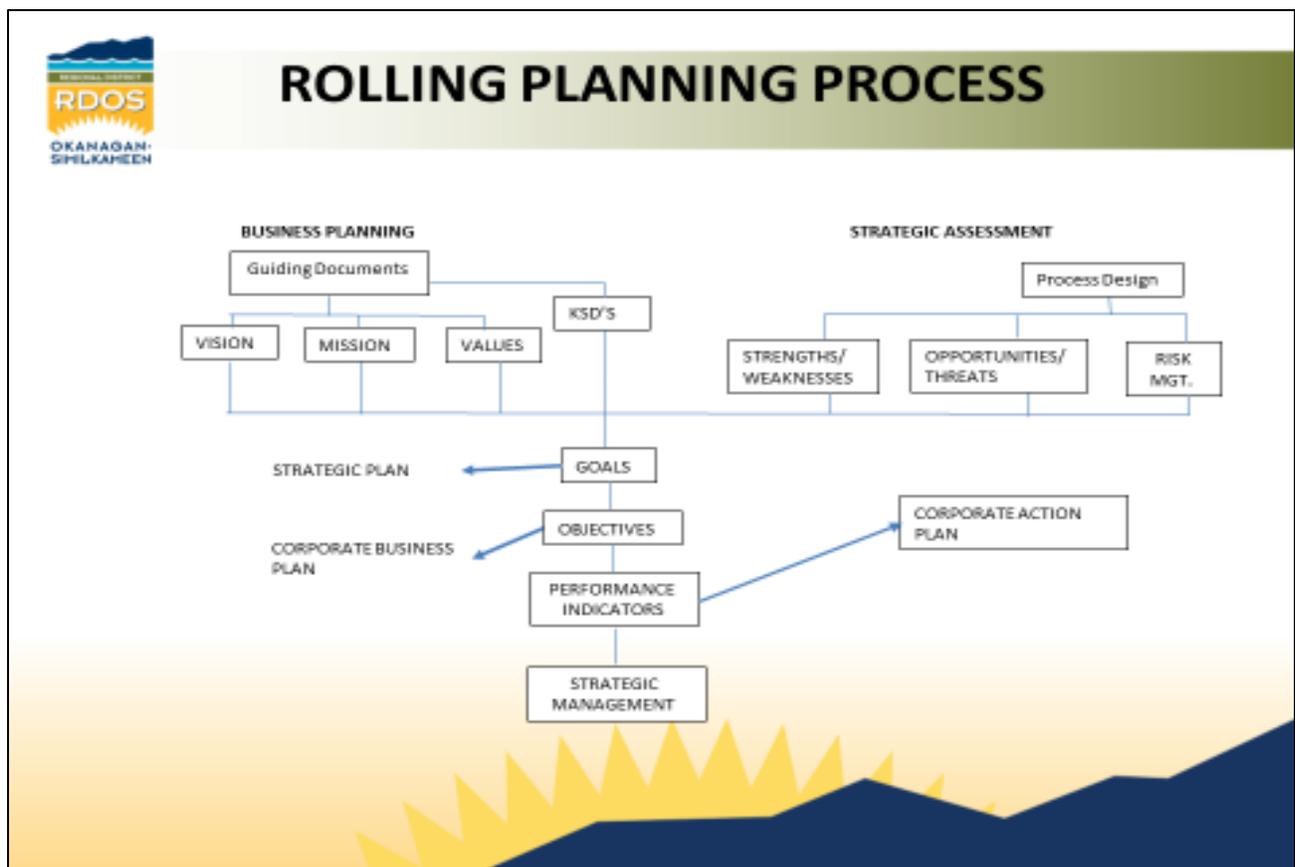
- The CAO presents a draft plan and draft financial plan to the Board of Directors
- Approval of the Corporate Business Plan and 5-Year Financial Plan.
- The Corporate Action Plan, with performance metrics, is developed

Phase IV – Communication & Accountability (February)

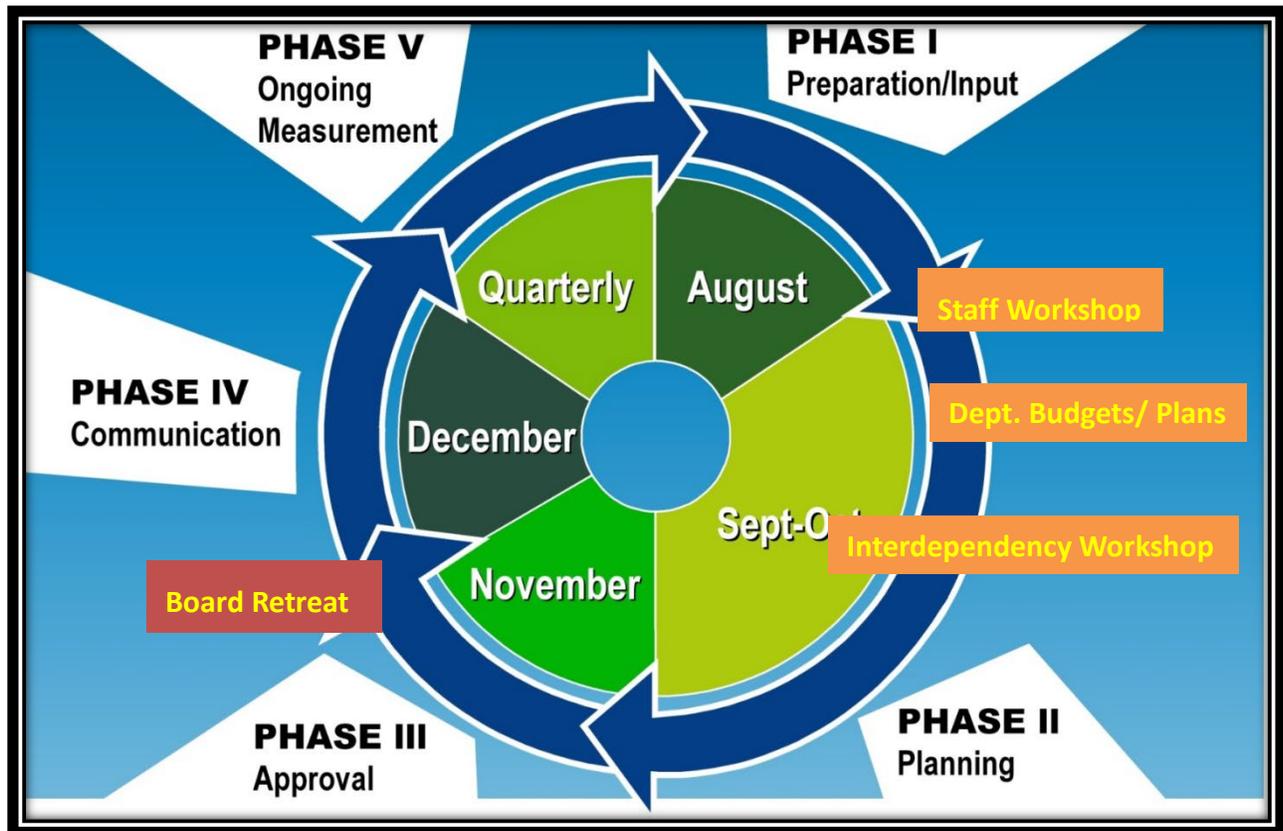
- Material provided to Member Municipalities and External Stakeholders
- Individual performance metrics are established for the next year

Phase V – Ongoing Measurement

- Quarterly reports to the Board, which would typically include a Dashboard update on Corporate Objectives
- Narrative on Business Unit financial and business plan performance



PLANNING CYCLE



Integrated Planning Framework

As a part of the planning framework, but collateral to the Strategic Plan, there are a number of documents that the Regional District of Okanagan Similkameen uses, or is developing, to achieve their mission.

A. Strategic Plan

The strategic plan is based on our Guiding Principles and establishes the overall direction for the Regional District for a 4-Year Term of Office. The plan is premised on rigorous environmental scanning processes and examines the local market and broader catchment area. The strategic plan sets out our targets for community sustainability and a high-level overview of what the Board wants to accomplish during their term of office.

B. Corporate Business Plan

To complement the Strategic Plan, each year the Regional District of Okanagan Similkameen develops a corporate business plan which describes the corporate objectives identified for the year in pursuit of the strategic goals under each Key Success Driver. The corporation measures success against the corporate objectives through the development of performance indicators under each objective, in alignment with moving towards achievement of the strategic goals. Each performance indicator will have a measurement and be assigned as a responsibility of a senior management team member.

C. Corporate Action Plan

The Corporate Action Plan is used for reporting out to the Board of Directors on a quarterly basis and for keeping track of our progress against the objectives identified in the corporate business plan.

D. Department Business Plans

As part of the Regional District performance management program, each member of the senior management team develops an annual business plan for their department, capturing their responsibilities from the corporate plan and other projects specific to their department. These plans are reviewed with the CAO quarterly and progress reports provided.

E. Risk Assessment

The Regional District of Okanagan Similkameen has developed an enterprise risk management plan (ERMP) to identify key strategic & organizational risks and address uncertainties that may affect our ability to achieve our strategic plan. The ERMP will be applicable to all areas including, but not limited to, capital projects, health and safety, financial, reputational, emergency management, operational and human resources. Each risk element is analyzed in terms of probability and impact, is weighted and then mitigation measures are developed for the more significant risks.

F. Financial Management Plan/Policy

Local Governments in British Columbia are mandated to adopt a five-year rolling financial plan by March 31st of each year. The Regional District offers 155 Services and presents the Board of Directors a separate budget for each service. We offer 12 Regional Services that apply to all 14 jurisdictions within the Regional District, being 9 rural and 6 municipal. We also offer several sub-regional programs and a mix of shared or local services.

Facts And Figures (IR populations and area not included)

Area	2016 Population	2011 Population	2006 Population	% Change	Land Mass
Electoral Area A	1,858	1892	1921	-1.8	258 km ²
Electoral Area B	1,047	1140	1082	-8.2	238 km ²
Electoral Area C	3,557	3,473	3874	2.4	445 km ²
Electoral Area D	3,762	5717	5913		594 km ²
Electoral Area E	1,903	1844	2010	3.2	492 km ²
Electoral Area F	2,695	2100	2011	-4.1	569 km ²
Electoral Area G	2,236	2314	2308	-3.4	2122 km ²
Electoral Area H	1,953	1768	2105	10.5	4760 km ²
Electoral Area I	3,329				477 km ²
Total for Electoral Areas	22,340	20,248			9,955 km ²
Area	2016 Population	2011 Population	2006 Population	% Change	Land Mass
Town of Osoyoos	5,085	4845	4752	5.0	8.5 km ²
Town of Oliver	4,928	4824	4395	2.2	5.5 km ²
City of Penticton	33,761	32877	31909	2.7	42.1 km ²
District of Summerland	11,615	11280	10828	3.0	74.08 km ²
Village of Keremeos	1,502	1330	1289	12.9	2.09 km ²
Town of Princeton	2,828	2724	2780	3.8	59.6 km ²
Urban	59,719				192.3 km ²
RDOS	83,022	80742	79475	2.8	10,412 km ²

Financial Operations

The Regional District of Okanagan Similkameen employs approximately 80 people, has 155 Services and covers a diverse geographical and cultural landscape. Fiscal responsibility is important to our citizens and to the Board. The Regional District stands in a strong financial position and reviews our position annually to ensure we remain so.

TRENDS & ASSUMPTIONS

Trends

The Regional District will be susceptible to the following local government trends that they have used in the development of the strategic plan and that could significantly affect our preferred future:

Social

- The population will continue to age
- Volunteerism is on a downward trendline
- The social safety net will continue to erode
- Aging in place is increasing the need for public transit and assisted living facilities
- Expectations for increased levels of public service are growing

Economic

- The demand for active recreation opportunities will continue to increase due to the healthy, aging population
- The cost of housing is continuing to increase faster than the economy
- Government infrastructure spending is continuing to escalate

Environmental

- Deteriorating municipal infrastructure will continue to challenge funding bodies
- The risk and impact of climate change and natural disasters will continue to increase
- Environmental standards will continue to increase

Broad Municipal Trends

- The business of local government will become increasingly complex
- The public will be more knowledgeable about local issues and demand more involvement
- Public skepticism of government officials continues to grow

Corporate Assumptions

1. External

- That we value our citizens' input and citizen engagement.
- That there is value in increasing the role technology will play in Regional District business.
- That by measuring staff and customer perception of service we can develop a plan to improve service.
- That citizens are willing to pay higher taxes or fees for new or enhanced value.
- That infrastructure grant opportunities will continue in the foreseeable future.
- That impacts of sustainability decisions are important to citizens
- Citizens may be willing to pay for improvement of some services
- That senior government expectations of local government and downloading will continue to increase
- That public scrutiny of local government decisions will increase.
- The Canadian economy will be stable with slight growth in the next four years
- That interest rates will continue to rise.
- That more of our business will be conducted on-line.
- That climate change will affect core services, infrastructure and the frequency of environmental emergencies.
- That high-density communities in rural areas expect municipal services similar to incorporated communities
- That our communications will be more effective tailored to specific electoral areas

2. Internal

- That fiscal responsibility is one of the primary drivers for organizational decisions
- That the Board wants to be an employer of choice
- That effective and fiscally responsible do not conflict
- That new technologies will facilitate our business processes
- That we must build relationships to be successful
- That government effectiveness is enhanced by good communication
- That measurement is essential to good management
- That with lack of grants from higher government, the Regional District will be requested to assume ownership of more private utilities

Note: Should any of our assumptions change or be proven incorrect, it would be necessary for the Regional District to change the 2018 – 2022 Goals that follow.

2018 – 2022 GOALS

KSD 1: High Performing Organization

- Goal 1.1: To be an effective, fiscally responsible organization
- Goal 1.2 To be a healthy and safe organization.
- Goal 1.3 To cultivate a high performing organizational Culture

KSD 2: Optimize the Customer Experience

- Goal 2.1 To provide a high level of customer service
- Goal 2.2 To meet public needs through the continuous improvement of key services
- Goal 2.3 To provide adequate access to health care in the Regional District

KSD 3: Build a Sustainable Region

- Goal 3.1: To develop a socially sustainable region
- Goal 3.2 To develop an economically sustainable region
- Goal 3.3 To develop an environmentally sustainable region

KSD 4: Provide Governance & Oversight in a Representative Democracy

- Goal 4.1: To execute a well-defined strategic planning cycle.
- Goal 4.2: To promote Board and Chair effectiveness

SUMMARY STATEMENT

Perhaps the most important dynamic contributing to the successful execution of strategy within an organization involves creating and sustaining a state of mind which thrives on teamwork, challenge and continuing improvement.

It is our expectation that the values, principles and strategies outlined in this plan will give our Board, our employees and our stakeholders, a strong sense of common purpose, thereby allowing us the opportunity to play a positive and significant role in the continued development of the Okanagan and Similkameen Valley's.

We are committed to working effectively with all of our Members to improve the services and opportunities afforded to our citizens and all customers partnering with the Regional District of Okanagan Similkameen. Our Plan displays our intent to add value to our community and give attention to the business and community initiatives necessary, all of which will help us realize our potential and contribute to the fulfillment of our mandate.