



## Municipal Finance Authority of BC

217-3680 Uptown Boulevard  
Victoria, BC V8Z 0B9

---

250.383.1181 | [mfa.bc.ca](http://mfa.bc.ca)

September 10, 2020

To: Municipal Finance Officers & Corporate Administrators  
Regional District Finance Officers & Corporate Administrators  
Regional Hospital District Finance Officers & Corporate Administrators

Re: **Spring 2021 Long-Term Debt Issue Information & Actuarial Rate Adjustment**

The Municipal Finance Authority (MFA) will hold its Annual General Meeting on **March 25, 2021**. As borrowing requests for the Spring 2021 long-term debt issue will be reviewed at this meeting, all regional districts must submit any applications for Certificate(s) of Approval (C of A) on Security Issuing (SI) bylaws, to the Ministry of Municipal Affairs and Housing (Ministry), by **February 12, 2021**.

### **Municipalities**

For a municipality to participate in the issue, it must apply to its Regional District by way of a Municipal Security Issuing Resolution (MSIR). Please check your Regional District's internal meeting and notification cut-off dates, as they must have sufficient lead time, to make the February 12 deadline.

Please note that once all paperwork is received, your request **will** be included in the next upcoming issue. If you no longer need a request to be funded, **you must notify the MFA and your Regional District prior to the February 12 deadline, or the request will be funded.**

### **Regional Districts**

To enable us to effectively manage borrowing needs and to ensure that no requests are overlooked, we request regional district staff to advise us of any potential long-term borrowing requests, as far in advance as possible. Please notify us by email: [finance@mfa.bc.ca](mailto:finance@mfa.bc.ca). To confirm a borrowing request, please email a copy of all adopted SI bylaws and any MSIR's (if borrowing on behalf of a member municipality), to [finance@mfa.bc.ca](mailto:finance@mfa.bc.ca).

There are two templates for SI bylaws available on our website, one for own purpose RD borrowing and one for borrowing on behalf of a member municipality, should you require them. Please note that you do not need to send us copies of Loan Authorization bylaws or C of A's, as they are sent to us directly, by the Ministry.

As noted, the deadline to apply to the Ministry for a C of A on SI bylaws is **February 12**. Please remember that there is a 10-day quashing period, after adoption of SI bylaws, before you can apply for a C of A (see S. 425 of the *Local Government Act*). Please refer to S. 25(4) of the *Interpretation Act*, for guidance on calculating time (i.e. count 12 days from date of adoption before applying for a C of A).

Please note that once we receive your C of A and SI bylaw from the Ministry, your request **will** be included in the next upcoming issue. If you no longer need a request to be funded, **you must notify the MFA prior to the February 12 deadline, or the request will be funded.**

### **Greater Vancouver Sewerage & Drainage District/Greater Vancouver Water District**

The deadline for requesting long-term debt is **February 19**. Please email a signed letter of direction to: [finance@mfa.bc.ca](mailto:finance@mfa.bc.ca).

### **Regional Hospital Districts**

The deadline for requesting long-term debt for Regional Hospital Districts is **February 19**. Please email a certified copy of your Capital Borrowing bylaw, completed RHD Liability Certificate, and completed Request for Long-Term Financing form, to [finance@mfa.bc.ca](mailto:finance@mfa.bc.ca), for each request.

### **Important Information for All Clients**

Due to ongoing extraordinarily low interest rates, we find it necessary to reduce the actuarial rate to 1.75%. Revised amortization schedules reflecting this change have been posted on our website. Please use the updated schedules, to estimate debt servicing costs.

There may be additional adjustments to the actuarial rates of future and existing loans. If further changes are required, we will provide you with as much advance notice as possible. Please ensure that you read notices posted in our secure Client Access site on a regular basis.

As a reminder, we no longer offer loan terms that are not in increments of five years. Loans with odd terms (e.g. 7 years/12 years etc.) are very rarely requested, cause a mismatch in loans versus debt (as we only offer five and ten-year bonds) and overly complicate the management of the sinking funds. Please keep this in mind when selecting borrowing terms for your bylaws.

If you have any questions or concerns regarding this notice, please contact Lauren Kerr, Credit & Compliance Officer, at: [lauren@mfa.bc.ca](mailto:lauren@mfa.bc.ca) or 250.419.4772.