



MFABC

Municipal Finance Authority of BC

PETER URBANC
CHIEF ADMINISTRATIVE OFFICER

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- Formed in 1970 under the **Municipal Finance Authority of British Columbia Act**
- The MFA is independent of the Province of British Columbia and is among a select few global borrowers who maintain AAA debt ratings
- The MFA is profitable from operations - does not rely on taxpayer funding
- The Municipal Finance Authority's main responsibility is to provide infrastructure financing to local government in the Province of British Columbia
- In addition to providing clients with access to stable and low cost funding, we also offer competitive investment alternatives and high quality financial education
- By legislation, local government long term borrowing **MUST** be done via MFABC. Other products and services we offer (short term borrowing and investments) are optional

Members:

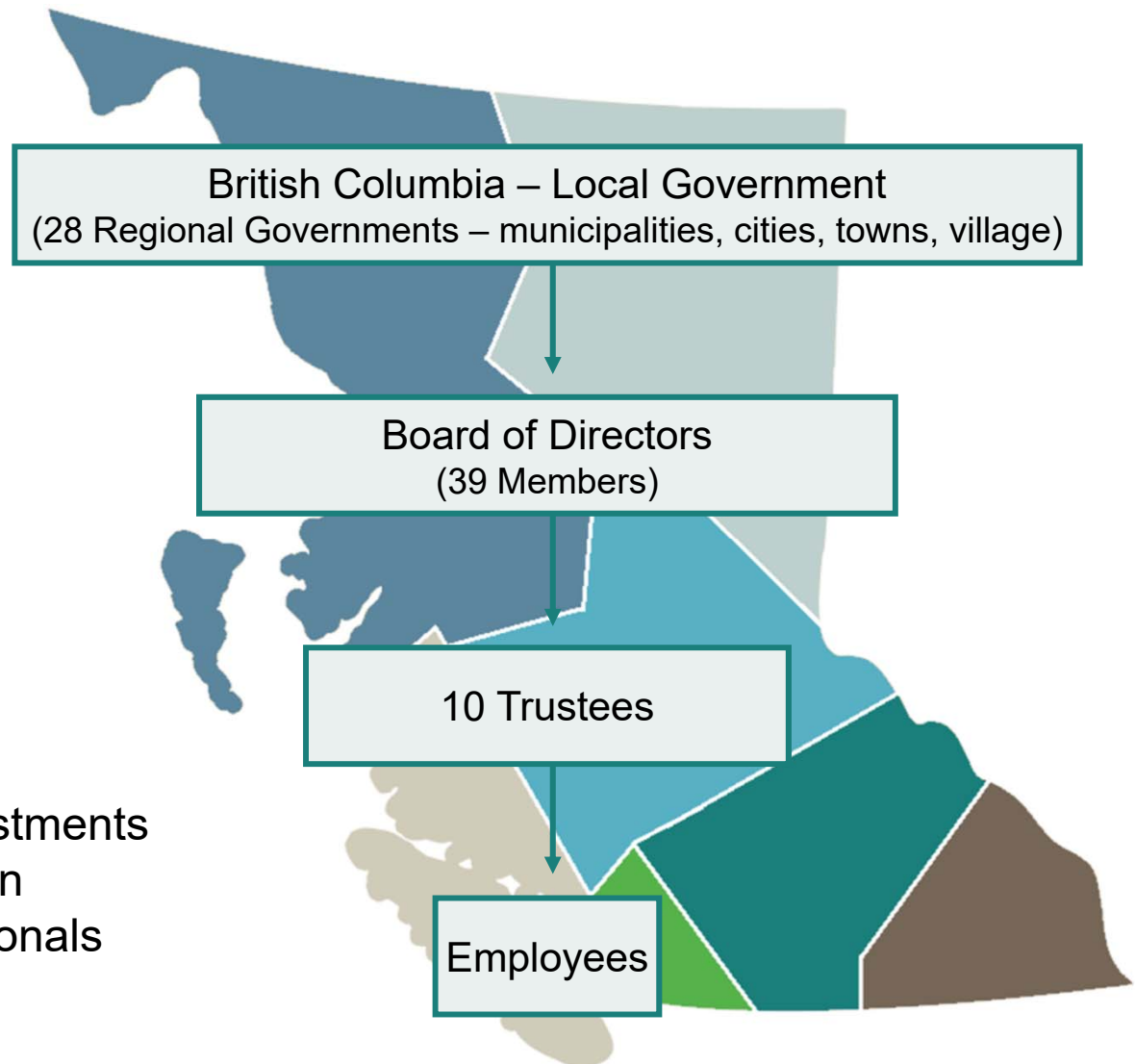
- Review loans
- Elect Trustees

Trustees:

- Authorize Debentures
- Oversee Operations

Employees:

- Manage loans, debt & investments
- Balance sheet of \$8.1 Billion
- Complement of 14 professionals



MFABC COST SAVINGS



- MFABC provide quick and easy access to funding to help build your community – at tremendous cost savings.

	MFABC	AAA Municipality
Annual Borrowing Amount	\$1,500,000,000	\$25,000,000
Interest rate (bond coupon)	3.00%	3.15%
Annual Interest Cost per \$25mm	\$750,000	\$787,500
Annualized Fees*	\$12,750	\$75,000
Annual Cost per \$25mm Borrowed	\$762,750	\$862,500

* Underwriting, legal, rating agency and other fees

Centralizing borrowing via MFABC achieves close to \$100,000 in ANNUAL savings to borrow \$25 million, about 12% cheaper!

MFABC POOLED FUND CHOICES



Benchmark:

<ul style="list-style-type: none"> • Prime Rate 	<ul style="list-style-type: none"> • 30-day T-Bills 	<ul style="list-style-type: none"> • 1-Year T-Bills 	<ul style="list-style-type: none"> • FTC Short Term Bond Index
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Key Guidelines:

<ul style="list-style-type: none"> • CIBC and National Bank deposits 	<ul style="list-style-type: none"> • Focus on high quality • Max. 366 day maturity 	<ul style="list-style-type: none"> • Focus on high quality • Max 2 year maturity 	<ul style="list-style-type: none"> • Focus on high quality • Max 7.25 years maturity
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Investment Time Horizon:

<ul style="list-style-type: none"> • 0 – 12 months 	<ul style="list-style-type: none"> • 0 – 12 months 	<ul style="list-style-type: none"> • 9 – 24 months 	<ul style="list-style-type: none"> • 24 months – 5 years
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MFABC KEY CONTACTS



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