

**NEWFOUNDLAND AND LABRADOR
MUNICIPAL FINANCING CORPORATION**

Annual Report

For the Period

April 1, 2020 to March 31, 2021

**NEWFOUNDLAND AND LABRADOR
MUNICIPAL FINANCING CORPORATION**

TREASURY MANAGEMENT DIVISION
DEPARTMENT OF FINANCE
CONFEDERATION BUILDING
P.O. BOX 8700
ST. JOHN'S, NL A1B 4J6

Honourable Siobhan Coady
Deputy Premier
Minister of Finance
Government of Newfoundland and Labrador
Confederation Building
St. John's, NL
A1B 4J6

Dear Minister Coady:

In accordance with Section 13 of the **Municipal Financing Corporation Act**, section 9 of the **Transparency and Accountability Act** and on behalf of the Board of Directors, it is my pleasure to submit the annual report of the Newfoundland and Labrador Municipal Financing Corporation (NLMFC). This report summarizes the Corporation's activities for the fiscal year that ended March 31, 2021.

The NLMFC is a category 3 government entity, and is required to prepare an annual activity report to present information on its activities of the preceding year. As such, the Board of Directors has approved the financial statements and other information contained in this annual report, and the Board is accountable for the results reported herein.

The NLMFC was established to consolidate the long-term borrowing programs of all municipalities into one central Crown agency. The proceeds of these borrowings were then used to provide long-term financing to meet the capital requirements of municipalities. In 2005-06, government financing of its portion of municipal capital projects through NLMFC ceased as most municipalities financed their share independently through financial institutions. Consequently, the NLMFC is in the process of winding up its operations. This report outlines the progress made in 2020-21 on the collection of outstanding receivables and payment of outstanding debenture debt.

Sincerely,



Theresa Heffernan
Director, NLMFC Board of Directors
Assistant Deputy Minister, Treasury Management and Budgeting
Department of Finance

TABLE OF CONTENTS

Message from the Board of Directors

Overview	1
Mandate	1
Board Representation and Accountability	1
Sources of Funding	2
Operational Information	2
Highlights and Partnerships	3
Report on Performance	4
Opportunities and Challenges	5
Financial Statements	5

Overview

The Newfoundland and Labrador Municipal Financing Corporation (NLMFC) was established in 1964, and operates pursuant to the provisions of the **Municipal Financing Corporation Act**. It operates with a March 31 fiscal year end and the results of its activities are fully consolidated in the Province's annual financial statements.

Mandate

The NLMFC was established to consolidate the long-term borrowing programs of all municipalities into one central Crown agency. The proceeds of these borrowings were then used to provide long-term financing to meet the capital requirements of municipalities. As most municipal projects were cost shared with the Province, the financing provided was recovered partially from the municipality with the balance, representing the Province's share, paid by the Department of Municipal and Provincial Affairs ("MPA").

NLMFC's mandate and role evolved over time, however, to a situation whereby most municipalities were capable of financing their capital programs independently through financial institutions, primarily banks. The NLMFC continued to borrow to provide financing for the Province's share of capital projects for a period of time; however, in 2005-06 the Province decided it would no longer finance its portion of municipal capital projects but would fund it directly through annual budgetary allocations. Consequently, the NLMFC discontinued its capital markets borrowing program and will wind up operations when it collects its outstanding accounts receivable.

Board Representation and Accountability

The affairs of NLMFC are overseen by a Board of Directors appointed by the Lieutenant Governor in Council. All Board members are employees of the Province with the position of Chair held by the Deputy Minister of Finance. The Board meets

at least annually to approve its Financial Statements and Annual Report, both of which are then tabled in the House of Assembly by the Minister of Finance. The members of the Board as of March 31, 2021, and their positions were as follows:

Mr. Paul Smith (Chair)
Deputy Minister of Finance

Mr. Ted Lomond
Deputy Minister of Industry, Energy and
Technology

Mr. Sean Dutton
Deputy Minister of Environment,
Climate Change and Municipalities

Ms. Theresa Heffernan
Assistant Deputy Minister
Treasury Management and Budgeting
Department of Finance

Mr. Thomas Nemec
Director, Treasury Management
Department of Finance

Mr. Patrick Kennedy
Manager, Treasury
Department of Finance

Sources of Funding

The NLMFC has traditionally been self-supporting from a funding perspective, primarily through matching the terms of its borrowing program to the lending program for municipal capital works projects. The NLMFC has independent banking arrangements, including facilities to provide short-term financing of cash flow deficiencies and investment of temporary cash surpluses. The NLMFC's day-to-day affairs are managed by employees of the Department of Finance and the NLMFC is billed quarterly by the Province for reimbursement of these expenses on a cost recovery basis.

Operational Information

The day-to-day affairs of the NLMFC are managed by employees of the Department of Finance and the NLMFC is billed quarterly by the Province for reimbursement of these expenses on a cost recovery basis.

Contact information is as follows:

Mailing Address:

Newfoundland and Labrador
Municipal Financing Corporation
c/o Department of Finance
Confederation Building
East Block, Main Floor
P. O. Box 8700
St. John's, NL A1B 4J6

Office Location:

Treasury Management Division
Department of Finance
Confederation Building
East Block, Main Floor
Telephone: (709) 729-2961
Fax: (709) 729-6790

The 2020-2023 Activity Plan as well as previous annual reports are available online at www.fin.gov.nl.ca.

Highlights and Partnerships

An important issue for the NLMFC, and the Province as guarantor of the debenture debt, is the level of municipal loan arrears. Loan arrears at March 31, 2021 amounted to \$0.8 million (2020 - \$1.7 million). Historically, the NLMFC collected a significant amount of arrears through the interception of municipal operating grants and from allocations from a Reserve Fund of the NLMFC, which is funded by the Province to assist towns most in need.

During 2009-10, the NLMFC reached an agreement with MPA on a strategy to reduce and ultimately eliminate arrears on municipal loans. As part of this agreement, MPA negotiates repayment arrangements with communities in arrears and provides the NLMFC with periodic direction on the application of the Reserve Fund to individual accounts in arrears.

During 2020-21, there was \$0.7 million allocated from the reserve fund leaving a balance in the fund of \$3.1 million.

In 2005-06 the Province decided that the NLMFC will no longer be used as a vehicle to finance the Province's share of the cost of municipal capital projects. Since most of the province's municipalities already arrange long-term financing from banks and

other financial institutions, the NLMFC is in the process of winding up operations as it collects the outstanding receivables. This process continued during the fiscal year.

Collection of outstanding accounts receivable in 2020-21 amounted to \$0.08 million in addition to the \$0.7 million allocated from the reserve fund. Accounts receivable decreased from \$1.6 million to \$0.8 million during the year.

Report on Performance

NLMFC discontinued its capital markets borrowing program in 2005-06, with any subsequent municipal requirements to be met through the annual budgetary process. Consequently, NLMFC is in the process of winding down its operations through the collection of its outstanding loans receivable and retirement of its remaining debenture debt as it matures. This activity was the focus of NLMFC's 2020-23 Activity Plan.

Objective

By March 31, 2021, the NLMFC will enter into agreements with all municipalities for the collection of accounts receivable.

Indicators:

- Number of agreements made

Results of 2020-21 Objective:

- At the end of 2020-21, there were two municipalities/local services districts in arrears as of March 31, 2021. Both municipalities made repayment agreements in 2020-2021.

Planned for 2021-22

The NLMFC will report on the following objective for the 2021-22 fiscal year:

- By March 31, 2022, the NLMFC will collect on accounts receivable per the agreements with the municipalities/local service districts.

The objective will be measured using the following performance indicator:

- Collection of outstanding loans receivable in accordance with the repayment agreements.

Opportunities and Challenges

The primary opportunity for the upcoming year will be the continuing implementation of the strategy agreed to with MPA in 2009-10 to address outstanding municipal arrears as detailed in the Highlights and Partnerships section of this document.

Financial Statements

Management's Responsibility for Financial Statements

The financial statements of the NLMFC are the responsibility of management and have been prepared in accordance with Canadian public sector accounting principles. The financial information presented elsewhere in the Annual Report is consistent with the financial statements and the underlying information from which the financial statements were prepared.

The Office of the Auditor General of Newfoundland and Labrador, appointed as the external auditor under the **Municipal Financing Corporation Act**, performed an audit on the financial statements in accordance with Canadian generally accepted auditing standards. The Auditor's Report attached to the financial statements outlines the scope of the examination and contains the Auditor General's opinion on the NLMFC's financial statements.

**NEWFOUNDLAND AND LABRADOR
MUNICIPAL FINANCING
CORPORATION**

FINANCIAL STATEMENTS

MARCH 31, 2021

Management's Report

Management's Responsibility for the Newfoundland and Labrador Municipal Financing Corporation Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

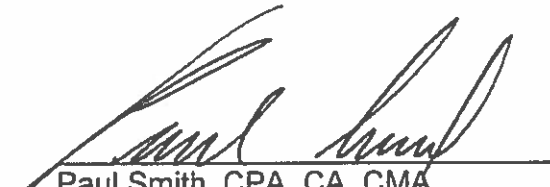
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that transactions are properly authorized, assets are safeguarded and liabilities are recognized.

Management is also responsible for ensuring that transactions comply with relevant policies and authorities and are properly recorded to produce timely and reliable financial information.

The Board is responsible for ensuring that management fulfils its responsibility for financial reporting and internal controls and exercises these responsibilities through the Board. The Board reviews internal financial information periodically and external audited financial statements yearly.

The Office of the Auditor General conducts an independent audit of the annual financial statements of the Corporation, in accordance with Canadian generally accepted auditing standards, in order to express an opinion thereon. The Office of the Auditor General has full and free access to financial management of the Newfoundland and Labrador Municipal Financing Corporation.

On behalf of the Newfoundland and Labrador Municipal Financing Corporation.



Paul Smith, CPA, CA, CMA
Deputy Minister of Finance



Tom Nemec, CPA, CA, MBA
Director, Treasury Management Division



OFFICE OF THE AUDITOR GENERAL
NEWFOUNDLAND AND LABRADOR

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Newfoundland and Labrador
Municipal Financing Corporation
St. John's, Newfoundland and Labrador

Opinion

I have audited the financial statements of the Newfoundland and Labrador Municipal Financing Corporation (the Corporation), which comprise the statement of financial position as at March 31, 2021, and the statements of 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Corporation in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

Independent Auditor's Report (cont.)

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian 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 Corporation'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 Corporation's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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.

Independent Auditor's Report (cont.)

- 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 Corporation'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 Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. I draw attention to note 7 of the financial statements which outlines the planned wind down of the Corporation's operations.
- 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.

I 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 I identify during my audit.



SANDRA RUSSELL, CPA, CA
Deputy Auditor General

July 14, 2021
St. John's, Newfoundland and Labrador

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
STATEMENT OF FINANCIAL POSITION
As at March 31

2021

2020

FINANCIAL ASSETS

Cash	\$ 5,033,872	\$ 4,992,550
Accounts receivable	752,873	1,550,664
	<u>5,786,745</u>	<u>6,543,214</u>

LIABILITIES

Accounts payable and accrued liabilities	29,389	13,529
Reserve fund (Note 3)	3,140,305	3,859,002
	<u>3,169,694</u>	<u>3,872,531</u>

Net financial assets 2,617,051 2,670,683

Accumulated surplus \$ 2,617,051 \$ 2,670,683

The accompanying notes are an
integral part of these financial statements.

Signed on behalf of the Board of Directors:



Chairperson



Director

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
STATEMENT OF OPERATIONS
For the Year Ended March 31

	2021 Budget	2021 Actual	2020 Actual
(Note 6)			
REVENUES			
Interest on loans to municipal corporations	\$ -	\$ -	\$ 90,621
Interest on portfolio investments	-	-	37,852
	-	-	128,473
EXPENSES			
Administrative and miscellaneous	35,300	53,632	60,744
Interest on long-term debt	-	-	72,011
	35,300	53,632	132,755
Annual deficit	(35,300)	(53,632)	(4,282)
Accumulated surplus, beginning of year	2,670,683	2,670,683	2,674,965
Accumulated surplus, end of year	\$ 2,635,383	\$ 2,617,051	\$ 2,670,683

The accompanying notes are an
integral part of these financial statements.

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended March 31

	2021 Budget	2021 Actual	2020 Actual
<hr/>			
(Note 6)			
Annual deficit	\$ (35,300)	\$ (53,632)	\$ (4,282)
Decrease in net financial assets	(35,300)	(53,632)	(4,282)
Net financial assets, beginning of year	2,670,683	2,670,683	2,674,965
Net financial assets, end of year	\$ 2,635,383	\$ 2,617,051	\$ 2,670,683

**The accompanying notes are an
integral part of these financial statements.**

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
STATEMENT OF CASH FLOWS
For the Year Ended March 31

2021

2020

Operating transactions

Annual deficit	\$ (53,632)	\$ (4,282)
<u>Changes in non-cash working capital</u>	<u>813,651</u>	<u>46,324</u>
<u>Cash provided from operating transactions</u>	<u>760,019</u>	<u>42,042</u>

Investing transactions

Portfolio investments	-	4,261,472
<u>Loan payments received from municipal corporations</u>	<u>-</u>	<u>1,892,364</u>
<u>Cash provided from investing transactions</u>	<u>-</u>	<u>6,153,836</u>

Financing transactions

Reserve fund allocations made	(718,697)	-
<u>Retirement of debenture debt</u>	<u>-</u>	<u>(1,400,000)</u>
<u>Cash applied to financing transactions</u>	<u>(718,697)</u>	<u>(1,400,000)</u>
Increase in cash	41,322	4,795,878
<u>Cash, beginning of year</u>	<u>4,992,550</u>	<u>196,672</u>
<u>Cash, end of year</u>	<u>\$ 5,033,872</u>	<u>\$ 4,992,550</u>

The accompanying notes are an
integral part of these financial statements.

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
NOTES TO FINANCIAL STATEMENTS
March 31, 2021

1. Nature of operations

The Newfoundland and Labrador Municipal Financing Corporation (the Corporation) is established under the Municipal Financing Corporation Act. The Corporation was created to provide long-term financing for the capital requirements of municipal corporations by the issuance of its securities, and relending the funds to municipal corporations. As described in note 7, the Corporation is undergoing a planned wind down of its operations. The Corporation's affairs are managed by a Board of Directors appointed by the Lieutenant-Governor in Council. All board members are full-time employees of the Province of Newfoundland and Labrador (the Province).

The Corporation is a Crown entity of the Province and as such is not subject to Provincial or Federal income taxes.

2. Summary of significant accounting policies

(a) Basis of accounting

The Corporation is classified as an Other Government Organization as defined by Canadian Public Sector Accounting Standards (CPSAS). These financial statements are prepared by management in accordance with CPSAS for provincial reporting entities established by the Canadian Public Sector Accounting Board (PSAB). The Corporation does not prepare a statement of remeasurement gains and losses as the Corporation does not enter into relevant transactions or circumstances that are being addressed by this statement. Outlined below are the significant accounting policies followed.

(b) Financial instruments

The Corporation's financial instruments recognized on the statement of financial position consist of cash, accounts receivable, and accounts payable and accrued liabilities. The Corporation generally recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which is the fair value at the time of acquisition.

The Corporation subsequently measures all of its financial assets and financial liabilities at cost. Financial assets measured at cost include cash and accounts receivable. Financial liabilities measured at cost include accounts payable and accrued liabilities.

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
NOTES TO FINANCIAL STATEMENTS
March 31, 2021

2. Summary of significant accounting policies (cont.)

(b) Financial instruments (cont.)

The carrying values of cash, accounts receivable and accounts payable and accrued liabilities approximate current fair value due to their nature and/or the short-term maturity associated with these instruments.

Interest attributable to financial instruments is reported in the statement of operations.

(c) Cash

Cash includes cash in bank.

(d) Loans receivable

The Corporation records loans receivable at cost. Options exist for the recovery from the Province of any defaults by municipal corporations and as such no allowance for doubtful accounts has been provided. Interest is accrued on loans receivable to the extent it is deemed collectible.

(e) Accounts receivable

Accounts receivable consists of arrears (principal and interest) on loans receivable along with interest charged on the arrears. The Corporation ceased charging interest on arrears in November 2009.

(f) Revenues

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Interest income is accounted for using the effective interest method for interest on portfolio investments and interest on loans receivable. Recognition of interest is in accordance with the terms of the original loan agreement.

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
NOTES TO FINANCIAL STATEMENTS
March 31, 2021

2. Summary of significant accounting policies (cont.)

(g) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is recorded as an expense in that year.

The Corporation is administered by the Department of Finance. Expenses related to salaries are paid directly by the Department and reimbursed by the Corporation and reflected in these financial statements.

3. Reserve fund

The Province has historically funded a reserve fund established to mitigate arrears with respect to municipal loans. The reserve fund is allocated as the Department of Municipal and Provincial Affairs concludes negotiations with various municipal corporations with respect to restructuring debt due to the Corporation.

The year end reserve fund balance is as follows:

	<u>2021</u>	<u>2020</u>
Reserve fund, beginning of year	\$ 3,859,002	\$ 3,859,002
Less: funds allocated during year	<u>(718,697)</u>	<u>-</u>
Reserve fund, end of year	<u>\$ 3,140,305</u>	<u>\$ 3,859,002</u>

4. Financial risk management

The Corporation recognizes the importance of managing risks and this includes policies, procedures and oversight designed to reduce risks identified to an appropriate threshold. The risks that the Corporation is exposed to through its financial instruments are credit risk, liquidity risk and market risk. There was no significant change in the Corporation's exposure to these risks or its processes for managing these risks from the prior year.

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
NOTES TO FINANCIAL STATEMENTS
March 31, 2021

4. Financial risk management (cont.)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's main credit risk relates to cash and accounts receivable. The Corporation's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Corporation is not exposed to significant credit risk with its cash because this financial instrument is held with a Chartered Bank.

The Corporation is also not exposed to significant credit risk with accounts receivable (arrears on loans receivable) since options exist for the recovery from the Province of any defaults by municipal corporations due to the Reserve Fund provided by the Department of Municipal and Provincial Affairs.

Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to meet its contractual obligations and financial liabilities. The Corporation's exposure to liquidity risk relates mainly to its accounts payable and accrued liabilities. The Corporation manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its financial liabilities. The Corporation has access to an operating credit facility which allows draw downs to a maximum of \$3,000,000. As at March 31, 2021, the Corporation had drawn down \$0 on its operating credit facility.

Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency (foreign exchange) risk, interest rate risk and other price risk. The Corporation is not exposed to significant foreign exchange or other price risk. In addition, the Corporation is not exposed to significant interest rate risk.

5. Related party transactions

The Corporation is administered by employees of the Department of Finance. The salary costs of \$50,639 (2020 - \$50,170) for these employees are paid by the Department of Finance, reimbursed by the Corporation, and are reflected in these financial statements.

NEWFOUNDLAND AND LABRADOR MUNICIPAL FINANCING CORPORATION
NOTES TO FINANCIAL STATEMENTS
March 31, 2021

6. Budgeted figures

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Director of Treasury Management.

7. Planned wind down of operations

In 2005-06, the Province of Newfoundland and Labrador decided to no longer refinance its portion of completed municipal capital projects through the Corporation as most municipalities finance their share independently through financial institutions. As a result, the Corporation will be winding up its operations after collecting its outstanding receivables.