

## **MFC**

### **2015 Client Satisfaction Survey**

#### **Municipal Administrators**

The 2015 Client Satisfaction Survey for Municipal Administrators was launched in January through the AMA listserv. The survey was directed at Chief Administrative Officers, Clerk/Treasurers and Directors of Finance in Nova Scotia municipalities. Questions included how they perceived the level of service they received, their opinion on current and potential services, and suggestions for improvement. Of the 54 municipalities to potentially complete the survey, 26 responded, providing a 48% response rate. Now that three surveys have been issued (2011, 2013 and 2015) MFC can also make some useful observations about trends in client satisfaction over time.

#### **Demographics**

Of the respondents who completed the survey, 59% were from towns; 38% were from rural municipalities; and 4% were from villages. No regional municipalities responded. Those who completed the survey indicated that they participate in MFC debenture issues frequently, with 61% of respondents having borrowed from MFC at least once in the last two years.

#### **Section I: Communication and Client Satisfaction**

The first section of the survey gauges the level of communication between the MFC and its clients. Results indicate that the majority of respondents contact MFC at least twice per year (66%), typically for information on the debenture application process (50%) or debenture pricing (42%). Respondents indicated that they were either very satisfied (50%) or satisfied (38%) with the products and services provided by the MFC.

The most commonly cited source for information on the MFC are the Municipal Advisors and/or other DMA staff. Contacting MFC staff directly was also highly rated for the long-term financing and short-term borrowing programs. Additionally, AMA Conferences and Municipal Finance Officers workshops were popular sources of information for the Financial Management Best Practices and Debt Affordability Model while the AMA listserv was the most frequently used source on the GFOA Sponsorship and FCM Green Fund Loan programs, respectively. This information will be useful in helping to determine the most effective avenues for communicating about these programs in the future.

Finally, questions were also posed on the Corporation's new brand and website. Only half of respondents were familiar with either. Though they are both relatively new, this is an important area of focus for the future. The website is a vital source for information on the MFC and the brand is the way it will be recognized by clients in years to come.

#### **Section II: Debenture Process**

The second section asked respondents for their view of the MFC's debenture process. The vast majority (96%) indicated that the current debenture schedule of twice a year (spring and fall) meets their needs. Most (88%) also agreed that the terms and structures offered by MFC on its debenture issues were flexible enough to meet their needs. When surveyed about MFC's turnaround time from the pricing of the debenture until the time the municipality received its funds, the responses were similarly positive. Of the respondents, 67% agreed that the turnaround time was reasonable.

Based on the recommendation of the MFC's 2014 summer intern, the survey also asked whether respondents would be interested in using electronic documentation to improve the application process. All respondents answered positively to this question.

Finally, respondents felt that their questions about debenture issues were handled well by MFC staff. All respondents agreed that staff were knowledgeable regarding the debenture process and 96% indicated that their questions were answered in a timely manner.

### **Section III: MFC Products and Services**

The third section of the survey determined the respondents' opinion of the services that are currently offered by the MFC. Some potential new services and products were also examined. These answers can help MFC determine respondents' interest in maintaining or taking on different products and services.

According to the results, the most effective products and services for municipal administrators are:

- Training on the Debt Affordability Model (92%)
- Long-term capital finance planning (83%)
- Training on the MFC's Financial Management Best Practices (83%)
- Municipal Finance Officers Workshops (83%)

Another 88% also felt that the use of electronic documents to streamline the debenture process would be either effective or very effective.

Responses were not as strong for the remaining options. Around half of respondents felt that the short term loan program was effective or very effective. The same response was received for adding training on municipal finance or online tutorials, although it should be noted that, elsewhere in the survey, 70% of administrators felt that additional training for Council would be useful.

The response to MFC's short term loans could partly be explained by lack of awareness of the newly implemented changes to the program. Respondents were also evenly split on the effectiveness of the sponsorship of AMA conferences, a finding at odds with the broad support for Municipal Finance Officers Workshops noted above. It is possible that respondents were confused by the overlap between the two categories. Finally, 75% were neutral on the question of whether making the debenture process more flexible would increase its effectiveness.

### **Section IV: Other Financial Programs**

This section was designed to determine how well MFC promotes its programs and services, aside from the fall and spring debentures. By far the product that respondents had the most awareness of is the Debt Affordability Model. Awareness has reached 91% of respondents: half have used it and 41% are aware of it but have not used it. These results are indicative of a successful communication strategy of this product.

While MFC has continued to actively communicate other programs, however, uptake of them is still comparatively low. Most respondents indicated that they were aware of the following but had not used them yet: the short-term loan program (74%), GFOA Sponsorship program (62%), FCM Green Fund (58%), and Financial Management Best Practices (50%). This trend represents an opportunity for MFC to reconsider its strategies for promotion of these programs.

Staff actively assists municipalities in populating and maintaining the Debt Affordability Model. The success of this program may indicate that staff needs to take a more hands-on approach to helping municipalities implement MFC's other programs. This is not surprising given that municipalities are increasingly busy and strapped for resources. For instance, staff is currently working with the Town of Middleton on a pilot program to implement the core Financial Management Best Practices. This pilot project could dramatically scale to other municipalities once the pilot has been completed and advertised to other units.

### **Trend Analysis**

MFC has conducted client satisfaction surveys in 2011, 2013 and 2015. The 2015 survey had the highest response rate of any of the surveys conducted so far. Overall, the tone of responses has continued to improve or remain stable. Respondents are still satisfied or very satisfied with the products and services provided by the MFC and the flexibility of debenture issues. In fact, 75% are now neutral on whether making the debenture process more flexible would increase its effectiveness, a 20% increase from 2013. This finding may be influenced by efforts to communicate that debentures are not subject to redemption prior to maturity. Satisfaction with MFC staff and the timeliness of their responses also continues to increase.

The most highly rated programs and services in terms of effectiveness are also continuously showing an improvement, most notably the Debt Affordability Model, long-term capital finance planning, and training on the MFC's Financial Management Best Practices. However, respondents have been steadily less interested in short-term financing and receiving online training on municipal finance subjects. Interest in short-term financing may increase as MFC works to improve awareness of recent changes to this program.

One area where satisfaction has declined, however, is the turnaround time from the pricing of the debenture to the time the municipality received its funds. In 2013, client satisfaction was 90% while the 2015 results indicate this figure has dropped to 67%. MFC staff will investigate and devise a plan to address this finding.

The survey also asked some new questions this year. As noted above, all respondents indicated they would be interested or somewhat interested in using electronic documents to streamline the debenture process. Only half of respondents indicated they were familiar with the MFC's new brand and website on a new question about MFC's communication strategies. These are new and important initiatives so the 2015 results will be a useful baseline for future surveys.

### **Conclusion**

The respondents who completed this survey provided MFC with useful information. It is clear that the municipal administrators who completed the survey are pleased with the services they are receiving. Indeed, all respondents felt that MFC is a valuable organization that provides long-term financing for municipalities.

As in previous years, there is room for MFC to improve in terms of communicating the benefits of certain programs and services so that they can be utilized more frequently. Furthermore, municipal administrators appear to be pleased with the timing of the debenture issues and with the flexibility that MFC has to offer. With almost half of municipalities completing the survey, this provides MFC with a useful indication of how municipalities view the MFC.