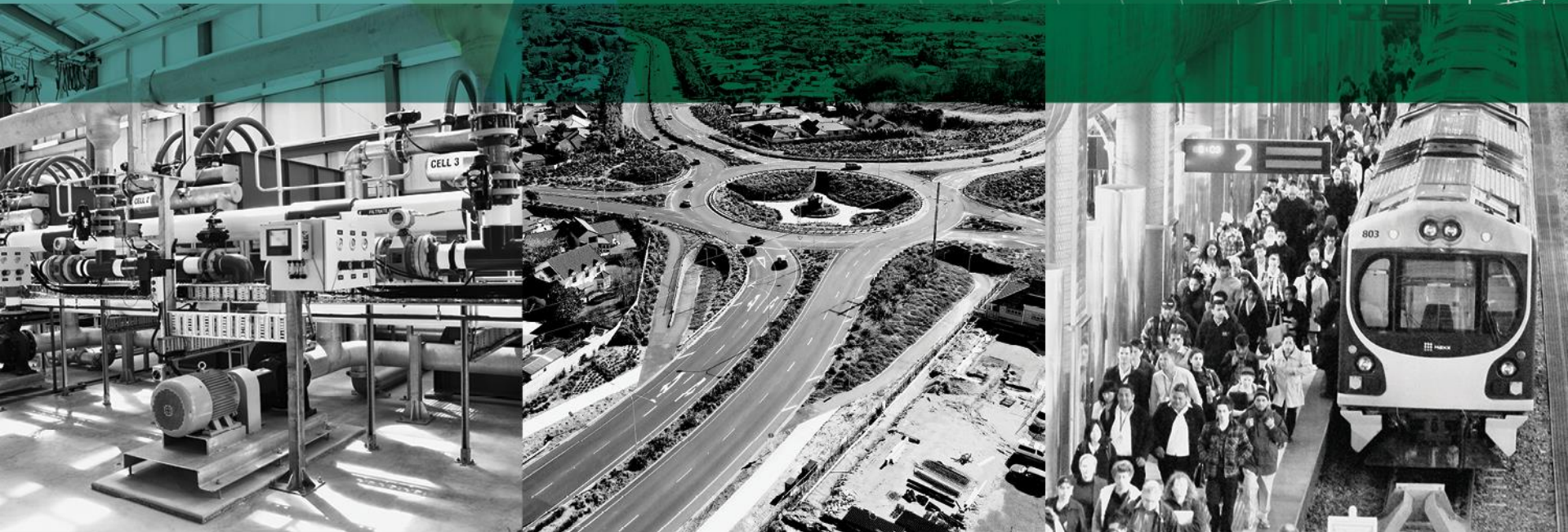


# STAKEHOLDER SURVEY 2018



Survey Monkey used over a two week period to collate responses

Respondents could choose to identify themselves or remain anonymous

23 questions – all questions the same as last year

Respondents had the ability to make comments on each question and general comments at the end of the survey

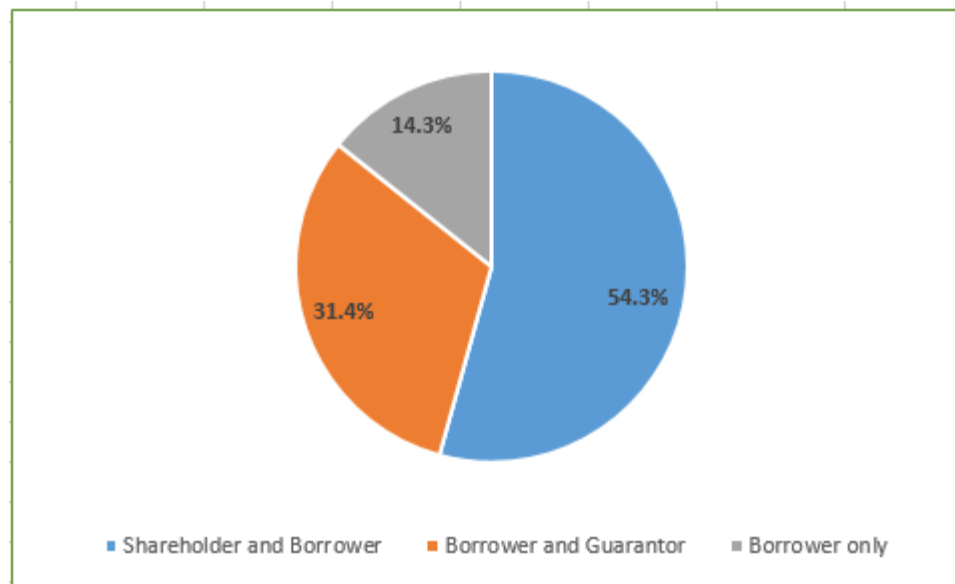
Councils were asked to rate LGFA on the 23 questions using the following scale:

- . Very dissatisfied = 1
- Somewhat dissatisfied = 2
- Neither satisfied or dissatisfied = 3
- Somewhat satisfied = 4
- Very satisfied = 5
- Not applicable = void response

# SURVEY RESPONDENTS

Please identify yourself from one of the following categories:

Answer Options	Response Percent	Response Count
Shareholder only	0%	0
Shareholder and Borrower	54.29%	19
Borrower and Guarantor	31.43%	11
Borrower only	14.29%	5
<b>answered question</b>		<b>35</b>
<b>skipped question</b>		<b>2</b>



# QUESTIONS

How would you rate LGFA in meeting your borrowing requirements?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	2	35	0	4.95	37

## Additional Comments:

- Perfect for all borrowing except CP. The CP margin charged is above our market pricing
- The staff are extremely helpful
- This process is working very well, smooth and efficient considering the amounts exchanged
- Very quick and friendly
- Excellent liquidity and flexibility with dates and amounts

How satisfied are you with the pricing that LGFA has provided to your Council?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	1	33	0	4.97	34

## Additional Comments:

- The advantage for Councils, so they can give back to the community is outstanding
- It can always be lower
- Always the cheapest for long term debt instruments
- Very cost effective, with relatively low admin costs (the paperwork is inevitably a bit of a pain, but there are no broker fees or external due diligence requirements).

## How satisfied are you with the Weekly Pricing Update?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	10	26	0	4.72	36

### Additional Comments:

- It would be great to have a standard explanation page on the back of the report to be able to help people new to the process of looking at Treasury and Debt Management. Helps with staff training and upskilling.
- Good info
- Thank you for this it keeps us in the loop on market movements
- I don't use it much but its straightforward and clear when I do
- Examples of exactly what a rated/unrated council would pay would be very useful

## Are you satisfied with the short term lending product?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	4	2	21	10	4.63	37

### Additional Comments:

- The short-term lending drew us into using the LGFA for borrowing
- We don't really use it
- We have reduced bank facilities and shelved our own commercial paper programme
- Good liquidity and relatively quick notice requirement. Adjusting the face value to make a round figure settlement amount is very helpful. Shorter paperwork and annual 'global security stock certificate' is helpful
- Responsiveness to requests outside of tender rounds is impressive



# QUESTIONS

How satisfied are you with the borrowing communication and documentation process?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	15	21	0	4.58	36

## Additional Comments:

- It would be great if the amounts to be stated on the SSC would be emailed out at an earlier time from the LGFA. Also receiving the documents from the lawyers earlier enables borrowers to return them earlier back for review. As signatories / CEO is not always readily available, the earliest approval of the documents from the lawyers is paramount
- Documentation process could be more efficient for borrowers
- First time we have done some lending was this year and the initial process with the lawyers weren't very helpful and got us to do a lot of the work around Delegations that they should have done. The rest of the process was fine.
- The documentation is easy, good feedback from staff, great reminder process
- Some improvement from Russell McVeagh but timeliness can still be an issue
- it's prompt - however, considering today's digital technology it could be shortened
- It's still a bit cumbersome but that can't be helped given the legal frame work. Staff are very helpful especially for new staff who are not familiar with the process
- Can be time consuming and lots of documentation to be done
- Always easy to get hold of people; communications & response times are generally excellent; post-tender summary email is excellent; paperwork is a pain but LGFA has limited control & it's still better than most external issuance
- Jane and Andrew have been extremely helpful in ensuring that we understand what needs to be done. The communication is very clear
- Communication with LGFA is always promptly responded to. Russell McVeagh do a great job communicating the documentation process for settlement

# QUESTIONS

## How satisfied are you with the settlement process?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	1	5	30	0	4.81	36

### Additional Comments:

- It is tricky getting signatures "on the day"
- Computershare require physical pay out and repayment to roll borrowing. LGFA handles this on our behalf which remove any stress from the process. Well done
- It just works :-)
- Terms Sheets generally timely and accurate; communications are quick & clear; a lot of it is driven by Computershare & is outside LGFA's control
- For new borrowing, it is normally because councils are receiving invoices from capital projects that are being undertaken. These are generally due for payment on the 20th of the month, but occasionally the settlement of tender funds occurs after this date which isn't that helpful

# QUESTIONS

How satisfied are you with Russell McVeagh as agent for borrowing compliance requirements for LGFA?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	1	0	9	25	1	4.66	36

## Additional Comments:

- While the agent goes to good lengths to cover risks surrounding the initial lending process there are opportunities to streamline the process
- First time we have done some lending was this year and the initial process with the lawyers weren't very helpful and got us to do a lot of the work around Delegations that they should have done. The rest of the process was fine
- They were a little slow with our first borrowing initially, but closer to the date they were on the ball and have been ever since
- Timeliness can still be an issue
- They do a good job
- They do a dry & boring task with a high level of competence and generally fast response times
- Matt and his team are very helpful



# QUESTIONS

## How satisfied are you with the Statement of Intent Process?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	1	0	5	7	20	3	4.36	36

### Additional Comments:

- Over the years I have struggled to see all the requests from the shareholders council to flow through into the SOI and being reported back against it. I also think that the lending targets / forecasts have been set reasonably low and easily to be achieved. The provision of calculations for these amounts would be helpful, starting with the forecasted / budgeted debt borrowing of all the member councils for the planned periods. It would be good to receive a movement and explanation table for the movement between DRAFT and FINAL SOI. It would be helpful if the formatting (e.g. decimal place) would be identical between the documents - makes comparing easier. Also, if the tables in the SOI's would be emailed out separately as excel files, that would make the analysis and movement calculations for the reporting back to council easier - saves entering the info manually in one's own spread sheet
- Easier for us as we are represented on the Shareholder Council
- Don't use it much and is necessarily a bit formulaic. But provides a reasonable summary & guide.

## How satisfied are you with the information presented in the LGFA Annual and Half Year Reports?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	1	3	30	2	4.85	36

### Additional Comments:

- Have not read them cover to cover, but seems to be okay
- These are comprehensive but not too technical
- Same as SOI comment

# QUESTIONS

How satisfied are you with the information presented in the LGFA Quarterly Reports to Shareholders

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	3	29	4	4.91	36

## Additional Comments:

- Have not read them cover to cover, but seems to be okay
- Given the listing your reports have replaced the Shareholder council reports they are good
- Don't read it every time but contains everything clearly & helpfully. Hard to make it more exciting when your shareholders don't want you to expand the business in different directions!

# QUESTIONS

If you attended the Borrowers and Shareholders Day in July 2018, how satisfied were you with the day?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	2	5	15	14	4.76	36

## Additional Comments:

- Some presentations were not perfectly clear, especially around the thoughts around borrowing limits once Group companies (ports) are included
- Didn't attend but material presented was very detailed and useful
- It would have been netter to have tables to work at rather than balancing everything on your lap
- The seating was a tad awkward and tight at the start and then was sorted later. The day covered all relevant points, just two of the external speakers were difficult
- The best year yet, good to have quality interesting speakers
- very good day, informative and good learning
- Good range of topics and good presenters. Not much audience interaction but that is to be expected. I really appreciate board members and LGFA staff attending
- Very worth while
- I did not personally attend, but feedback from staff that did was that it was a little dry, effectively being "talked at" all day. Sounded like they would have appreciated more interactive sessions in smaller groups - I'm personally not sure how you could achieve this but may be worth considering.
- A lot of the presentations were very short and as a result were superficial and didn't much of an update i.e. the presentations from MBIE
- Presentations became too technical towards the end BNZ economic overview became too long-winded. Format was very similar to last years – needs a refresh Would like to hear more from Mark - what's next for LGFA?
- This was extremely useful to me. I found the speakers and topics relevant and the information very helpful

# QUESTIONS

If you attended the Annual General Meeting in November 2017, how satisfied were you with the process and content?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	2	1	6	27	4.44	36

## Additional Comments:

- This is more of a mechanical process and that works ok
- Utilised Proxy

How satisfied are you with LGFA's website as a resource?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor Dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	2	10	19	4	4.55	35

## Additional Comments:

- to be honest I haven't used it
- It would be great to have tender dates about of at least one year to 18 months in advance - makes longer term planning and the management of tax debt easier
- Haven't used it. Probably need to spend some time looking at it
- Can be difficult to work out the appropriate lending numbers for the schedule 4 Final Report
- this could improve
- Must admit I have not used it in the last 18 months
- Don't use it much, but the content is comprehensive, and the design is clear & simple.

# QUESTIONS

How satisfied are you with the recently released Council Portal on the LGFA Website?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor Dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	4	6	14	11	4.42	35

## Additional Comments:

- to be honest I haven't used it
- Haven't used it. Probably need to spend some time looking at it
- Must admit I have not used it in the last 18 months
- Simple & comprehensive presentation of content. The data for Stock Issuance Certificate purposes is invaluable.

How professional are LGFA staff?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	0	34	0	5.00	34

## Additional Comments:

- The staff are amazing
- Staff are great
- Excellent - always helpful & informative, never stressed or impatient (no matter how many times you ask the same dumb question), and as readily available as could be hoped for given how few of them there are. Apologies to Mark for the various times I've woken him up by calling his mobile while he's overseas
- Mark, Jane, Andrew and Neil are outstanding, very helpful and extremely professional. An absolute pleasure to deal with - a real highlight to the day

# QUESTIONS

How responsive are LGFA staff to your questions or requests?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	0	36	0	5.00	35

## Additional Comments:

- They are very quick to respond, even when they are off sick. I had a query and left a voice message; the particular member was off sick but still got in contact. Another member stayed late to chase a bank for us. Fantastic service
- Clear & quick, with a "can do" attitude

How satisfied are you with the level of contact from LGFA? e.g. are the annual visits of value and presentations of high quality content?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	1	1	32	1	4.91	35

## Additional Comments:

- To be honest the content can be a little dry for anyone who's not a treasury nerd (which is most people), but there's definite value in routine face-to-face contact and the information in the presentations provides a reasonable frame for discussion as well as a bit of fun for the nerds



# QUESTIONS

What is your overall assessment of LGFA's staff performance?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	1	34	0	4.97	35

## Additional Comments:

- A total credit to the organisation and the LG sector
- Great team the only concern I have is key person risk and succession planning. I appreciate that difficult with such a small team
- Great team
- The staff do a fantastic job

How satisfied are you with the performance of the Shareholders Council and the value they add?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	2	4	18	13	4.50	35

## Additional Comments:

- At the moment they are not very visible, and I am unsure what they do. However, we are not shareholders so not sure that this applies to us.
- I am a member so hard to comment
- A bit more feedback would be nice
- As a member it's not for me to comment. The challenge for us to redefine the value add especially as much of the reporting to shareholders have been superseded by the LGFA reporting. Perhaps there is an opportunity to integrate members of the Council in to the annual council visits to assist with building links.
- I don't have any dealings with the Shareholders Council

# QUESTIONS

How satisfied are you with the information you receive from the Shareholders' Council?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	4	3	15	13	4.50	35

## Additional Comments:

- On the Council
- I haven't received any information from the Shareholders Council

How satisfied are you with the performance of the LGFA Board of Directors?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	4	2	25	4	4.68	35

## Additional Comments:

- I haven't had any direct dealings with the LGFA Board of Directors

How satisfied are you in general as a shareholder?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	1	1	23	10	4.88	35

## Additional Comments:

- The focus on a relatively narrow business model and the on-going enhancement in risk management practices provides good comfort from a Shareholder perspective

# QUESTIONS

How satisfied are you in general as a borrower?

Answer Options	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Not applicable	Rating Average	Response Count
	0	0	0	1	33	1	4.97	35

## Additional Comments:

- It would be good if more details around the calculation of the margins would be emailed out to every participating borrower - explaining the exact makeup of the margin, including asset swap pricing etc. I believe borrower should have that transparency
- The increased flexibility in recent years has been great as LGFA has created an increased separation between its assets & liabilities. Hard to know now how to improve the basic lending service without going into other business lines (such as derivatives & committed facilities), the likes of which will typically be unattractive from a shareholder perspective.
- The borrowing process is very easy once you know what to do. The LGFA team ought to be congratulated on the outstanding performance and the work they do to secure very competitive products for their borrowers and shareholders.

# OTHER FEEDBACK

What other areas or products would you like LGFA to focus on in future?

Answer Options

Response Count

*answered question*

2

*skipped question*

33

## Additional Comments:

- Look at direct lending to CCO's
- Lending to council-controlled entities

Any general comments you would like to add regarding LGFA?

Answer Options

Response Count

*answered question*

5

*skipped question*

30

## Additional Comments:

- Great job done again by the LGFA team.
- Doing a good job
- Very friendly and helpful team.
- Well done LGFA - keep up the excellent work!
- Documentation could still be made more streamlined

# COMPARISON TO PREVIOUS SURVEYS

Question	Rating Average	Rating Average	Rating Average	Rating Average	Rating Average	Change from 2017
	2018	2017	2016	2015	2014	
What is your overall assessment of LGFA's staff performance?	5.00	4.97	5.00	5.00	4.90	0.03
How professional are LGFA staff?	5.00	5.00	5.00	4.97	4.95	0.00
How responsive are LGFA staff to your questions or requests?	5.00	4.94	5.00	4.89	4.61	0.06
How satisfied are you in general as a borrower?	4.97	4.90	4.97	4.96	5.00	0.07
How satisfied are you with the pricing that LGFA has provided to your Council?	4.97	4.94	4.90	4.79	4.65	0.03
How would you rate LGFA in meeting your borrowing requirements?	4.95	4.94	5.00	4.96	4.71	0.01
How satisfied are you with the level of contact from LGFA?	4.91	4.68	4.86	n.a.	n.a.	0.23
How satisfied are you with the information presented in the LGFA Quarterly Reports to Shareholders	4.91	4.63	n.a.	n.a.	n.a.	0.28
How satisfied are you in general as a shareholder?	4.88	4.67	4.70	5.00	4.88	0.21
How satisfied are you with the information presented in the LGFA Annual and Half Year Reports?	4.85	4.63	4.73	4.79	4.65	0.22
How satisfied are you with the settlement process?	4.81	4.61	4.79	4.68	4.63	0.20
If you attended the Borrowers and Shareholders Day, how satisfied were you with the day?	4.76	4.76	4.88	4.93	4.69	0.00
If you attended the Annual General Meeting, how satisfied were you with the process and content?	4.76	4.83	4.58	4.71	4.71	-0.07
How satisfied are you with the Weekly Pricing Update?	4.72	4.76	4.79	n.a.	n.a.	-0.04
How satisfied are you with the performance of the LGFA Board of Directors?	4.68	4.42	4.15	n.a.	n.a.	0.26
How satisfied are you with the performance of the Shareholders Council and the value they add?	4.67	3.75	4.28	4.62	n.a.	0.92
How satisfied are you with Russell McVeah as agent for tender compliance requirements for LGFA?	4.66	4.58	4.25	4.54	4.40	0.08
Are you satisfied with the short term lending product?	4.63	4.65	4.55	n.a.	n.a.	-0.02
How satisfied are you with the borrowing communication and documentation process?	4.58	4.67	4.48	4.69	4.75	-0.09
How satisfied are you with LGFA's website as a resource?	4.55	4.07	4.22	4.35	3.50	0.48
How satisfied are you with the information you receive from the Shareholders Council?	4.50	3.69	4.11	4.58	n.a.	0.81
How satisfied are you with the Council Portal on the LGFA Website?	4.42	4.11	n.a.	n.a.	n.a.	0.31
How satisfied are you with the Statement of Intent Process?	4.36	4.38	4.43	4.56	4.55	-0.02