

# 13 General Revenue



## What is the Service?

General Revenue refers to support services for receivables owed to the municipality by citizens, businesses and other agencies doing business with the municipality. The goal of General Revenue is to ensure the municipality collects revenue to which it is entitled in a timely, accurate, and efficient manner in order to assist the municipality in exercising prudent fiscal management.

*Specific services may include:*

- Cash receipts
- Local improvement billing
- Special assessment billing
- Processing bill payments and collections
- Monitoring the performance of accounts receivable

## Influencing Factors:

**Government Structure:** Different tiers of municipal government, i.e. single-tier or upper-tier, and the specific service each one offers will affect results.

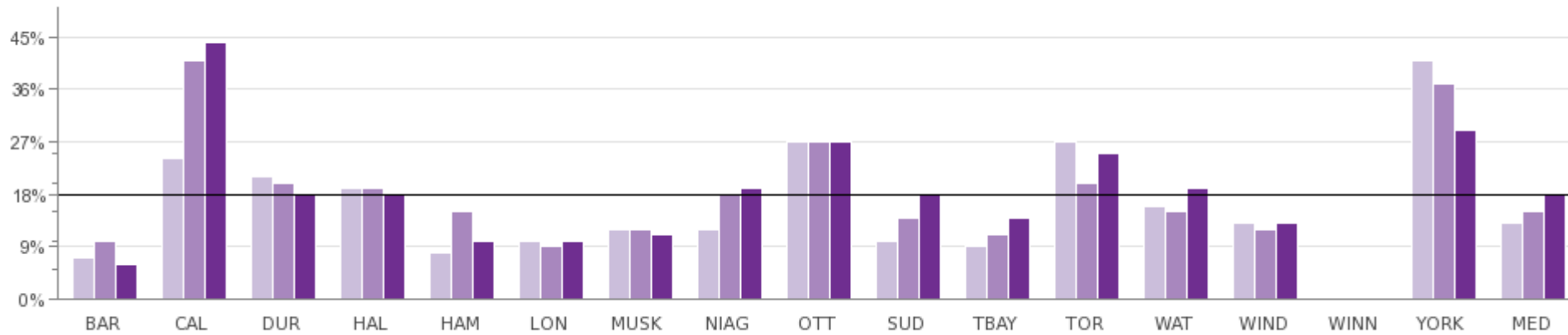
**Policy and Practices:** Collection practices, terms and handling of delinquencies, accounts receivable costs and related FTE counts will differ between municipalities and their revenue streams.

**Processes and Systems:** The type and quality of systems used to capture Accounts Receivable including uploads and automated billing.

# General Revenue

## What percent of all revenues are billed?

Fig 13.1 Total Percent of General Revenues Billed



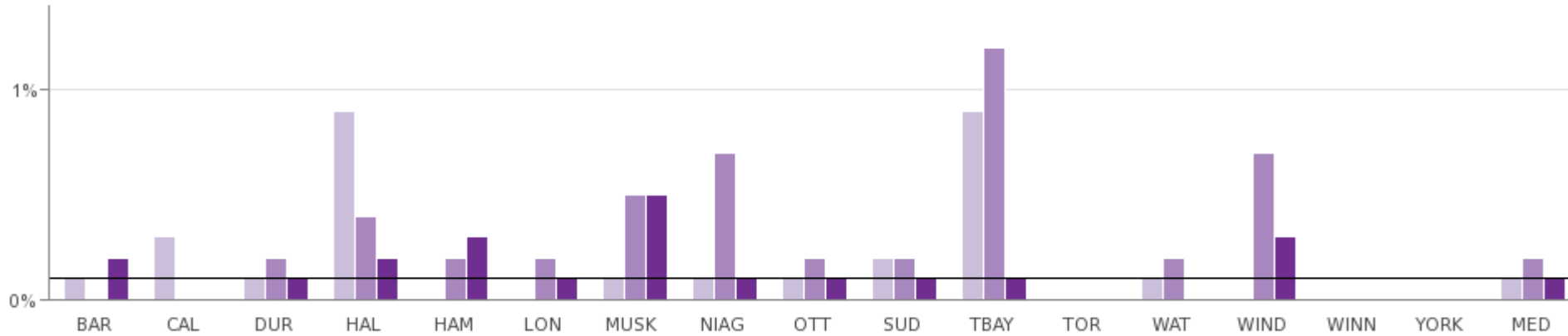
2010	7%	24%	21%	19%	8%	10%	12%	12%	27%	10%	9%	27%	16%	13%	N/A	41%	13%
2011	10%	41%	20%	19%	15%	9%	12%	18%	27%	14%	11%	20%	15%	12%	N/A	37%	15%
2012	6%	44%	18%	18%	10%	10%	11%	19%	27%	18%	14%	25%	19%	13%	N/A	29%	18%

Source: GREV210 (Service Level)

Comment: This measure is largely driven by revenue sources (user fees, grants), accounting practices and management policies regarding the billing process.

## What percent of billed revenue is written off?

Fig 13.2 Bad Debt Write-off as a Percent of Billed Revenue

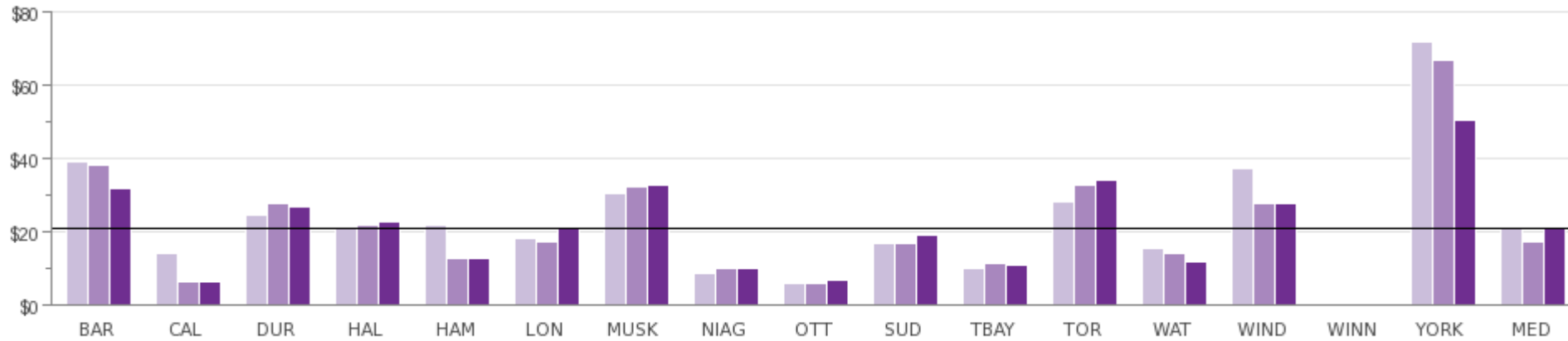


2010	0.1%	0.3%	0.1%	0.9%	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%	0.9%	0.0%	0.1%	0.0%	N/A	0.0%	0.1%
2011	0.0%	0.0%	0.2%	0.4%	0.2%	0.2%	0.5%	0.7%	0.2%	0.2%	1.2%	0.0%	0.2%	0.7%	N/A	0.0%	0.2%
2012	0.2%	0.0%	0.1%	0.2%	0.3%	0.1%	0.5%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.3%	N/A	0.0%	0.1%

Source: GREV325 (Efficiency)

## What is the operating cost to process and collect one invoice?

Fig 13.3 Operating Cost of Accounts Receivable Function per Invoice

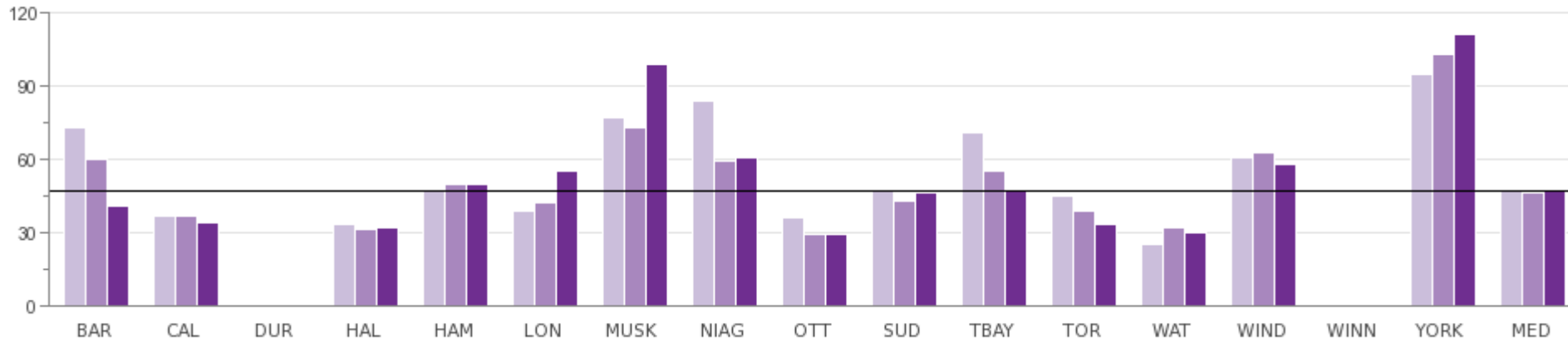


2010	\$39.12	\$14.08	\$24.63	\$20.93	\$21.61	\$18.10	\$30.60	\$8.57	\$5.59	\$16.71	\$9.99	\$28.33	\$15.38	\$37.30	N/A	\$71.75	\$20.93
2011	\$38.06	\$6.09	\$27.59	\$21.56	\$12.56	\$17.21	\$32.12	\$9.91	\$5.76	\$16.77	\$11.09	\$32.71	\$13.81	\$27.47	N/A	\$66.96	\$17.21
2012	\$31.96	\$6.14	\$26.61	\$22.50	\$12.77	\$20.62	\$32.57	\$10.10	\$6.51	\$19.08	\$10.79	\$33.86	\$11.73	\$27.66	N/A	\$50.39	\$20.62

Source: GREV310 (Efficiency)

## What is the average collection period for invoices?

Fig 13.4 Average Collection Period (Days)

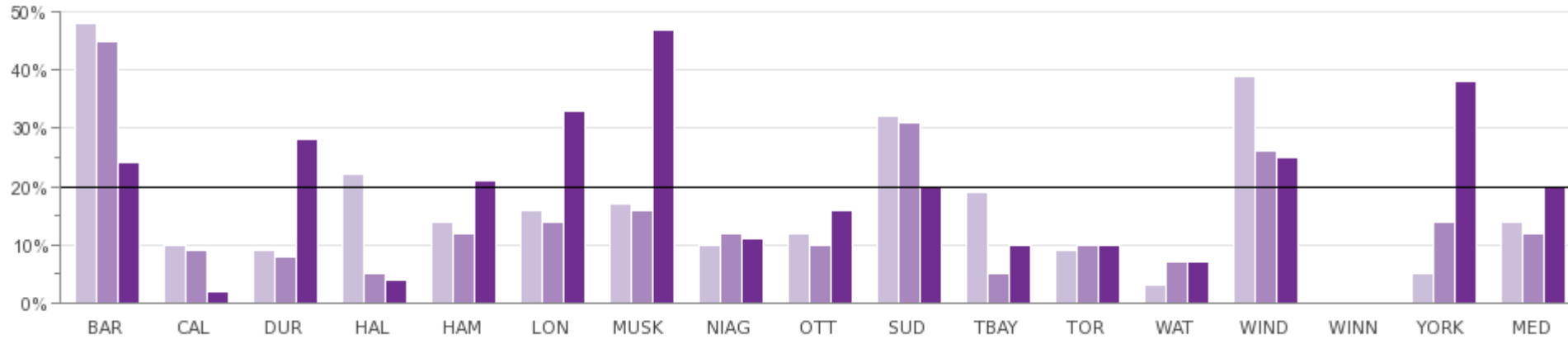


2010	73	37	N/A	33	48	39	77	84	36	48	71	45	25	61	N/A	95	48
2011	60	37	N/A	31	50	42	73	59	29	43	55	39	32	63	N/A	103	47
2012	41	34	N/A	32	50	55	99	61	29	46	48	33	30	58	N/A	111	47

Source: GREV335 (Efficiency)

## What percent of billings are outstanding over 90 days?

Fig 13.5 Percent of Billings Outstanding over 90 days (at year end)



2010	48%	10%	9%	22%	14%	16%	17%	10%	12%	32%	19%	9%	3%	39%	N/A	5%	14%
2011	45%	9%	8%	5%	12%	14%	16%	12%	10%	31%	5%	10%	7%	26%	N/A	14%	12%
2012	24%	2%	28%	4%	21%	33%	47%	11%	16%	20%	10%	10%	7%	25%	N/A	38%	20%

Source: GREV320 (Efficiency)

Comment: London and Muskoka increases are due to outstanding Stewardship Ontario invoices.