

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.

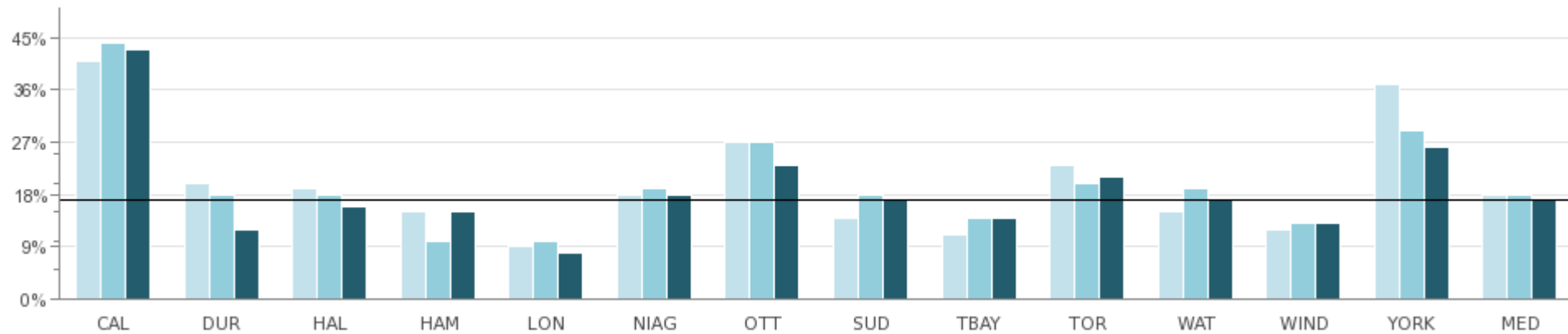
Policy and Practices: Collection practices, terms and handling of delinquencies, accounts receivable costs and related FTE (full-time equivalent) counts will differ between municipalities and their revenue streams.

Processes and Systems: 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



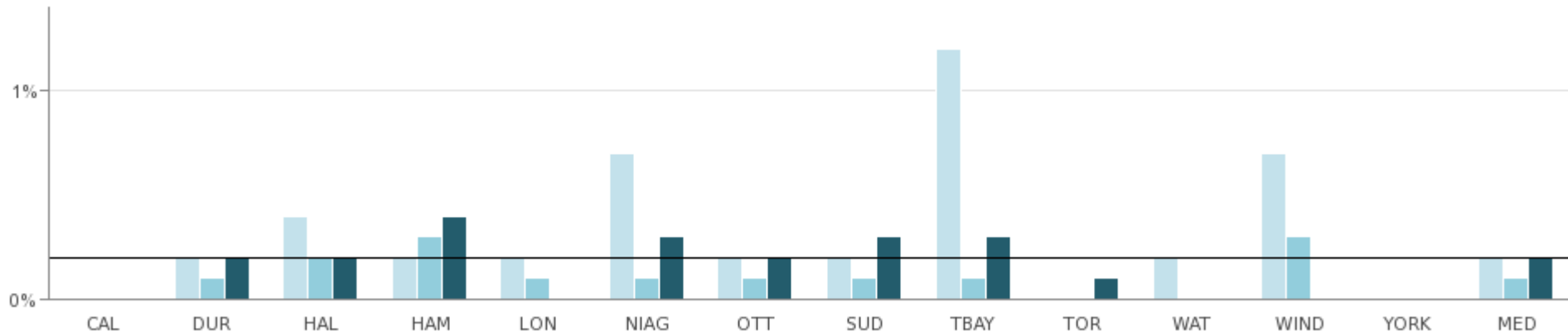
2011	41%	20%	19%	15%	9%	18%	27%	14%	11%	23%	15%	12%	37%	18%
2012	44%	18%	18%	10%	10%	19%	27%	18%	14%	20%	19%	13%	29%	18%
2013	43%	12%	16%	15%	8%	18%	23%	17%	14%	21%	17%	13%	26%	17%

Source: GREV210 (Service Level)

Note: Results are impacted 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

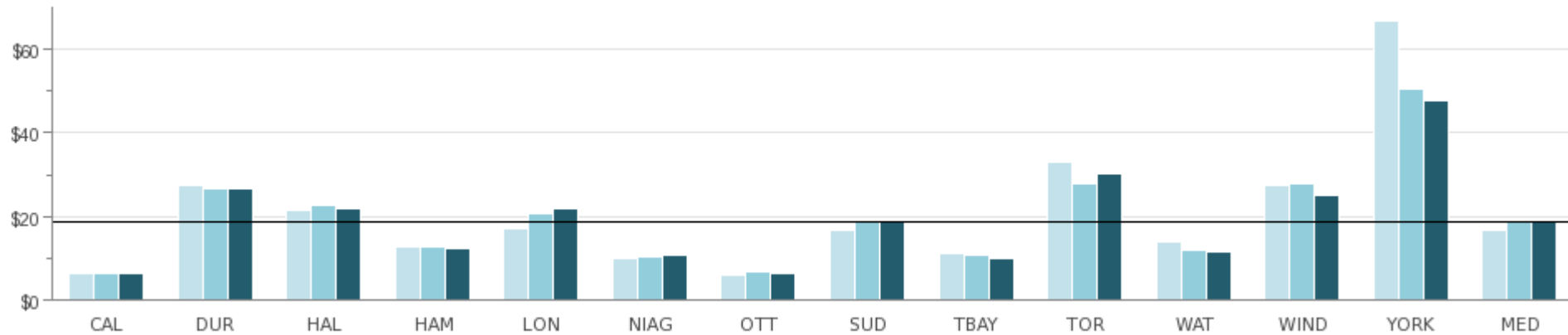


2011	0.0%	0.2%	0.4%	0.2%	0.2%	0.7%	0.2%	0.2%	1.2%	0.0%	0.2%	0.7%	0.0%	0.2%
2012	0.0%	0.1%	0.2%	0.3%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.3%	0.0%	0.1%
2013	0.0%	0.2%	0.2%	0.4%	0.0%	0.3%	0.2%	0.3%	0.3%	0.1%	0.0%	0.0%	0.0%	0.2%

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

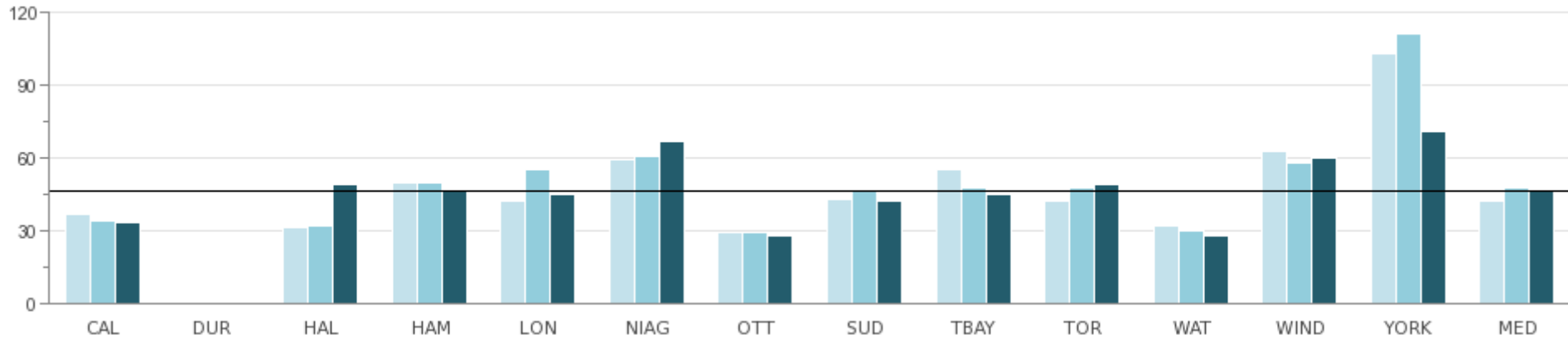


2011	\$6.09	\$27.59	\$21.56	\$12.56	\$17.21	\$9.91	\$5.76	\$16.77	\$11.09	\$32.87	\$13.81	\$27.47	\$66.96	\$16.77
2012	\$6.14	\$26.61	\$22.50	\$12.77	\$20.62	\$10.10	\$6.51	\$19.08	\$10.79	\$27.76	\$11.73	\$27.66	\$50.39	\$19.08
2013	\$6.33	\$26.60	\$22.00	\$12.30	\$21.88	\$10.52	\$6.11	\$18.68	\$9.74	\$30.22	\$11.28	\$24.96	\$47.65	\$18.68

Source: GREV310 (Efficiency)

What is the average collection period for invoices?

Fig 13.4 Average Collection Period (Days)



2011	37	31	50	42	59	29	43	55	42	32	63	103	43
2012	34	32	50	55	61	29	46	48	48	30	58	111	48
2013	33	49	47	45	67	28	42	45	49	28	60	71	46

Source: GREV335 (Efficiency)

