

GENERAL REVENUE

SNAPSHOT MEDIANS FOR 2016

16% SINGLE-TIER **total percent of**
14% UPPER-TIER **general revenues billed**
GREV210 (SERVICE LEVEL)



\$26.62 SINGLE-TIER
\$22.44 UPPER-TIER
**cost to process
one invoice**
GREV310 (EFFICIENCY)

**COLLECTION
PERIOD**

GREV335 (EFFICIENCY)



KEEP IN MIND: Influencing Factors

Influencing factors can create variances in comparison data from year-to-year and from municipality-to-municipality.



Government Structure
Single-tier vs. Upper-tier municipalities



Policy & Practices
Collections, delinquencies and staffing costs differ between municipalities



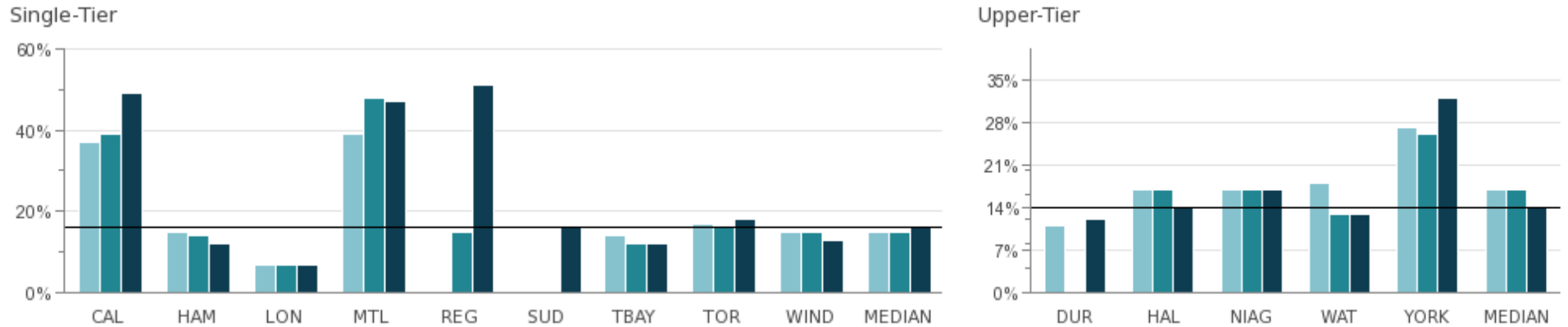
Processes & Systems
Type and quality of accounts receivable systems



For a full description of influencing factors, please go to: www.mbncanada.ca

Fig. 13.1 Total Percent of General Revenues Billed

The measure includes centralized, decentralized and outsourced billings. The results are impacted by revenue sources (user fees, grants), accounting practices and management policies regarding the billing process.



| | | | | | | | | | | | | | | | | |
|------|-----|-----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 2014 | 37% | 15% | 7% | 39% | N/A | N/A | 14% | 17% | 15% | 15% | 11% | 17% | 17% | 18% | 27% | 17% |
| 2015 | 39% | 14% | 7% | 48% | 15% | N/A | 12% | 16% | 15% | 15% | N/A | 17% | 17% | 13% | 26% | 17% |
| 2016 | 49% | 12% | 7% | 47% | 51% | 16% | 12% | 18% | 13% | 16% | 12% | 14% | 17% | 13% | 32% | 14% |

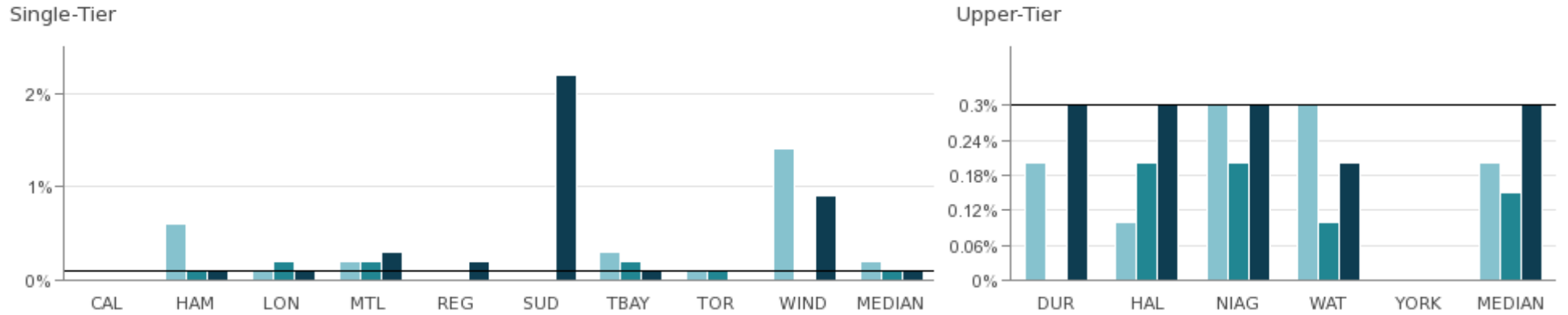
Source: GREV210 (Service Level)

Comments:

The City of Montreal changed their billing methodology to centralized billing, which accounts for the increase from 2014 to 2015.

The City of Regina's increase from 2015 to 2016 is due to a focus on billing all revenues through accounts receivable. Primary reason for increase is due to large capital billing.

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



| | | | | | | | | | | | | | | | | |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2014 | 0.0% | 0.6% | 0.1% | 0.2% | N/A | N/A | 0.3% | 0.1% | 1.4% | 0.2% | 0.2% | 0.1% | 0.3% | 0.3% | 0.0% | 0.2% |
| 2015 | 0.0% | 0.1% | 0.2% | 0.2% | 0.0% | N/A | 0.2% | 0.1% | 0.0% | 0.1% | N/A | 0.2% | 0.2% | 0.1% | 0.0% | 0.2% |
| 2016 | 0.0% | 0.1% | 0.1% | 0.3% | 0.2% | 2.2% | 0.1% | 0.0% | 0.9% | 0.1% | 0.3% | 0.3% | 0.3% | 0.2% | 0.0% | 0.3% |

Source: GREV325 (Efficiency)

Comments:

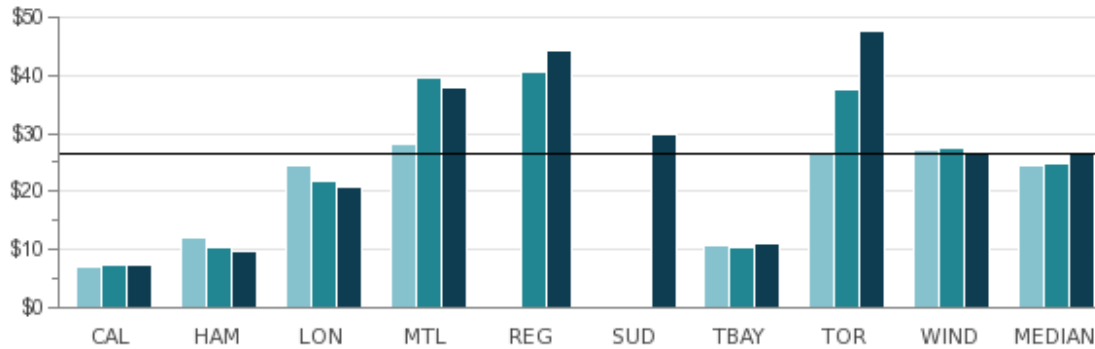
The City of Greater Sudbury wrote-off large uncollectable receivables in 2016 which caused an uncharacteristically high result.

In 2014, the City of Windsor completed a series of write-offs of historically uncollectable receivables.

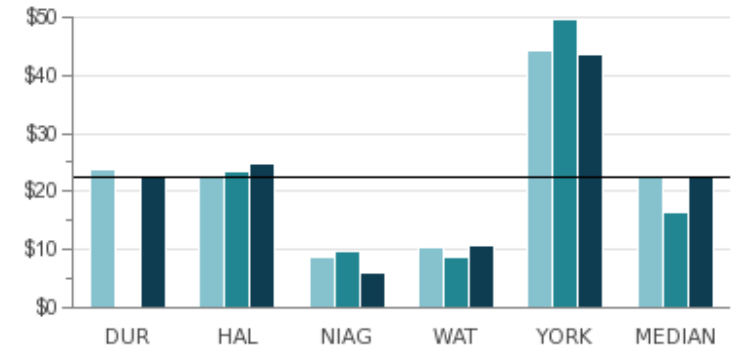
Fig. 13.3 Operating Cost of Accounts Receivable Function per Invoice

This measure reports the gross operating costs of the Accounts Receivable function. It includes centralized, decentralized and outsourced costs for the number of invoices, credit memos and adjustments issued; and all costs such as cash receipts, billings, collections and write-offs.

Single-Tier



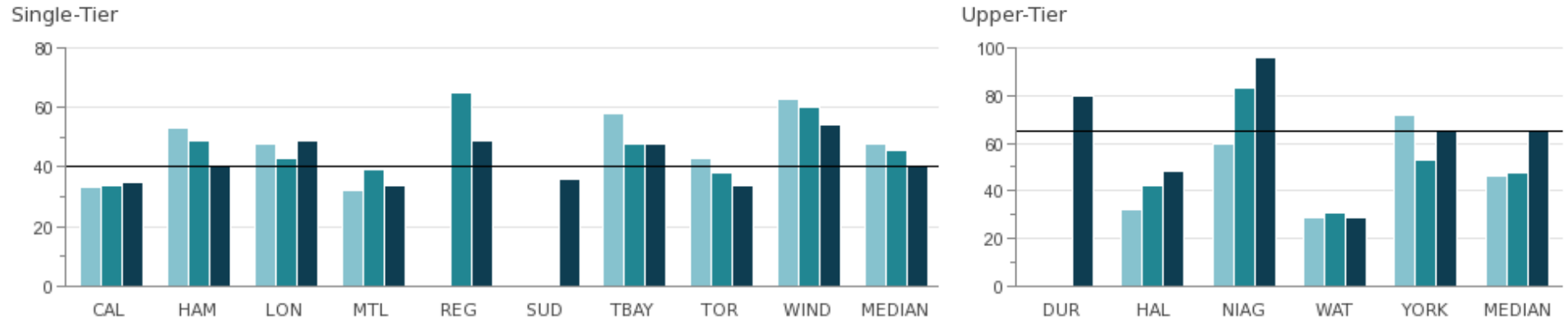
Upper-Tier



| | | | | | | | | | | | | | | | | |
|------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|---------|---------|---------|
| 2014 | \$7.19 | \$11.91 | \$24.58 | \$28.22 | N/A | N/A | \$10.88 | \$26.43 | \$27.17 | \$24.58 | \$23.90 | \$22.54 | \$8.56 | \$10.24 | \$44.10 | \$22.54 |
| 2015 | \$7.22 | \$10.47 | \$21.93 | \$39.54 | \$40.67 | N/A | \$10.52 | \$37.50 | \$27.43 | \$24.68 | N/A | \$23.40 | \$9.68 | \$8.69 | \$49.73 | \$16.54 |
| 2016 | \$7.27 | \$9.76 | \$20.90 | \$37.90 | \$44.30 | \$29.83 | \$11.22 | \$47.67 | \$26.62 | \$26.62 | \$22.44 | \$24.73 | \$5.88 | \$10.75 | \$43.70 | \$22.44 |

Source: GREV310 (Efficiency)

Fig. 13.4 Average Collection Period (Days)



| | | | | | | | | | | | | | | | | |
|------|----|----|----|----|-----|-----|----|----|----|----|-----|----|----|----|----|----|
| 2014 | 33 | 53 | 48 | 32 | N/A | N/A | 58 | 43 | 63 | 48 | N/A | 32 | 60 | 29 | 72 | 46 |
| 2015 | 34 | 49 | 43 | 39 | 65 | N/A | 48 | 38 | 60 | 46 | N/A | 42 | 83 | 31 | 53 | 48 |
| 2016 | 35 | 40 | 49 | 34 | 49 | 36 | 48 | 34 | 54 | 40 | 80 | 48 | 96 | 29 | 65 | 65 |

Source: GREV335 (Efficiency)

Comment:

Niagara Region had 2 sizeable account receivable items impacting both 2015 and 2016 values.

