



23. GENERAL REVENUE SERVICES

General Revenue Services 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 Revenues 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. This service includes:

- cash receipts
- local improvement billing
- special assessment billing
- processing bill payments and collections
- monitoring the performance of accounts receivable

What should you consider when reviewing these results?

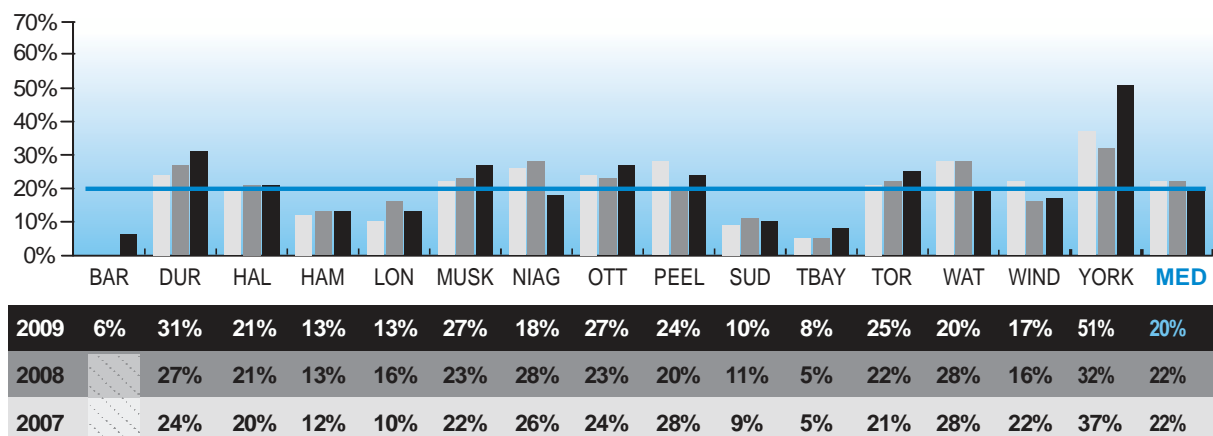
Each municipality's results are influenced to varying degrees by a number of factors, including:

- level of government and types of services: single-tier vs. two-tier and the specific services each one offers
- systems/processes: type and quality of systems used to accounts receivable including uploads and automated billing
- municipal policy: collection practices and payment terms

What are the results?

What percentage of all revenues are billed?

Fig. 23.1 Total Percentage of General Revenues Billed



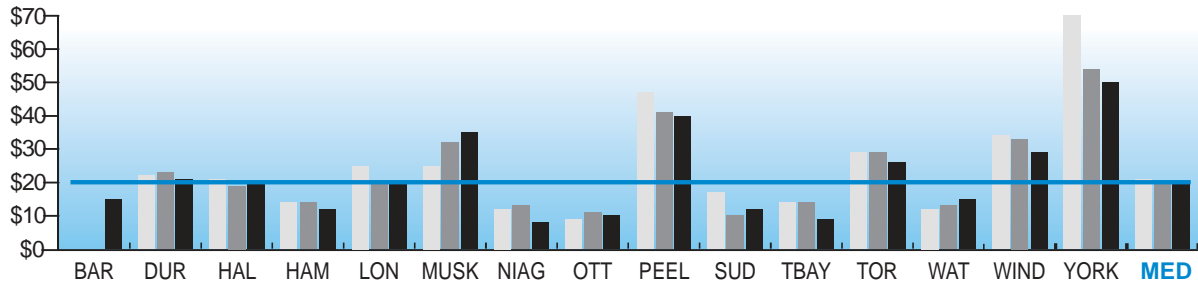
Source: GREV210 (Service Level)

Figure 23.1 shows the percentage of total municipal revenues billed by each municipality. This measure is largely driven by revenue sources (user fees, grants), accounting practices and management policies regarding the billing process.

GENERAL REVENUE SERVICES

How much does it cost to process and collect one invoice?

Fig. 23.2 Operating Cost of Accounts Receivable Function per Invoice?

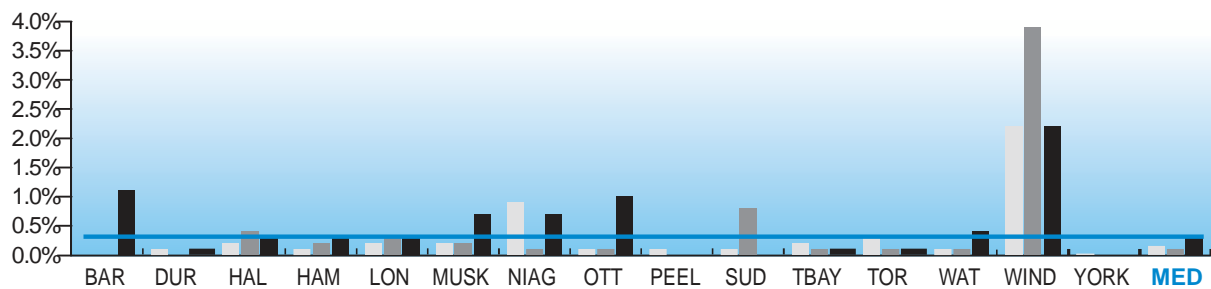


2009	15	21	20	12	20	35	8	10	40	12	9	26	15	29	50	20
2008		23	19	14	20	32	13	11	41	10	14	29	13	33	54	20
2007		22	21	14	25	25	12	9	47	17	14	29	12	34	70	21

Source: GREV310 (Efficiency)

What percentage of billed revenue is written off?

Fig. 23.3 Bad Debt Write-off as a Percentage of Billed Revenue

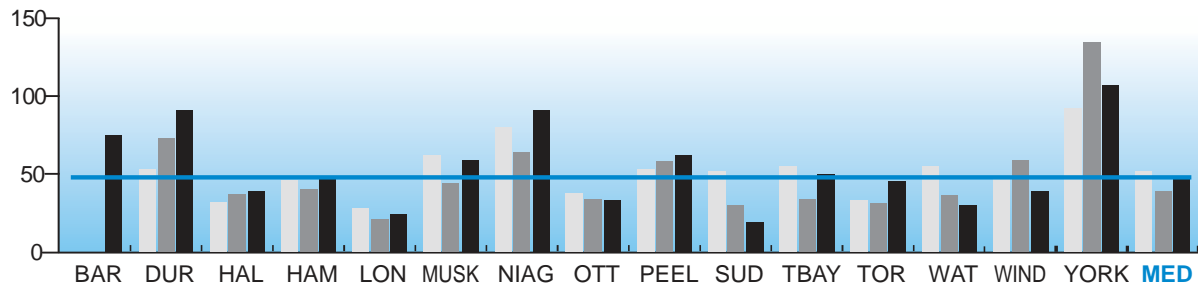


2009	1.1%	0.1%	0.3%	0.3%	0.3%	0.7%	0.7%	1.0%	0.0%	0.0%	0.1%	0.1%	0.4%	2.2%	0.0%	0.3%
2008		0.0%	0.4%	0.2%	0.3%	0.2%	0.1%	0.1%	0.0%	0.8%	0.1%	0.1%	0.1%	3.9%	0.0%	0.1%
2007		0.1%	0.2%	0.1%	0.2%	0.2%	0.9%	0.1%	0.1%	0.1%	0.2%	0.3%	0.1%	2.2%	0.0%	0.2%

Source: GREV325 (Efficiency)

What is the average collection period for invoices?

Fig. 23.4 Average Collection Period (Days)



2009	75	91	39	48	24	59	91	33	62	19	50	45	30	39	107	48
2008		73	37	40	21	44	64	34	58	30	34	31	36	59	135	39
2007		53	32	46	28	62	80	38	53	52	55	33	55	48	92	52

Source: GRE335 (Efficiency)