# **Franchise Fees**

## **Increase Utilities' Compliance with Franchise Fees**

Through their use of rights of way, utility providers present a challenge to your jurisdiction's management: it's difficult to know if they're remitting the correct amount of franchise fees due to the extensive and complex technical jargon associated with multiple revenue streams. Since these payments can represent up to 10 percent of a local government's revenue, it's essential to review them and understand where opportunities exist to increase compliance.

INSIGHTS & ANALYTICS

#### The Avenu Process

Serving as an extension of your office, Avenu's tax, accounting, and legal experts engage utilities that supply telecommunications, electricity, natural gas, water and solid waste. We review their financial statements, customer lists, exemptions and the method used for calculating all revenues subject to the franchise fee. Avenu then compares the findings against payments remitted, geo-coded customer lists, and other requirements necessary and enforceable under the franchise agreement.

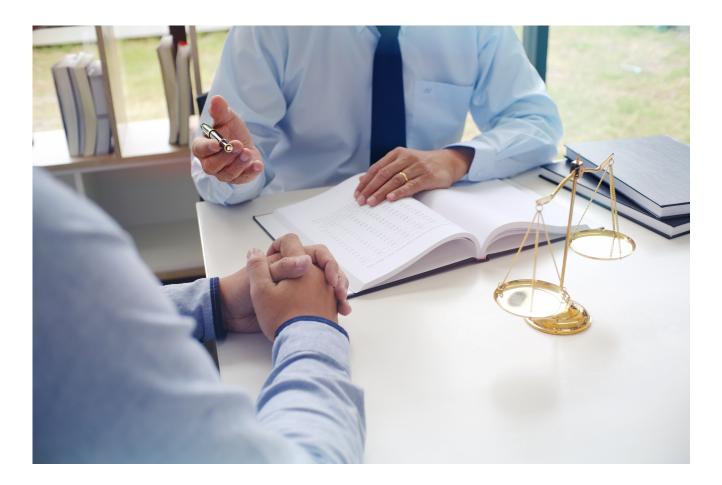


#### **Avenu's Utility Experience, Your Future Revenue**

Technological advancements have become widespread in delivering certain utilities, so there are more fees for equipment, connections, service upgrades, premiums, penalties and services that fall under the franchise. By performing thousands of utility audits Avenu remains fluent with industry changes and we know the potential areas changes and we know the potential areas for misallocation, omission, and/or accounting mistakes. We also stay ahead of issues such as deregulation or streaming content in telecommunications. The judicial and legislative activity they create may affect a utility's gross receipts and your future franchise fee revenue.

### **Avenu: A Partner to Local Government**

The investments that jurisdictions and utility providers have made in each other will continue to deliver benefits through multi-year agreements. Maintaining those solid relationships demands uniform and fair collection, and compliance with franchise fees. Avenu supports that with its defined and well-received review process. In many cases cities and counties depend on our knowledge of utilities, revenue sources, industry issues, and legal support. This helps them maintain an equal footing with utility providers, who all have versatile, experienced, and very assertive tax and accounting resources.



#### **The Avenu Difference**

Avenu provides local governments with ways to achieve more predictable revenue that supports growth, fuels modernization, and ensures compliance with mandated but underfunded programs. Avenu's revenue enhancement and administrative solutions find and recover taxes, licenses, and permit fees that cities and counties struggle to collect. The insights and improved fiscal posture enables governments to deliver, expected services that sustains a high quality of life for their residents. To learn more visit www.avenuinsights.com.