



INVOICE

MuniServices / Avenu

5860 Trinity Parkway, Suite 120 Centreville, VA 20120

Invoice #: INV06-016624

Invoice Date: 05/30/2023

Due Date: 06/29/2023

Bill To:**City of Vernon**

Attn: Accounts Payable

4305 Santa Fe Ave.

Vernon, CA 90058

Reference #: SUTA CA - Q4, 2022 Terms: Net 30

Item	Description	Unit	Quantity	Unit Price	Amount
SUTA - SERVICE - CA	SUTA Services for the tax quarter ending December 31, 2022	Each	1	\$110,626.84	\$110,626.84
				Subtotal	\$110,626.84
				Total	\$110,626.84

*****Please note our new remittance instructions*****

Please remit payment to:

Via EFT – ACH or Wire (Preferred):

Bank Name: Wells Fargo

Account Name: MuniServices/Avenu Insights & Analytics

ABA/Routing #: 121000248

Account Number (USD): 4941513962

Via Check:

MuniServices

Or Avenu Insights & Analytics

PO Box 200886

Dallas, TX 75320-0886

Please contact the Billing Department at billing_department@avenuinsights.com, or call 571-375-8598, should you have any questions or comments



Avenu Insights & Analytics
7625 North Palm Avenue Suite #108
Fresno, California 93711
Phone: 800.800.8181 Fax: 559.312.2801
<http://www.avenuinsights.com/>

May 30, 2023

Carlos Fandino
City Administrator
City of Vernon
4305 Santa Fe Avenue
Vernon, CA 90058

Re: Sales Tax Audit Progress Report

Dear Carlos Fandino:

The purpose of this letter is to report our progress through the tax quarter ending December 31, 2022 in providing sales tax audit services to the City.

The City of Vernon authorized Avenu Insights & Analytics to provide sales tax audit services in order to detect and correct point of sale distribution errors and thereby generate new sales tax revenue which would not otherwise have been realized by the City.

As of this date, we have provided the City and California Department of Tax and Fee Administration with reports identifying 19 businesses from which the City had not been receiving the sales tax revenue to which it is entitled.

As of the 4th Quarter 2022, Avenu's sales tax audit service has resulted in the correction of 16 accounts that have produced more than \$817,418 of new revenue for the City, of which \$817,418 is subject to Avenu's performance based compensation (performance graph attached).

For your convenience and budget planning purposes, the actual and projected results of our sales tax audit service are summarized as follows:

	<u>Sales Tax Revenue Produced From Avenu's Audit Service</u>	<u>Avenu's Compensation</u>	<u>Net New Sales Tax Revenue to the City</u>
Actual	\$817,418	\$122,612 (15%)	\$694,806 (85%)
Projected (Next 4 qtrs)	<u>425,793</u>	<u>61,460 (14%)</u>	<u>364,333 (86%)</u>
Totals	<u>\$1,243,211</u>	<u>\$184,072 (15%)</u>	<u>\$1,059,139 (85%)</u>

Through the 4th Quarter 2022, the City has realized a 567% return on its investment in Avenu's services. Stated another way, for every \$1.00 City of Vernon has invested in Avenu's sales tax audit services, the City has received \$5.67 in return.

Carlos Fandino
May 30, 2023
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Based on our experience with other California cities and the actual results achieved City of Vernon (absent audit adjustments and fund transfer reallocations), the City can expect to continue receiving approximately \$395,793.00 per year of ongoing sales tax revenue from the corrected accounts, for which Avenu Insights & Analytics does not participate.

If you have any questions or we can provide any additional information, please let me know.

Sincerely,



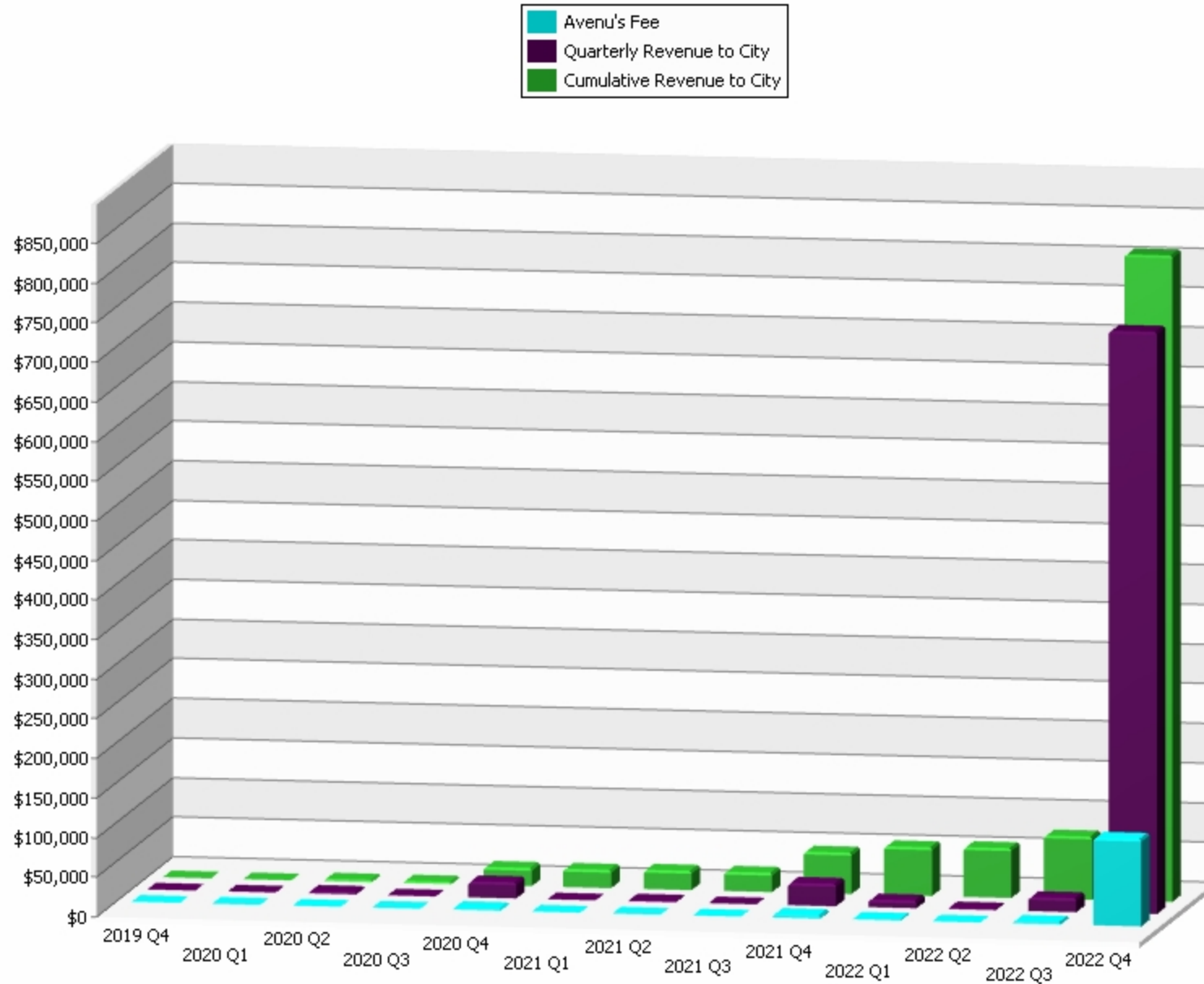
Janis Varney

JV:tw

Progress.ltr

CITY OF VERNON

Sales Tax Recovered by Avenu Insights & Analytics



City's Return-On-Investment for Avenu's Sales Tax Audit Services = 567 %

This chart provides the most current 5 years. If you would like additional history, please call 1 (800) 800-8181 x6946.