

**To:** President and Members of the Munster Town Council  
**From:** Patricia Abbott, Controller/Interim Town Manager  
**Date:** March 3, 2025  
**Re:** Engagement Letter: Tax Abatement for AFR

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A new requirement was imposed for the Annual Financial Report (AFR) requiring a listing of direct and indirect tax abatements impacting a reporting entity started with the 2023 reporting year. This listing includes the amount of tax revenues reduced as a result of tax abatements. During the first year, there was a grant in place that allowed all units in Lake County to get this listing prepared for them at no cost. That option is no longer available.

Staff was not aware that this service would no longer be provided, and Lake County does not provide the required list. Development Economic Finance Consulting LLC performs this work and is run by the individual who did the work under the grant. This is a time-consuming task with a hard deadline. An engagement letter has been submitted for approval to perform the work which will be paid from the General Fund.

Of note, there were 78 total direct and indirect tax abatements impacting Munster. The direct abatements are from Centennial Village for \$1,682.31 or 38.67% of all that was abated. Indirect abatements from total \$2,667.98 for a total reduction in taxes received of \$4,350.29.

**RECOMMENDED ACTION:**

By motion and roll call vote, approve the engagement letter with Development Economic Finance Consulting LLC dated February 13, 2025.