



Background and Guide to Calculating Member District Assessments (MDA)

Assessment Process

- In June of each year, NWSRA requests the gross population and the latest EAV's (Equalized Assessed Values) from each member Park District.
- In addition, the EAV is compared with information posted on the Cook County Clerk web site for each member Park District.
- The EAV, along with the gross population numbers for each member Park District is used to calculate the Member District Assessment (MDA) for the following fiscal year.

Assessment Task Force

- In 2013 marked the next cycle, per the NWSRA current by laws, for the formula used to determine and calculate the Annual Member District Assessment to assist in funding the operations of NWSRA.
- The Task Force conducted a thorough review, analysis and healthy debate over each scenario and option as well as the related moving parts, layers and implications that surface with each considered scenario.
- The Task Force meetings were open to each Member District and to staff beyond the Member District Board representative.
- After careful and deliberate discussion and consideration it was consensus of the Task Force to recommend the following new Annual Assessment Formula for the next 3 years pending approval of proposed and related by-law changes.

Per Assessment Task Force Committee recommendation and approved by the NWSRA Board:

In 2013, the NWSRA Board of Directors determined that additional provisions to the existing NWSRA by-laws be implemented to provide streamlining and flexibility to the assessment process and requirements. The changes are as follows:

- The Board of Trustees reserves the right to waive the assessment review process at the end of three years, without objection from any Member District, if the current total Annual Assessment Formula is considered valid and in the best interest of the Association. Such right if exercised by any member shall extend the need to review for an additional three years.
- If at any time the Board of Trustees determine that the current total Annual Assessment Formula has become obsolete or not in the best interest of the Association due to unforeseen and extraordinary circumstances, they may elect to set forth a special re-assessment to the total Annual Assessment Formula, by a majority vote of the Member Districts, and such determination shall take effect at the subsequent tax levy cycle.

Review of the Assessment Formula and Contribution Rates

- A review of the Assessment Formula and Member District Contribution Rates was conducted at the July, 2016 Board Meeting.
- The next review will be conducted in July, 2019

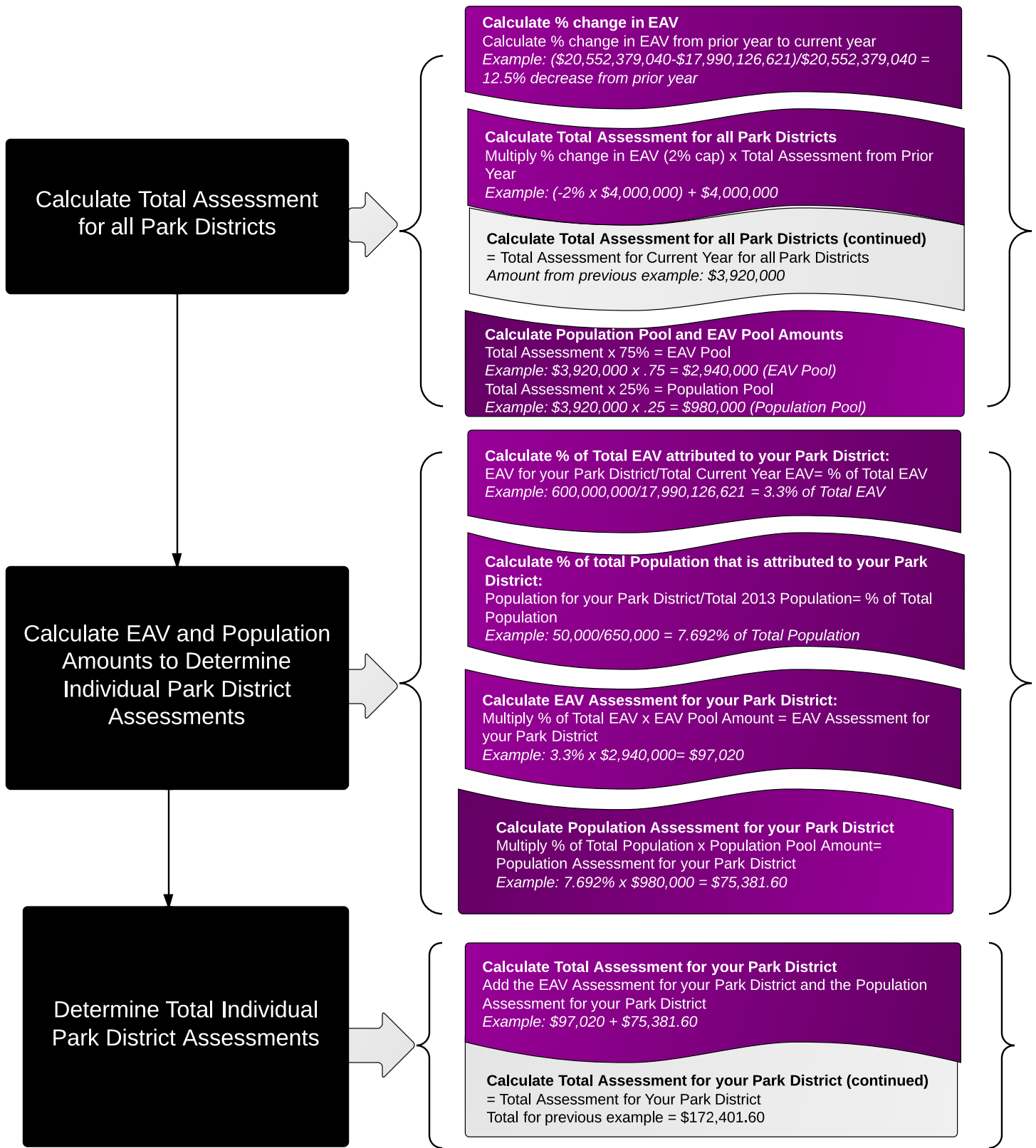
Calculating the Park District Assessment

The Park District Assessment is determined through a series of 8 calculations, which are outlined in the attached document.

- 2015 EAV will be used for 2017 Assessments
- 2016 EAV will be used for 2018 Assessments
- 2017 EAV will be used for 2019 Assessments
- 2018 EAV will be used for 2020 Assessments
- The 75/25 EAV/population ratio remains the same
- The assessments will have a 2% floor
- The assessments will have a 2% ceiling
- EAV levels will be determined by EAV level of a single preceding year. The "averaging" effect will be eliminated and only a single year will determine the level used in the formula for each Member District.

Calculating Member District Assessments

Step by step guide outlining the 8 calculations necessary to complete the formula



*The following sample numbers are used for the purposes of illustration in the above chart: 2012 EAV: \$20,552,379,040, 2013 EAV: \$17,990,126,621, 2013 Total Assessments: \$4,000,000, EAV for your Park District: \$600,000, Population for your Park District: 50,000, Total Population for all Park Districts: 650,000. Current year means year being assessed. Assessments are based on most recently available EAV's, which is typically 2 years prior. (For 2015, assessments are based on 2013 EAV).