

Kenilworth Public Library District
Library Services Agreement, Renewal Cycle 2023-2028
Friday, April 7, 2023

Kenilworth is a community of approximately 2,500 residents situated between Wilmette and Winnetka. Kenilworth Public Library District (KPLD) effectively covers the boundaries of its village, and was created with the express purpose of efficiently extending library services to its residents without the need to construct, staff, and maintain a new library facility for this relatively small community.

Wilmette Public Library District (WPLD) and Winnetka-Northfield Public Library District (WNPLD), though its buildings and resources, have cooperatively provided library services to KPLD since 1984 under a Library Services Agreement that has remained largely unchanged since its inception. The attached contract would carry this cooperative agreement through its 44th year in 2028.

Under the agreement, residents of KPLD may choose to obtain a library card from either WPLD or WNPLD and enjoy the same privileges as resident cardholders of those respective library districts. Those privileges also include access to digital resources (on-demand, streaming, and downloadable) that may only be able to be tracked to the lending library card and not the resident's home address.

By agreement, either the Director of WPLD or WNPLD serves as the administrator of KPLD, typically on an every other renewal cycle. The current and proposed future contract have WPLD as the administrator, as requested by WNPLD and accepted by WPLD.

KPLD's budget, property tax, and contractual fees increase annually as defined in the Agreement in sections 4.b. and 5.b., which has historically been calculated factoring the annual rate of the Consumer Price Index (CPI).

Upon review of the costs associated with this renewal cycle, administrative staff and trustees of both servicing libraries have noted the growing inequity of the funding rate for KPLD relative to WPLD and WNPLD. While the carrying costs of both WPLD and WNPLD have increased markedly over time, KPLD's contributing rate has not kept pace. By example, the current per capita cost for KPLD is 60% of WNPLD.

FY22-23	Wilmette PLD	Winnetka-Northfield PLD	Kenilworth PLD
Budget	\$6,170,588	\$4,033,378	\$329,693
Population	27,587	18,495	2,514
Cost Per Capita	\$223.68	\$218.08	\$131.14

While KPLD has no building, utilities, staff, collections, programs, or contracts of its own, its residents enjoy the benefits of those resources at their servicing libraries without the costs associated with the required maintenance and long-range improvement plans that such investments incur - which generally exceed KPLD's annual increases relative to CPI or less than 5% growth annually.

In an effort to better align the benefits that KPLD constituents receive with the costs carried by the servicing libraries, the latest Library Service Agreement reflects the following facts/updates:

1. The base four year Service Agreement term has been extended by one year in this renewal cycle, making this a one-time 5 year agreement. It has been noted that the contract cycle has historically landed immediately following the consolidated election every four years, making the agreement's fate potentially one of the first actions of the incoming board. To ensure that public library services are not interrupted or immediately cancelled by such potential action, this newly proposed cycle will ensure that an incoming board will have at least 1 year to study their services before taking action on the Library Service Agreement.
2. The FY23-24 fee structure has been calculated using the current/expiring Library Service Agreement.
3. To help KPLD catch up in more equitably allocating its funding to the servicing libraries, the fee structure language in sections 4.b. and 5.b. has been updated to automatically increase by 4.9% annually as follows (since Cook County is tax-capped):

For each Service Year thereafter during the term of this Agreement, the Annual/Administrative Fees shall automatically **increase to** ~~adjust at the lower of:~~ (i) ~~the rate of change of the annual Consumer Price Index for the prior calendar year as published by the Bureau of Labor Statistics of the U.S. Department of Labor in March of each year,~~ or (ii) the maximum amount of property tax increases allowed to Kenilworth Library by law.

4. The apportionment of the fees to the servicing libraries is determined by the actual usage of those libraries by Kenilworth residents, as reported by statistical data collect by Cooperative Computer Services (CCS), our regional library automation consortium. To more clearly state the methodology for the calculation of this circulation data, the "Service Year" is now defined as "12 month Calendar Year." This change will make the annual budget preparation more clear/expedient for the first meeting of the calendar year in April each year.
5. The rest of the contract language remains the same.

LIBRARY SERVICES AGREEMENT

This **LIBRARY SERVICES AGREEMENT** (“*Agreement*”) is entered into as of July 1, 2023 by and among the **KENILWORTH PUBLIC LIBRARY DISTRICT** (“*Kenilworth Library*”), the **WILMETTE PUBLIC LIBRARY DISTRICT** (“*Wilmette Library*”), and the **WINNETKA-NORTHFIELD PUBLIC LIBRARY DISTRICT** (“*Winnetka Library*”).

WHEREAS, Kenilworth Library desires to contract with Wilmette Library and Winnetka Library for provision of library services to residents of the Public Library District of the Village of Kenilworth, Illinois;

WHEREAS, Wilmette Library and Winnetka Library are willing to provide such library services to the residents of the Public Library District of the Village of Kenilworth, Illinois under the terms and conditions hereof,

WHEREAS, authority to contract among intergovernmental and public agencies, including public library districts, is permitted in Illinois pursuant to, *inter alia*, Ill. Const. art. VII, § 10; 5 ILCS 220/5; and 75 ILCS 16/30-55.40;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each of the parties hereto, the parties agree as follows:

1. Term. This Agreement shall be effective as of July 1, 2023 and shall expire on June 30, 2028. Each service year during the term of this Agreement shall begin on July 1 and end on June 30 of the following calendar year (each, a “*Service Year*”).

2. Appointment of Administrator. Wilmette Library, through the Director of its library and such additional staff as such Director shall appoint, shall administer the business and legal affairs of Kenilworth Library at the direction and instruction of Kenilworth Library’s Board of Trustees (in such role, Wilmette Library is referred to herein as the “*Administrator*”). The Administrator shall, among other things, maintain records concerning Kenilworth Library’s financial affairs and accounts, prepare agendas and other materials necessary for meetings of Kenilworth Library’s Board of Trustees, and prepare such legal and administrative documents as are needed in the ordinary course of Kenilworth Library’s business.

3. Provision of Library Services. Wilmette Library and Winnetka Library agree to provide to residents of the Public Library District of the Village of Kenilworth, Illinois the same rights and privileges pertaining to library services, on the same terms and conditions, that Wilmette Library and Winnetka Library provide to residents of their own districts. Where licenses for electronic digital products restrict access to a cardholders of a single library, the Wilmette and Winnetka libraries agree to work to find a way, if possible, to provide service to all Kenilworth residents, regardless of which card is of record.

4. Annual Fee.

- a. During the Service Year July 1, 2023 through June 30, 2024, Kenilworth Library agrees to pay to Wilmette Library and Winnetka Library, jointly,

the sum of \$316,252.00 (the “Annual Fee”) in compensation for the library services described in Section 3 above.

- b. For each Service Year thereafter during the term of this Agreement, the Annual Fee shall automatically **increase to** ~~adjust at the lower of: (i) the rate of change of the annual Consumer Price Index for the prior calendar year as published by the Bureau of Labor Statistics of the U.S. Department of Labor in March of each year, or (ii) the maximum amount of property tax increases allowed to Kenilworth Library by law.~~
- c. Wilmette Library and Winnetka Library shall divide the Annual Fee for any Service Year between themselves in proportion to the number of items checked out at the Wilmette and Winnetka libraries by residents of the Kenilworth Library during the prior **Service 12 month Calendar** Year, as calculated by the Administrator. The Administrator will report the number of items checked out at the respective libraries by Kenilworth residents from the Cooperative Computer Services (CCS) “Monthly Statistics by Patron Code” report (or its successor) prepared for each CCS member library.
- d. Kenilworth Library shall pay the Annual Fee in unequal quarterly installments as soon as is practicable after Kenilworth Library receives payment of its allocation of property tax receipts from Cook County, Illinois on or about each September 15, December 15, March 15, and June 15. Each quarterly payment shall be in an amount determined by Kenilworth Library after deducting from its cash on hand: (i) a reserve of \$10,000, (ii) the payment called for under Section 5 below, and (iii) sufficient funds to pay its anticipated ordinary course expenses for the following calendar quarter. The Administrator shall provide a report of amounts deducted to Wilmette Library and Winnetka Library with each quarterly payment.

5. Administrative Fee.

- a. During the year July 1, 2023 through June 30, 2024, Kenilworth Library agrees to pay to Wilmette Library the sum of \$18,289.00 (the “Administrative Fee”) in compensation for the administrative services described in Section 2 above.
- b. For each Service Year thereafter during the term of this Agreement, the Administrative Fee shall automatically **increase to** ~~adjust at the lower of: (i) the rate of change of the annual Consumer Price Index for the prior calendar year as published by the Bureau of Labor Statistics of the U.S. Department of Labor in March of each year, or (ii) the maximum amount of property tax increases allowed to Kenilworth Library by law.~~
- c. Kenilworth Library shall pay the Administrative Fee in unequal quarterly installments as soon as is practicable after Kenilworth Library receives payment of its allocation of property tax receipts from Cook County, Illinois

on or about each September 15, December 15, March 15, and June 15. Each quarterly payment shall be in an amount determined by Kenilworth Library after deducting from its cash on hand: (i) a reserve of \$10,000 and (ii) sufficient funds to pay its anticipated ordinary course expenses for the following calendar quarter.

6. Termination Payments.

- a. On the first anniversary of the expiration of the term of this Agreement, Kenilworth Library shall pay Wilmette Library and Winnetka Library, jointly, an amount equal to the Annual Fee that was paid during the final Service Year of this Agreement, to be divided between them as described in Section 4(c) above based on circulation data for the final ~~Service~~ **12 month Calendar** Year of this Agreement.
- b. On the first anniversary of the expiration of the term of this Agreement, Kenilworth Library shall pay Wilmette Library an amount equal to the Administrative Fee that was paid during the final Service Year of this Agreement.

7. Undertaking, Participation and Cooperation.

- a. Kenilworth Library shall take all actions necessary to pass and record a valid annual tax levy in an amount sufficient to pay all costs reasonably necessary to fulfill its financial obligations under this Agreement.
- b. Each of the parties hereto agrees to use its best efforts to promote a full exchange of information concerning the operation of its district. Each of the parties shall each provide the others with the schedule of meetings of its Board of Trustees and the same notice of special or rescheduled meetings, meeting minutes and financial operating reports as are given to its Board of Trustees.
- c. The Directors of Wilmette Library and Winnetka Library shall be available for reasonable consultation with the Kenilworth Library Board of Trustees.

8. Severability. If any provision of this Agreement shall be held invalid, illegal or unenforceable to any extent, the remainder of this Agreement shall not be affected thereby and shall be enforced to the fullest extent permitted by law.

9. Integration; Amendment. This Agreement constitutes the complete agreement of the parties hereto and supersedes any and all other written or oral contracts, agreements or understandings between them on the subject hereof. This Agreement may not be amended, modified or otherwise changed except for a written instrument duly executed by each party hereto.

10. Notice. All notices, demands, requests or other communications sent by one party to the other hereunder shall be deemed delivered three (3) days after depositing same in the United States mail, postage prepaid, addressed as follows:

If to Kenilworth Library:

President, Board of Trustees
Kenilworth Public Library District
c/o Director, Wilmette Public Library
1242 Wilmette Avenue
Wilmette, Illinois 60091

If to Wilmette Library:

President, Board of Trustees
Wilmette Public Library District
c/o Director, Wilmette Public Library
1242 Wilmette Avenue
Wilmette, Illinois 60091

If to Winnetka Library:

President, Board of Trustees
Winnetka-Northfield Public Library District
c/o Director, Winnetka Public Library
768 Oak Street
Winnetka, Illinois 60093

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

12. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be effective only upon delivery and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the date first above written.

KENILWORTH PUBLIC LIBRARY DISTRICT

WILMETTE PUBLIC LIBRARY DISTRICT

By: _____

By: _____

Its: _____

Its: _____

WINNETKA-NORTHFIELD PUBLIC LIBRARY DISTRICT

By: _____

Its: _____