Budgeting for the MHLS Member Assessment

Annually each member library will need to budget for their share of the MHLS Member Assessment, based on the most current MHLS Member Assessment Table.

The MHLS System Services Advisory Committee of the MHLS Directors Association is charged with creating the Assessment Table annually. It is discussed and endorsed by the Directors Association in the spring (for the following calendar year) and posted at http://da.midhudson.org/

The Assessment Table outlines the amount each member library will be invoiced by MHLS (bi-monthly) as their proportional share towards System services. The Member Assessment is determined by combining a General Fee with a formula of assessments based on system holds activity and Sierra usage, which have been approved by the MHLS Directors Association, to distribute the charges.

Here is a description of how to read the chart and the formula variables to take into account for future budgeting. The letters match the headers at the top of the columns:

A. **'Chartered population'**: Until a new Census count or a chartered area revision for your library takes place and is recognized by the NYS Division of Library Development, this will not change.

B. **'Circulation (3-year average)'**: This is the total annual circulation (as per Sierra) of your library, averaged over 3 years. Since it is the average of 3 years, the effect of an increase or decrease in one year of circulation will be spread out. Any activities that increase the number of people using the library and its materials (such as a new or improved facility, expanded programs, improved collections…) are factors that could contribute to an increase in circulation. For the 2022 chart, data from 2020 has not been included due to the uneven impact of the pandemic on library operations.

C. **'Holds (3 year average)'**: This is the number of Holds Received (as per Sierra) by your library (the materials your library received from other libraries to fill your patrons holds), averaged over 3 years. Since it is the average of 3 years, the effect of an increase or decrease in one year of holds received will be spread out. Having a collection that does not meet the needs of your community, as well as any activities that increase the number of people using the library and library materials (such as a new or improved facility, expanded programs, improved collections) are factors that could contribute to an increase in holds. For the 2022 chart, data from 2020 has not been included due to the uneven impact of the pandemic on library operations.

D. **'General fee'**: This is graduated based on Population (column A) and runs in six (6) quantiles starting at $600. As follow:

Population Range	2021 Fee
up to 2,800	$600
2,801 - 4,750	$1,000
4,750 - 10,000	$1,250
10,001 - 15,000	$1,500
15,001 - 30,000	$2,000
30,000 +	$3,500

E. **'Holds delivery fee'**: This is the Holds (column C) multiplied by the Holds Delivery Fee rate. The fee rate is percentage of holding for each member.

F. **'Sierra: Total Licenses'**: This is the maximum number of simultaneous Sierra logins currently assigned to your library that are billed in this chart including the first two free licenses. Any licenses above this total will be billed separately from the assessment table.

G. **"Sierra Fee: Billable Licenses**: This is the number of licenses a library has requested beyond the first two free licenses. For the 2022, the rate is $306 per license. This amount increases 2% annually as per the contract with Innovative Interfaces Inc. This number is shown in the assessment table for your reference and will be itemized in the bill you received. If you are expanding your facility or adding new staff workstations, you will want to consider purchasing additional licenses (the MHLS Technology Operations Staff can advise you on this: techsupport@midhudson.org). In future years billable licenses will be taken out of the Assessment table and billed like other optional items your library contracts with MHLS for.

H. **'Sierra Fee: General'**: This is based on whichever of the following is lower for your library:
   a. Circulation (column B) multiplied by the 2022 'Sierra Fee: Circ' rate noted below OR

   b. Population (column A) multiplied by the 2022 'Sierra Fee: Pop' rate noted below.

   The rates used to calculate the fees for 2022 are as follows:
   - Circulation rate: 0.0542
   - Population based rate: 0.2225

For making budgeting decisions for future years, you could make a comparison by projecting what this would potentially be if the lower/higher aspect were to come into play by calculating it based on the other rate.

I. **'Sierra Fee: Hosting'**: This is based on the library's portion of annual cost for Innovative hosting services, which includes the Sierra ILS database and application, the online catalog, and Decision Center. This amount increases 2% annually as per the contract with Innovative Interfaces Inc.

J. **'Sierra Fee: Licenses'**: This is the cost of the Sierra licenses your library has requested beyond the two licenses that are automatically included in the assessment (column G). For 2022 the cost per license, after the two that are included, is: $306 per license.

K. **'Sierra Fee: Capital'**: As per the Members Capital Fund Policy, approved by the MHLS Directors Association (DA), this is $600 per library annually ($39,600 total). These funds are deposited into the DA approved Members Capital Account for future ILS-related purchases, as per the Members Capital Fund Policy.