

Financial Statements of

**THE HAMILTON PUBLIC
LIBRARY BOARD**

Year ended December 31, 2019

THE HAMILTON PUBLIC LIBRARY BOARD

Financial Statements

Year ended December 31, 2019

Page

Independent Auditors' Report

Financial Statements

Statement of Financial Position	1
Statement of Operations and Accumulated Surplus.....	2
Statement of Changes in Net Financial Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5
Schedule of Tangible Capital Assets	14



KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton ON L8P 4W7
Canada
Telephone 905-523-8200
Fax 905-523-2222

INDEPENDENT AUDITORS' REPORT

To the Board Members, Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Hamilton

Opinion

We have audited the financial statements of The Hamilton Public Library Board (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for



the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

June 17, 2020

THE HAMILTON PUBLIC LIBRARY BOARD

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
Financial assets		
Cash	\$ 677,606	\$ 348,645
Accounts receivable	94,982	90,493
Investments held with the Hamilton Community Foundation (note 2)	2,234,185	2,225,110
Due from City of Hamilton (note 3)	7,159,747	7,235,337
	<u>10,166,520</u>	<u>9,899,585</u>
Liabilities		
Accounts payable and accrued liabilities	749,447	639,548
Liability for future benefits (note 4)	2,409,800	2,434,000
Deferred revenue (note 5)	1,018,126	966,593
	<u>4,177,373</u>	<u>4,040,141</u>
Net financial assets	5,989,147	5,859,444
Non-financial assets		
Prepaid expenses	728,509	620,869
Tangible capital assets (Schedule)	10,908,752	11,501,008
	<u>11,637,261</u>	<u>12,121,877</u>
Commitments (note 8)		
Accumulated surplus (note 9)	<u>\$ 17,626,408</u>	<u>\$ 17,981,321</u>

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

THE HAMILTON PUBLIC LIBRARY BOARD

Statement of Operations and Accumulated Surplus

Year ended December 31, 2019, with comparative information for 2018

	Budget 2019 (note 10)	Actual 2019	Actual 2018
Revenue:			
Municipal contribution (note 3)	\$ 30,891,430	\$ 30,891,430	\$ 30,166,680
Province of Ontario grants	949,450	949,451	949,451
Fines	330,000	192,546	339,942
Photocopier revenue	145,000	170,785	160,136
Donations	–	10,299	12,994
Other grant revenue	243,000	482,402	432,700
Other – rentals, sales and recoveries	145,470	119,501	122,252
Interest	–	269,326	288,842
Contributions from Municipal reserves (note 3)	281,490	282,852	287,428
	<u>32,985,840</u>	<u>33,368,592</u>	<u>32,760,425</u>
Expenditures:			
Employee related expenses	22,005,410	21,304,624	21,095,234
Contractual	1,827,060	1,970,864	2,013,389
Building and grounds	1,695,700	1,653,280	1,482,779
Materials and supplies	1,083,230	1,149,459	1,037,996
Financial	387,220	270,032	343,870
Capital Financing (note 6)	472,730	280,663	280,701
Vehicle expenses	82,790	106,779	68,658
Other	–	41,004	39,884
Consulting	–	37,486	28,041
Amortization	–	3,249,540	3,335,490
Municipal cost recoveries (note 3)	2,348,660	2,353,604	2,128,806
	<u>29,902,800</u>	<u>32,417,335</u>	<u>31,854,848</u>
Annual surplus before reserve transfers	3,083,040	951,257	905,577
Reserves transfer to Municipal capital fund (notes 3 and 11)	–	1,092,125	1,734,897
Contribution to Municipal reserves (note 3)	14,350	214,045	194,745
Contribution to Municipal capital fund (note 3)	–	–	30,000
Annual surplus (deficit)	3,068,690	(354,913)	(1,054,065)
Accumulated surplus, beginning of year	17,981,321	17,981,321	19,035,386
Accumulated surplus, end of year	<u>\$ 21,050,011</u>	<u>\$ 17,626,408</u>	<u>\$ 17,981,321</u>

See accompanying notes to financial statements.

THE HAMILTON PUBLIC LIBRARY BOARD

Statement of Changes in Net Financial Assets

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Annual deficit	\$ (354,913)	\$ (1,054,065)
Purchase of tangible capital assets	(2,657,284)	(3,154,391)
Amortization of tangible capital assets	3,249,540	3,335,490
	237,343	(872,966)
Net (increase) decrease in prepaid expenses	(107,640)	(280,075)
Change in net financial assets	129,703	(1,153,041)
Net financial assets, beginning of year	5,859,444	7,012,485
Net financial assets, end of year	\$ 5,989,147	\$ 5,859,444

See accompanying notes to financial statements.

THE HAMILTON PUBLIC LIBRARY BOARD

Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Annual deficit	\$ (354,913)	\$ (1,054,065)
Items not involving cash:		
Amortization	3,249,540	3,335,490
Liability for future benefits	(24,200)	(44,900)
Change in non-cash assets and other liabilities:		
Accounts receivable	(4,489)	16,414
Prepaid expenses	(107,640)	(280,075)
Accounts payable and accrued liabilities	109,899	270,054
Change in Due from City of Hamilton	75,590	564,782
Deferred revenue	51,533	(87,189)
	2,995,320	2,720,511
Capital activities:		
Purchase of tangible capital assets	(2,657,284)	(3,154,391)
Investing activities:		
Change in investments	(9,075)	418,868
Net change in cash	328,961	(15,012)
Cash, beginning of year	348,645	363,657
Cash, end of year	\$ 677,606	\$ 348,645

See accompanying notes to financial statements.

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2019

The financial statements of the Hamilton Public Library Board (the "Board") are prepared by management in accordance with Canadian public sector accounting standards.

1. Significant accounting policies:

Significant accounting policies adopted by the Board are as follows:

(a) Basis of accounting:

The Library follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenditures are recognized as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.

(b) Government transfers:

Government transfers received are from federal and provincial governments and the City of Hamilton. Government transfers paid relate to surplus repayment and future reserves to the City of Hamilton. Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except, when and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

(c) Investment income:

Investment income is reported as revenue in the period earned.

(d) Other income:

Other income is reported as revenue in the period earned.

(e) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed or donated tangible capital assets are recorded at their fair value at the date of receipt.

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(e) Non-financial assets (continued):

(ii) Amortization

Amortization is recorded to reflect the cost, net of anticipated salvage value, associated with the use of the asset in providing library services over the estimated useful life of the asset. Amortization expense is calculated on a straight-line basis over the assets' estimated useful lives as follows:

Asset	Number of years
Collections (asset pool)	7 years
Furniture and equipment	10 years
Computer hardware	3 years
Computer software	5 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Library land and buildings are owned and controlled by the City of Hamilton and are therefore not reflected in these financial statements.

(f) Liability for future benefits:

The Library provides certain employee benefits which will require funding in future periods. The cost of self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by the employees, such as retirement health and dental benefits for retirees, is actuarially determined using the project benefit method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

The costs of multi-employer defined contribution pension plan benefits, such as the Ontario Municipal Employees Retirement System (OMERS) pensions, are the employer's contributions due to the plan in the period. These contributions are recognized in the period in which the contributions are earned.

(g) Deferred revenue:

Deferred revenue represents funds collected for which related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year in which the related services are performed.

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(h) Investments held with the Hamilton Community Foundation:

Investments held with the Hamilton Community Foundation are stated at cost. When the investments incur a loss in value that is other than temporary, the investments are written down to their fair value and the loss is recognized in the statement of operations.

(i) Use of estimates:

The preparation of financial statements in accordance with public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Significant estimates include assumptions used in performing actuarial valuations of liability for future benefits. Actual results could differ from those estimates.

2. Investments held with the Hamilton Community Foundation:

Investments of \$2,234,185 (2018 - \$2,225,110) are carried at cost. The investments have a market value of \$2,826,000 at the end of the year. The market value represents the realizable value of the investments if they were to be sold at December 31, 2019.

3. Related party transactions:

(a) Transaction with related parties:

The Board had the following transactions with the City of Hamilton, its controlling party.

	2019	2018
Revenue:		
Municipal contribution	\$ 30,891,430	\$ 30,166,680
Contribution from municipal reserves	282,852	287,428
	<u>\$ 31,174,282</u>	<u>\$ 30,454,108</u>
Expenses:		
Municipal cost recoveries	\$ 2,353,604	\$ 2,128,806
Reserves transfer to municipal capital fund	1,092,125	1,734,897
Contribution to municipal reserves	214,045	194,745
Contribution to municipal capital fund	–	30,000
	<u>\$ 3,659,774</u>	<u>\$ 4,088,448</u>

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2019

3. Related party transactions (continued):

(a) Transaction with related parties (continued):

The City of Hamilton does not charge the Board rent for the use of its buildings.

These transactions have been reflected in annual surplus for the current year and were measured at the exchange amount of consideration established and agreed to be the related parties.

(b) Outstanding balances due from related parties:

	2019	2018
City of Hamilton	\$ 7,159,747	\$ 7,235,337

These balances are non-interest bearing with no fixed repayment terms.

4. Liability for future benefits:

In accordance with Canadian public sector accounting standards, the Board is required to report obligations for retirement benefits earned over the employment period of its employees. Retirement benefits have been determined by an actuarial valuation completed December 31, 2017.

Employees who have retired either under the OMERS early retirement provisions or otherwise are eligible to receive drug, extended health services and dental benefits for the lifetime of the retiree. Effective January 1, 2002 new retirees only receive benefits until age sixty-five.

The Board recognizes the post employment benefits costs as they are earned during the year. The Board's obligation under the post-employment provisions of employment agreements will be funded out of current revenue.

Accrued benefit obligation:

	2019	2018
Vested sick leave liability	\$ 10,400	\$ 17,200
Retirement benefits	2,972,500	3,057,500
	2,982,900	3,074,700
Net unamortized actuarial loss	(573,100)	(640,700)
Accrued liability	\$ 2,409,800	\$ 2,434,000

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2019

4. Liability for future benefits (continued):

The continuity of employee benefits and other obligations are summarized as follows:

	2019	2018
Liability for employee future benefits and other obligations		
balance at beginning of the year	\$ 2,434,000	\$ 2,478,900
Benefit expenditure	101,300	97,700
Interest expenditure	113,300	116,900
Amortization of actuarial loss	67,600	67,600
Benefit payments	(306,400)	(327,100)
Liability for employee benefits and other obligations		
balance at end of the year	\$ 2,409,800	\$ 2,434,000

Actuarial valuations are performed on post-employment and retirement benefits to provide estimates of the accrued benefit obligations. These estimates are based on a number of assumptions about future events including interest rates, inflation rates, salary and wage increases, medical and dental cost increases and mortality. The assumptions are determined at the time of the actuarial valuations and are reviewed annually.

	Discount Rate	Return on Assets	Inflation Rate	Salary Increases	Dental Increases	Life Expectancy (years)
Vested sick leave	3.50%	NA	2.0%	3.0%	NA	13.0
Retirement Benefits - Health and Dental	3.75%	NA	2.0%	3.0%	4.0% ⁽¹⁾	13.0

⁽¹⁾ Medical costs are assumed to increase at a rate of 7.8% in 2019 (2018 – 8.0%), decreasing 0.2% per annum to 4.0% in 2038.

(a) Liability for vested sick leave:

Effective May 1, 1982 the Income Protection Plan was adopted and sick leave credits earned under the Sick Leave Benefit Plan were frozen. Under the Sick Leave Benefit Plan unused sick leave would accumulate and employees were entitled to cash payment upon termination of services after ten continuous years. Entitlement to cash payment continues to apply to those employees who accumulated days prior to May 1, 1982, to the extent that they have vested and could be taken in cash by an employee on termination. The estimated accrued benefit obligation at December 31, 2019 is \$10,400 (2018 - \$17,200). The Board expects the liability to be paid out by 2024.

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2019

4. Liability for future benefits (continued):

(b) Liability for retirement benefits:

The Board provides certain health, dental and life insurance benefits between the time an employee retires under OMERS or the normal retirement age and up to the age of 65 years. The estimated accrued benefit obligation at December 31, 2019 is \$2,972,500 (2018 - \$3,057,500).

5. Deferred revenue:

Deferred revenue consists of grants and funds received in advance which are expected to be earned in future periods. Continuity of deferred revenue is as follows:

Balances	2019	2018
Grants and donations	\$ 63,156	\$ 30,279
M. Waldon Thompson estate	23,558	22,832
Permanent fund	861,827	845,408
F. Waldon Library bequest	69,585	68,074
	<u>\$ 1,018,126</u>	<u>\$ 966,593</u>

Continuity	2019	2018
Balance, beginning of year	\$ 966,593	\$ 1,053,782
Add:		
Transfers in – grants and donations	48,156	30,279
Transfers in – estate donations	33,017	41,279
Less:		
Amounts recognized in revenue – grants and donations	(15,279)	(81,787)
Amounts recognized in revenue – estate donations	(14,361)	(76,960)
	<u>\$ 1,018,126</u>	<u>\$ 966,593</u>

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2019

6. Long term debt held by the City of Hamilton:

The City charges the Board principal and interest for long term debt related to Library facilities and other capital. These charges are funded by the City through its annual contributions. The debt is not disclosed on the statement of financial position as the City of Hamilton is legally responsible for the repayment of the debt.

(a) The net long term debt to which these charges are related is as follows:

Debenture number	Purpose	Interest rates	Maturity date	2019	2018
08-120	South Mtn Complex	4.728%	2023	\$ 898,298	\$ 1,129,103

(b) Principal charges in each of the next four years are as follows:

2020	\$ 241,847
2021	253,416
2022	265,539
2023	137,496
	\$ 898,298

(c) The Board was charged \$280,663 (2018 - \$280,701) for long term debt charges during the year as follows:

	2019	2018
Principal	\$ 230,805	\$ 220,268
Interest	49,858	60,433
	\$ 280,663	\$ 280,701

7. Pension agreements:

The Hamilton Public Library makes contributions to OMERS, which is a multi-employer plan, on behalf of 255 members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The latest actuarial valuation as at December 31, 2019 reported a funding deficit of \$3.4 billion (2018 - \$4.2 billion). OMERS expects the contributions and policy changes made in response to the deficit to return the plan to a fully funded position by 2025. Contributions were made in the 2019 calendar year at rates ranging from 9.0% to 14.6% depending on the level of earnings. As a result, \$1,287,937 was contributed to OMERS (2018 - \$1,292,006) for current service.

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2019

8. Commitments:

Minimum future lease payments for various premises are as follows:

2020	\$	756,294
2021		314,385
2022		320,364
2023		325,903
2024		293,582
2025 and thereafter		3,909,586
	\$	5,920,114

The City of Hamilton is ultimately responsible for the Board's lease obligations.

9. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserve and reserve funds as follows:

	2019	2018
Reserves and reserve funds	\$ 9,127,456	\$ 8,914,313
Unfunded liability for future benefits	(2,409,800)	(2,434,000)
Tangible capital assets	10,908,752	11,501,008
	\$ 17,626,408	\$ 17,981,321

Reserves and reserve funds:

	2019	2018
Library general development	\$ 1,674,491	\$ 916,690
Library major capital projects	1,412,281	1,829,814
Capital enhancement	1,018,624	974,122
Library collections	994,204	1,011,193
Redevelopment, training and restructuring	405,037	394,982
Youth literacy	522,688	507,913
Computer reserve	436,836	642,308
Mobile equipment	583,559	539,383
Youth programming	70,551	82,908
Special gift fund	1,888,258	1,900,425
Ketha McLaren fund	43,706	42,095
Waterdown Library fundraising	49,940	48,701
Donations	27,281	23,779
	\$ 9,127,456	\$ 8,914,313

THE HAMILTON PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2019

10. Budget data:

The budgets originally approved by the Library for 2019 are reflected on the statement of operations and do not include amounts related to public sector accounting standards reporting requirements such as amortization of tangible capital assets.

Accumulated surplus consists of individual fund surplus and reserve and reserve funds as follows:

	2019
Revenues:	
Operating budget	\$ 32,985,840
Capital budget	—
Total revenue	32,985,840
Expenses:	
Operating budget	29,917,150
Capital budget	3,068,690
Less:	
Capital expenses	(3,068,690)
Total Expenses	29,917,150
Annual surplus	\$ 3,068,690

11. Contribution to Reserves of Municipality:

Historically, there has been no budgeted amount for transfers to the Municipality. This is due to the fact that impending projects are not necessarily known or approved at the time of the budget preparation.

12. Subsequent event:

Subsequent to December 31, 2019 the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian and Ontario governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and in Ontario resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions however the success of these interventions is not currently determinable. The current challenging economic climate may lead to adverse changes in cash flows and working capital levels which may also have a direct impact on the Corporation's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and our business are not known at this time.

THE HAMILTON PUBLIC LIBRARY BOARD

Schedule of Tangible Capital Assets

Year ended December 31, 2019, with comparative information for 2018

December 31, 2019					
Cost	Computer hardware	Computer software	Collections	Furniture and equipment	Total
Beginning of year	\$ 461,710	\$ 186,007	\$ 20,005,611	\$ 2,520,350	\$ 23,173,678
Add: Additions during the year	124,990	3,794	2,281,144	304,403	2,714,331
Less: disposals during the year	(185,743)	(4,569)	(2,975,569)	(139,199)	(3,305,080)
End of year	\$ 400,957	\$ 185,232	\$ 19,311,186	\$ 2,685,554	\$ 22,582,929
Accumulated Amortization	Computer hardware	Computer software	Collections	Furniture and Equipment	Total
Beginning of year	\$ 242,631	\$ 106,268	\$ 10,116,602	\$ 1,264,216	\$ 11,729,717
Add: amortization during the year	143,779	37,124	2,808,342	260,295	3,249,540
Less: amortization on disposals	(185,744)	(4,569)	(2,975,569)	(139,199)	(3,305,081)
End of year	\$ 200,666	\$ 138,823	\$ 9,949,375	\$ 1,385,312	\$ 11,674,176
Net book value	\$ 200,291	\$ 46,409	\$ 9,361,811	\$ 1,300,241	\$ 10,908,752
December 31, 2018					
Cost	Computer hardware	Computer software	Collections	Furniture and equipment	Total
Beginning of year	\$ 407,252	\$ 278,604	\$ 20,424,868	\$ 2,605,872	\$ 23,716,596
Add: Additions during the year	150,416	19,657	2,781,627	145,644	3,097,344
Less: disposals during the year	(95,958)	(112,254)	(3,200,884)	(231,166)	(3,640,262)
End of year	\$ 461,710	\$ 186,007	\$ 20,005,611	\$ 2,520,350	\$ 23,173,678
Accumulated Amortization	Computer hardware	Computer software	Collections	Furniture and Equipment	Total
Beginning of year	\$ 193,762	\$ 172,061	\$ 10,429,595	\$ 1,239,071	\$ 12,034,489
Add: amortization during the year	144,827	46,461	2,887,891	256,311	3,335,490
Less: amortization on disposals	(95,958)	(112,254)	(3,200,884)	(231,166)	(3,640,262)
End of year	\$ 242,631	\$ 106,268	\$ 10,116,602	\$ 1,264,216	\$ 11,729,717
Net book value	\$ 219,079	\$ 79,739	\$ 9,889,009	\$ 1,256,134	\$ 11,443,961
Works-in-progress	–	–	–	57,047	57,047
Total	\$ 219,079	\$ 79,739	\$ 9,889,009	\$ 1,313,181	\$ 11,501,008

The Library has no contributed assets and no tangible capital assets recognized at nominal value. The Library has works of art, historical treasures, sculptures, and murals that are preserved by the Library but are not recorded as tangible capital assets.