

**NEWPORT BEACH PUBLIC LIBRARY  
BOARD OF LIBRARY TRUSTEES BY-LAWS  
ARTICLE I  
NAME AND AUTHORITY**

This organization shall be called "The Board of Library Trustees" of the City of Newport Beach existing by virtue of the provisions of Article VII, Section 708, of the CHARTER OF THE CITY OF NEWPORT BEACH, and exercising the powers and authority and assuming the responsibilities delegated to it under the said statute, which provides as follows:

**Section 708. Board of Library Trustees. Powers and Duties.**

There shall be a Board of Library Trustees consisting of five members which shall have the power and duty to:

- (a) Have charge of the administration of City libraries and make and enforce such by-laws, rules and regulations as may be necessary therefor.
- (b) Designate its own secretary.
- (c) Consider the annual budget for library purposes during the process of its preparation and make recommendations with respect thereto to the City Council and City Manager.
- (d) Purchase and acquire books, journals, maps, publications and other supplies peculiar to the needs of the library, subject, however, to the limitations of the budget for such purposes. The expenditure and disbursement of funds for such purchases shall be made and approved as elsewhere in this Charter provided.
- (e) Approve or disapprove the appointment, suspension or removal of the Librarian who shall be the department head.
- (f) Accept money, personal property or real estate donated to the City for library purposes, subject to the approval of the City Council.
- (g) Contract with schools, county or other governmental agencies to render or receive library services or facilities subject to the approval of the City Council.

**ARTICLE II  
MEMBERSHIP**

Section 1. Membership of the Board shall be restricted to five.

Section 2. Members of the Board shall be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government.

## BUDGET ADOPTION AND ADMINISTRATION

### PURPOSE

To establish the policy for the preparation, adoption, and administration of the City's Annual Budget.

### POLICY

#### A. Budget Development.

The City shall prepare and adopt an annual budget by June 30, of each year, as required by Section 1104 of the City Charter. The budget shall incorporate a results-based budgeting approach that allows the public and the City Council to prioritize City expenditures strategically aligned with core community values.

City Council directs and controls the planned use of reserves through budget appropriation process. Appropriations for operating expenditures shall be balanced in relation to current revenue sources and will not over-rely on one-time revenue sources or reserves. This is not intended to limit the periodic use of financial resources that were accumulated over time for a specific project or purpose.

The budget may be developed with one or more contingency plans to protect against volatile or unexpected events. When significant uncertainty exists concerning revenue volatility or threatening/pending obligations, the City Council and City Manager reserve the right to impose any special fiscal control measures, including a personnel hiring freeze, and other spending controls, whenever circumstances warrant. The City Council may authorize the use of Contingency reserves only during emergency situations as set forth by Council Policy F-3.

#### B. Organization of the Annual Budget.

The Annual Budget is published in three volumes, the Performance Plan, the Budget Detail and the Capital Improvement Program (CIP).

The Performance Plan provides an overview of each department's mission, departmental programs, core functions, goals, work plan, budget and performance measures. It also provides summary information regarding the

Capital Improvement Program, as well as summary information for budgeted and historical overall City revenues, expenditures, and fund balances.

The Budget Detail provides historical trends of summary level information and contains line by line detail regarding operating expenditures for the prior year, current year and budget year. Operating expenditures are categorized into four classifications within the Operating Budget. These are Salaries and Benefits, Maintenance and Operations, Capital Outlay and Other Financing Uses.

The CIP document provides a summary of current and future planned projects, basic descriptions of each project, the funding source and the scope of work to be performed. CIPs are generally major facility or infrastructure improvement projects managed by the Public Works Department.

C. Budget Process.

During December of each year, the Finance Department shall prepare updated revenue estimates and fund balance projections for the current year and prepare preliminary revenue projections for the next fiscal year. In January of each year, the Finance Department shall prepare a budget calendar and issue budget instructions to each department for use in preparation of the next year's City budget. Included in these instructions will be budget guidelines and appropriation targets for each department. These guidelines will be developed by the Finance Director and approved by the City Manager.

After further refinements of revenue estimates and the completion of Department proposed expenditure appropriation requests, the Finance Departments will summarize department requests for review by the City Manager. After the City Manager has reviewed and amended the Department Head requests, the Finance Department shall prepare the City Manager's proposed budget for the next fiscal year and shall submit it to the City Council. The City Council shall hold as many budget study sessions as it deems necessary. All proposed Council changes to the City Manager's proposed budget shall be itemized on a budget checklist of revisions. The City Council shall hold a budget hearing and adopt the proposed budget with any checklist revisions on or before June 30 by formal budget resolution. When adopted, the proposed budget along with the finalized checklist, become the final budget.

D. Administration of the Annual Budget.

During the budget year, Department Heads and their designated representatives may authorize only those expenditures that are based on appropriations previously approved by City Council action, and only from accounts under their organizational responsibility. Any unexpended appropriations, except valid encumbrances, expire at fiscal year end unless specifically reappropriated by the City Council for expenditure during the new fiscal year. Department Heads are responsible for not authorizing expenditures above budget appropriations in any given expenditure classification within their purview, without additional appropriation or transfer as specified below. Appropriations may be transferred, amended or reduced subject to the following limitations:

1. New Appropriations. During the Budget Year, the City Council may appropriate additional funds for special purposes by a City Council Budget Amendment. The City Manager has authority to approve requests for budget increases not to exceed \$10,000 in any Budget Activity or Capital Project. (This must be specifically included in each year's Budget Resolution to remain valid.)
2. Grants & Donations. The City Manager may accept grants or donations of up to \$30,000 on behalf of the City. However, if a new or additional appropriation is required, the City Manager's authority to create new appropriations is limited to \$10,000 as stated above. The City Council will be formally notified of such actions on a quarterly basis by way of the City Manager newsletter to the City Council. (This provision must be specifically included in each year's Budget Resolution to remain valid.)

Additionally, grant appropriations approved by City Council may be carried forward to the following fiscal year(s) as long as the grant terms remain valid, the expenditures are consistent with the previous Council authorization, and the funds would otherwise need to be returned to the granting or donor agency. Also, see Council Policy F-25 for specific grant acceptance and administration procedures.

Grant agreements and restricted donations in excess of \$30,000 must be specifically approved by the City Council. Occasionally, the terms and conditions of a grant are approved by City Council in a year prior to when the program activity will take place and therefore, the funds are not

appropriated to carry out the grant at that time. In such cases, the City Manager may appropriate the funds when they are received, provided the expenditures clearly meet the amount, terms, nature and intent of the grant or donation previously approved by City Council.

3. Assessment District Appropriation. Assessment district projects are typically funded by property owner contributions and bond financing secured by property assessments. City staff will initially seek appropriation to advance City resources for the assessment engineering and the design work related to a proposed assessment district. Since the City's advance is at risk until a district is formed at a public hearing, the appropriation related to advanced resources shall be subject to the normal budget policies. However, once the district has been formed at a public hearing, the City Council will adopt a "project-length" budget for the district and City staff will be allowed to roll the appropriations forward into future fiscal years without rebudgeting the project through the formal CIP process.

When assessment bonds are issued to finance the improvements, the bond issuance costs are estimated at the maximum amount that would be required to complete the improvements because it is not known how many property owners will opt to pay the assessment in full during the cash collection period. Finance staff will also have the authority to reduce Council appropriations (related to bond issuance costs) after bonds are resized and sold.

4. Transfers within Departments. During the fiscal year, actual expenditures may exceed budget appropriations for specific expenditure line items within departmental budgets. If a total departmental budget, within a specific Classification, is not exceeded, the Finance Director has the authority to transfer funds within that Classification and Department, to make the most efficient use of funds appropriated by the City Council (Salaries and Benefits, Maintenance and Operations, Capital Outlay and Other Financing Uses are the City's four Classifications within the operating budget).
5. Transfers between Departments. Further, funds may be realigned between one Department and another, within the same Classification, with City Manager approval. For example, if a Fire Department function and the employee who accomplishes it are replaced by a slightly different

function assigned to the Police Department, the City Manager may authorize the transfer of appropriate funds to support this function.

6. Transfers between Expenditure Categories. Any reprogramming of funds among the three Classifications (Salaries and Benefits, Maintenance and Operations, and Capital Outlay and Other Financing Sources) within a given fund requires the City Manager's approval. Any budget revision that changes the total amount budgeted for any fund (other than the minor provisions contained in paragraphs C.1. and C.7.b.) must be approved by the City Council.
7. Transfers between Capital Improvement Projects (CIP). Budget Transfers between Capital Improvement Projects shall be subject to the following parameters:
  - a. Excess Project Appropriations or savings may be transferred to a "Project Savings Account," within the same fund. Funds may be reappropriated to a new or existing project with the approval of City Council. Any appropriation balance remaining in the Project Savings account will lapse at Fiscal Year End.
  - b. Excess Project Appropriations may also be transferred from one CIP project to another, provided that the projects utilize the same funding source and are for substantially the same project purpose and physical location. Project appropriation transfers of this nature require the approval of the City Manager.

All proposed budget amendments and transfers will be submitted to the Finance Director for review and processing prior to City Manager or Council authorization.

All unexpended and unencumbered appropriations will be canceled on June 30 of each fiscal year. Incomplete projects may be reappropriated by the City Council during the budget process or by separate Council action.

- E. Management Authorization & Responsibilities. . Once the final Budget has been approved by the City Council, specific City Council approval to make expenditures consistent with the Budget will not be required except as provided by other Council Policies and Administrative Procedures. It is the responsibility



of the City Manager and management to administer the City's budget within the framework of policy and appropriation as approved by the City Council.

1. The Finance Director is responsible for checking purchase requests against availability of funds and authorization as per the approved Budget.
2. Unless otherwise directed, routine filling of vacancies in staff positions authorized within the Budget, will not require further City Council approval. However, new positions, not addressed by the adopted budget, do require City Council approval.
3. At fiscal year end, the Finance Director is authorized to record accruals and transfers between funds and accounts in order to close projects or the books of accounts of the City of Newport Beach in accordance with generally accepted governmental accounting principles as established by the Government Accounting Standards Board, Government Finance Officers Association, and other appropriate accounting pronouncements. Any net shortage within a Fund will be recorded as a decrease in Fund Balance. Any net excess will be recorded as an increase to one or more appropriate Reserve Accounts as recommended by the Finance Director and approved by the City Manager or as is otherwise dictated by Council Reserve Policy (F-2). The net change in fund balances will be reported to City Council through various documents including Quarterly Financial Reports, the Comprehensive Annual Financial Report (CAFR), Budget Documents and other financial presentations. Funds that exceeded appropriations during the year or ended the year with a deficit fund balance are reported annually in the CAFR notes to the financial statements. (Information regarding the policy parameters and administration of City Reserves is contained in City Council Policy F-2.)

**Adopted - January 24, 1994**

**Amended - February 27, 1995**

**Corrected - February 26, 1996**

**Amended - May 13, 1996**

**Amended - May 26, 1998**

**Amended - August 8, 2000**

**Amended - May 8, 2001**

**Amended - April 23, 2002**

**Amended - April 8, 2003**

**Amended - April 13, 2004**

**Amended - September 13, 2005**

**Amended - October 10, 2006**

**Amended - August 11, 2009**

**Amended - September 27, 2011**

**Formerly F-10, F-11, F-12, and F-21**

NEWPORT BEACH PUBLIC LIBRARY  
COLLECTION DEVELOPMENT POLICY

It is the intent of the Board of Library Trustees that the Newport Beach Public Library provide a variety of print and nonprint materials to meet the informational, educational and recreational needs of the entire community.

The Library seeks to provide breadth and depth within the collection, various points of view, and differing formats. The Library endeavors to balance materials of permanent value with those of current interest. Materials are selected based on their content as a whole, not on selected excerpts. Race, nationality, or political, social, moral, or religious views of an author will not affect the selection of materials.

Selection is based on merit of the work; value of the work within the collection; and the needs and interests of the community. Consideration is given to specific types of material; to materials for specific age groups; to materials for special interests of clientele; and to differing formats of materials. These selection criteria will apply equally to materials purchased and to those accepted as gifts.

The selection of materials is made by Library staff. Customers making requests that items be added to the permanent collection will be referred to the "Request for Book Purchase Form." Suggestions from Library customers are encouraged and receive serious consideration.

Many items which are not in the collection are available to library Customers, through established interlibrary loan practices. Concurrently, the Library's participation in universal borrowing, established by the California Library Services Act, Article 4, Section 18731, provides Newport Beach Public Library Customers direct access to materials housed in other participating public libraries in Orange County and throughout the State of California.

The Library believes that the use of Library materials is an individual and private matter. All customers are free to select or reject materials for themselves; they may not restrict the freedom of others to read or inquire. Parents have the primary responsibility to guide and direct the use of Library materials by their own minor children.

In support of the above principles, the Library incorporates the **Library Bill of Rights** as adopted by the American Library Association Council on January 23, 1980, as Attachment I to the Collection Development Policy.



Library customers with concerns about a specific title in the collection shall be provided with a copy of the Library's "Collection Development Policy" and asked to complete the "Customer's Request for Evaluation" form.

Library staff shall evaluate the material, based on the "Collection Development Policy" established by the Board of Library Trustees. A recommendation shall be forwarded to the Library Services Director who shall respond in writing to the customer. Any unresolved concerns shall be referred to the Board of Library Trustees for final decision.

Library customers requesting specific titles be added to the collection will be provided with a "Request for Book Purchase" form. Library staff shall evaluate the request based on the "Collection Development Policy" established by the Board of Library Trustees. Customer's "Request for Evaluation of Library Resources" form is attached as Attachment II.

[Attachment I - Library Bill of Rights]

[Attachment II - Collection Development Policy]

**Adopted - October 22, 1990**

**Amended - October 28, 1991**

**Amended - January 24, 1994**

**Reassigned - April 8, 2003**

**Corrected (Att. II) - October 10, 2006**

**Amended - September 27, 2011**

**Formerly I-16**

## LIBRARY GIFT AND DONOR POLICY

The Newport Beach Public Library Board encourages and welcomes gifts and bequests to the Library. Gifts may be given to the Newport Beach Public Library, to the Newport Beach Public Library Foundation and to the Friends of the Newport Beach Public Library.

It is the position of the Board of Library Trustees that gifts and bequests given to the Library shall be used to supplement those funds appropriated for use by the Library, and shall not in any way supplant such funds appropriated for Library salaries and maintenance and operations of the Library.

### LIBRARY GIFTS

Gifts offered directly to the Library will be reviewed and considered for acceptance by the Board of Library Trustees. Gifts to the Library are also tax deductible.

- A. Recognition of donations by plaques, signage or other permanent display shall be approved by the Board of Library Trustees.
- B. Dedication opportunities exist for those donors who make gifts to specific areas of the Library. Gifts to fund specific collections or areas of the Library must be reviewed and approved by the Board of Library Trustees and be compatible with the Collection Development Policy of the Library. Items purchased for a specific subject will not be kept separately, but will be integrated into the collection.

### FOUNDATION GIFTS

- A. The NBPL Foundation is a 501(c)3 organization. All donors who contribute \$1,000 or more to the Foundation shall be permanently recognized on a donor recognition system as follows:

#### Donor Levels

- 1      \$ 1,000 to \$ 2,499
- 2      \$ 2,500 to \$ 4,999
- 3      \$ 5,000 to \$ 9,999

- 4     \$ 10,000 to \$24,999
  - 5     \$ 25,000 to \$49,999
  - 6     \$ 50,000 to \$99,999
  - 7     \$100,000 and above
- B.    A special section of the donor recognition system shall be titled "Memorials" recognizing gifts of \$1,000 or more made in memory of an individual.
  - C.    All service clubs, PTA'S, schools or other organizations who collectively donate \$1,000 or more shall be recognized by the organizational name.
  - D.    Dedication opportunities exist for those donors who make gifts to specific areas of the Library. Gifts to fund specific collections or areas of the Library must be reviewed and approved by the Board of Library Trustees and be compatible with the Collection Development Policy of the Library. Items purchased for a specific subject will not be kept separately, but will be integrated into the collection.
  - E.    Recognition of pledges shall be based upon the total amount pledged. Gifts of \$5,000 or greater shall have five (5) years to complete the pledge, and recognition shall be implemented after the pledge has been fulfilled.
  - F.    Appropriate recognition items will be given to donors at the discretion of the Newport Beach Public Library Foundation Board. The cost of such items may not exceed one to two percent (1 - 2%) of the total amount of the gift.
  - G.    Any exception to this policy will require the express approval of the Newport Beach Library Board of Trustees.

#### FRIENDS GIFTS

The Friends of the Newport Beach Public Library is a 501(c) 3 organization.

- A.    The Friends accept donations of used books to be sold in the Friends Book Store. The disposition of donated books is determined by the Bookstore Manager.

- B. Other gifts offered to the Friends will be reviewed and considered for acceptance by the Friends Board.
- C. Recognition of donations shall be recommended by the Friends Board and considered for approval by the Board of Library Trustees.

**Adopted - March 11, 1991**

**Amended - October 28, 1991**

**Amended - February 10, 1992**

**Amended - January 24, 1994**

**Amended - March 9, 1998**

**Reassigned - April 8, 2003**

**Amended - October 18, 2005**

**Amended - October 10, 2006**

**Formerly O-8**

**Formerly I-17**

**NEWPORT BEACH PUBLIC LIBRARY GIFT POLICY**

All donations of gifts and property to the Newport Beach Public Library not covered by the Collection Development Policy must be approved by the Board of Library Trustees. The board reserves the right to decide the time and place for display and use of any gift. The ultimate disposition of the gift lies within the sole province of the Board of Library Trustees.

**Adopted by Board of Library Trustees - October 27, 1992**

**Adopted - January 24, 1994**

**Reassigned - April 8, 2003**

**Formerly I-19**