Meredith Public Library
Spending Policy

Monies and donations that are given to the Meredith Public Library (the “Library”) in trust are intended to not only benefit current library patrons, but also future generations of library patrons.

The Meredith Public Library Board of Trustees (the “Board”) has created a Spending Policy designed to use income generated from the trusts to support library projects that are not ordinarily considered in the regular operation of the library. A portion of the income generated from the trusts may remain invested in the trusts so that the trusts will continue to flourish for future Library patrons.

The Board is responsible for supervising the investment of trust funds under its care and control. These trust funds shall use principal and income accounting.

Currently, there are two trust funds (the “Trusts”) supervised by the Board:
- Alexander P. Nichiporuk Memorial Fund
- Improvement Fund.

The Trusts are invested in a common trust fund account as authorized by RSA 35:9. Trusts shall be invested in accordance with RSA 202-A:23.

Total income is defined as interest and dividends received.

Net income is defined as total income less investment management fees.

Short-term and long-term capital gains and capital gain distributions generated by the Trusts shall be added to principal.

**Spending Policy**

- **Alexander P. Nichiporuk Memorial Fund:**
  - Net income (only) is expendable.
  - The spending amount each year from the trust shall not exceed the net income generated by the trust.
  - Income not spent in one year may be carried forward and added to the income balance to be expended in future years.

- **Improvement Fund:**
  - The spending amount each year from the trust shall not exceed the net income generated by the trust, except as further noted below.
  - In addition to the annual net income generated by the trust, four percent (4%) of the ending principal balance on December 31 in the Improvement Fund is automatically authorized for expenditure in the following year.

Approved by the Trustees of the Meredith Public Library February 11, 2014
without a Board vote. Automatically-authorized principal distributions not withdrawn from the Improvement Fund by December 31 shall lapse. Unexpended automatically-authorized principal distributions may not be added to the following year’s income balance.

- Expending principal from the Improvement Fund in excess of 4% requires a two-thirds majority vote of the full Board and shall be for named projects.
- The Board recognizes the current interests of donors in supporting, enlarging, and diversifying the activities and classes of the Meredith Public Library. Therefore, annual gifts shall be treated as increases in the amount of spending available each year without a Board vote.
- The Board may vote to set aside a portion, or all, of the annual gifts by transferring specific amounts to the Improvement Fund principal to be used for future projects.

The Board of Trustees adopted this Spending Policy on: __________________

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Trustee Signature                          Printed Name

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Trustee Signature                          Printed Name

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Trustee Signature                          Printed Name

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Trustee Signature                          Printed Name

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