Email from Lori Fisher, Assistant State Librarian, to NHAIS listserv, 4/7/2020
Subject: Budgets, budget cuts, budget committees

Good morning,

After our director’s call on employment yesterday, I decided to reach out to a municipal attorney regarding questions that came up about budgets, budget committee emergency meetings, and what can be done to a library’s budget IF IT HAS ALREADY BEEN PASSED AT TOWN MEETING. Please note that situation in caps.

1. The town’s budget committee cannot do anything about a town budget that has already been passed by the town. Per RSA 32:22, the budget committee can request a review of expenditures from each town department, and encourage them to spend less. But they cannot mandate any changes to a budget passed by the town.

2. Once a budget is approved at town meeting, the library trustees are the only ones per RSA 202-A:11 that can expend the library’s appropriation. That also means that the trustees are the only ones who can mandate cutting library spending so that there is money left over to go back into the town’s general fund at the end of the fiscal year.

3. The board of selectmen can mandate other town departments do a % cut of their budgets to have money that will go back to the general fund at the end of the fiscal year. But the BOS cannot do that to the library given RSA 202-A:11. HOWEVER...remember that there will be a political cost if all other town departments cut spending and the library does not.

4. In a town where the budget has been approved by town meeting, cutting expenditures will NOT reduce this year’s tax bill. The tax rate is based on the amount appropriated by residents at town meeting. What would happen is that any unspent monies at the end of the fiscal year would roll back into the town’s general fund, possibly setting the town up for a lower tax rate the next fiscal year (if the budget does not increase).

All towns and cities in NH are members of the NH Municipal Association, so any library that has questions about this process can certainly either call them at 224-7447 or email at legalinquiries@nhmunicipal.org. Also, you can consult with your town attorney on these issues.

I hope this is helpful!

Lori

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