

QUESTION

In 2008 the Town of Enfield passed a warrant article (#6) that created the Library Building Capital Reserve Fund. We are currently preparing our 2019 budget and my Trustees would like to add \$1,500 in to the library budget to pay for fundraising mailings related to our new building project. I think the main intention for this budget line item is to cover the cost to print and mail letters asking for money for the building fund. They also want to add an additional \$500 to pay for the start-up of a Friends Group.

I have concerns about the legality of using Town money for these purposes. We currently do not have 501(c)3 status, instead money that has been raised by the Trustees for the new building is kept in a savings account. We do not have a separate fundraising group, Friends Group, or Foundation.

ANSWER from NHMA legal inquiries:

Assuming the library trustees have authority to accept and expend gifts under RSA 202-A:4-c, then applying for grants, running a capital campaign, or otherwise engaging in activities to solicit and accept gifts and grants would be a proper exercise of their authority. Since RSA 31:4 allows towns to raise and appropriate money for any purpose for which they are authorized to act, I believe it would also be an appropriate to raise and appropriate money to conduct those activities. The only caveat is that we advise towns and municipal officials **against** using taxpayer money to conduct activities intended to sway voters to vote a certain way on a candidate or issue.

If the trustees are uncomfortable with asking for these monies in the budget, it is possible for a citizens group to form, acquire nonprofit status, and solicit for donations, which would then be donated to the trustees.