

NH Department of Revenue Administration
Municipal & Property Division
P.O. Box 487
Concord, NH 03302-0487
(603) 230-5090

Emergency Expenditure and Overexpenditure

RSA 32:11

Procedures & Forms

Towns and Village Districts

32:11 Emergency Expenditures and Overexpenditures. – When an unusual circumstance arises during the year which makes it necessary to expend money in excess of an appropriation which may result in an overexpenditure of the total amount appropriated for all purposes at the meeting or when no appropriation has been made, the selectmen or village district commissioners, upon application to the commissioner of revenue administration or the school board upon application to the commissioner of education, may be given authority to make such expenditure, provided that:

I. Such application shall be made prior to the making of such expenditure. No such authority shall be granted until a majority of the budget committee, if any, has approved the application in writing. If there is no budget committee, the governing body shall hold a public hearing on the request, with notice as provided in RSA 91-A:2.

II. The commissioner of revenue administration or the commissioner of education may accept and approve an application after expenditure if caused by a sudden or unexpected emergency, in which case paragraph I shall not apply.

III. Neither the commissioner of revenue administration nor the commissioner of education shall approve such expenditure unless the governing body designates the source of revenue to be used. Neither commissioner shall have the authority to increase the town or district's tax rate in order to fund such expenditure.

This packet contains: Instructions and separate forms for town and village districts showing RSA 32:11 Emergency Expenditure Revenue Source. Complete the applicable form and submit with your request and any other required documentation. If you need assistance, please call your auditor at 230-5090.

NOTE: Disaster Funds – *If you are waiting for federal funds as a result of a major disaster, you may hold a special meeting pursuant to **RSA 31:5-a** to appropriate the local matching share.*

RSA 32:11 Anticipated Emergency Expenditures and Overexpenditure Procedures for Towns and Village Districts

Documents to Submit to the Department of Revenue Administration

1. Emergency request letter prior to expenditure signed by a majority of the selectmen and by a majority of the budget committee, if applicable. The letter must indicate the reason for the emergency as well as amounts, purposes, and source(s) of revenue.
2. Signed minutes from the hearing held under RSA 32:11, I. No hearing is required if there is an official budget committee and request is signed by a majority of the budget committee.
3. Revenue Source Form showing revenues used to set the tax rate and the anticipated source of revenue for the emergency expenditure.

Criteria For Denying or Deferring Request

1. Request is made after close of the fiscal year, unless emergency under RSA 32:11, II which is when permission is sought after an immediate emergency.
2. Did not follow procedures under RSA 32:11 (see above) or documents are missing.
3. No revenue source or unsatisfactory source [no taxes may be raised; department cannot authorize expenditure from trust or capital reserve fund (CRF) where no other authority has been previously granted by legislative body].
4. “No Means No” issue per RSA 32:10, I (e). This expenditure requires a special meeting under RSA 31:5 or 31:5-a.
5. Expenditure will not exceed bottom line of total voted appropriations (see alternatives #6).
6. Alternatives:
 - Transfers between existing voted appropriations under RSA 32:10, except in a “No Means No” situation or from special warrant article. See RSA 32:10, I, (d) and (e).
 - Too early in fiscal year (FY); wait until final quarter (calculate percent of remaining budget compared to percent of remaining FY).
 - Hold special meeting to appropriate additional funds or appoint agents to expend from an appropriate CRF or expendable trust.
 - Wait until next annual meeting to appropriate for the purpose.
7. No authority to accept grant, if that is revenue source (need approval under RSA 31:95-b).
8. RSA 32:11 approval not necessary; authority to spend already exists. Examples: agents to expend from a CRF or expendable trust have been appointed; bonding authority already approved for that purpose.

Criteria For Granting

1. Satisfactory explanation of unusual circumstance and is a legal purpose for which a town or village district may expend.
2. Request made prior to expenditure (except under RSA 32:11, II).
3. All required documents and signatures are submitted.
4. Documents show amount of request and source of revenue (no taxes may be raised).
5. Does not meet criteria for denying request and there are no other alternatives.