



# **Town of Hingham, Massachusetts**

## **Annual Comprehensive Financial Report**



**For the Fiscal Year Ended June 30, 2024**

On the front cover:

The Town continues to invest in the resiliency of Hingham Harbor to address safety issues and threats posed by climate change. The Town's long-range plan includes elevating and repairing wharf walls to protect Hingham's shoreline and infrastructure. By prioritizing these resiliency measures, Hingham is preserving its natural beauty and protecting the waterfront for future generations.

*Photo courtesy of the Town of Hingham*

# TOWN OF HINGHAM, MASSACHUSETTS

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2024



Prepared by:

Accounting Department  
Town Accountant  
Ann MacNaughton

**TOWN OF HINGHAM, MASSACHUSETTS**  
*ANNUAL COMPREHENSIVE FINANCIAL REPORT*  
*FOR THE YEAR ENDED JUNE 30, 2024*

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# *Introductory Section*



Town of Hingham, Massachusetts  
Annual Comprehensive Financial Report  
For the Year Ended June 30, 2024

# TOWN OF HINGHAM

OFFICE OF THE SELECT BOARD

Joseph M. Fisher, Chair  
William C. Ramsey  
Elizabeth F. Klein



Tom Mayo, Town Administrator  
Michelle Monsegur, Assistant  
Town Administrator  
Arthur P. Robert, Assistant Town  
Administrator

## Letter of Transmittal

December 19, 2024

### To the Citizens of the Town of Hingham, Massachusetts:

The Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2024 for the Town of Hingham, Massachusetts is hereby submitted for your consideration.

State law requires the Town of Hingham to publish at the close of each year a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. As management, we assert that this financial report is complete and reliable in all material respects.

The Annual Comprehensive Financial Report is designed to be used by the elected and appointed officials of Hingham in addition to those entities concerned with the Town's management and development including credit rating agencies, bond analysts, investors, and financial institutions. The format of the report enables the Town to present complex financial data in a manner that is easier for citizens and taxpayers of the Town of Hingham to review and understand.

The Town of Hingham's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Hingham for the year ended June 30, 2024 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the Town of Hingham's financial statements for the year ended June 30, 2024 and that they are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Hingham was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the Town of Hingham's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Hingham's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Town of Hingham**

This Annual Comprehensive Financial Report includes all of the operational departments of the Town. The Hingham Housing Authority is not included in the reporting entity because it does not meet the criteria for inclusion. The Hingham Public Library, the Lincoln Apartments, LLC, and the Hingham Contributory Retirement System are included in this report as component units, with the Hingham Public Library and the Lincoln Apartments, LLC being presented as discrete units, and the Hingham Contributory Retirement System being presented as a fiduciary fund within the statement of fiduciary net position.

The Town of Hingham is a seacoast community located approximately 20 miles southeast of downtown Boston. Primarily an established single family community, Hingham has several historic village districts and more recent single family subdivisions that were constructed within the last 40 years.

The Town provides general government services including police and fire protection, disposal of rubbish, public education, streets, recreation, and a municipal golf course (The South Shore Country Club). The Massachusetts Water Resources Authority (MWRA) provides certain sewer services to the Town. Two municipal sewer systems serves approximately one-third of the households of the Town. The Hingham Municipal Lighting Plant, a self-supporting enterprise, provides electric power to the Town, and the Weir River Water System, a self-supporting enterprise, provides water services to the Town. The Town purchased the private water company (Aquarion) on July 31, 2020. The Hingham Housing Authority maintains housing for elderly and handicapped residents. In addition, the Town has a Department of Elder Services to service senior citizens with various programs as well as outreach projects. Bus services are provided by the Massachusetts Bay Transit Authority and connect to Hingham to Boston and other communities in the region.

Several recreational programs are provided among the parks located throughout the Town, in addition to significant beach and swimming facilities. Bare Cove Park contains 468 acres and was a former federal ammunition depot. It is mostly in its original pristine condition with many trees and forests and is adjacent to the scenic Back River. It provides walking and bicycle trails, nature studies, picnic facilities and other items of interest.

The Commonwealth of Massachusetts maintains Wompatuck State Park in the Towns of Hingham and Cohasset containing 3,509 acres, of which 2,047 acres are in Hingham. In addition to the facilities provided by Bare Cove Park, Wompatuck offers hiking trails in the summer which become cross country skiing trails in the winter, and extensive camping facilities are provided.

The Town is located in Plymouth County and the principal services provided by the County are court facilities, a jail and house of correction, and registry of deeds and probate.

The three-member elected Select Board acts as the chief executive officer of the Town; however, the Town has a diverse government with many elected and appointed boards and committees. A Town Administrator is appointed by the Select Board and is responsible for day-to-day administration and operations.

### **Factors Affecting Economic and Financial Condition**

The Town of Hingham continues to reflect a strong economic condition; per capita income is significantly higher than state averages and the unemployment rate has always been extremely low as compared to state and national averages. The Town remains a very desirable community given its close proximity to Boston and the level and quality of services provided. The residential sales market has been and continues to be very strong, reflecting the great interest in the community.

The most recent federal census in 2020 put Hingham's population at 24,284; local data from the Town Clerk's Office indicates slight growth over the last four years to 24,903 in 2024. The town experienced a decline in school enrollment during the COVID-19 pandemic when Hingham Public Schools conducted classes virtually while private schools continued to meet in person. Nevertheless, Hingham remains known throughout the state for its high-quality school system. Hingham students consistently score in the top percentiles on national and state tests and an extremely high percentage of students graduating from the high school go on to pursue higher education.

### **Long-term Financial Planning**

The Town Administrator along with the financial officers, which consist of the Assistant Town Administrator for Finance, Town Accountant, Treasurer/Collector, Director of Assessing, and School Business Manager, work closely with the Select Board, Advisory Committee, Capital Outlay Committee, School Department, and Department Heads to develop short-term and long-term financial goals and to address the financial stability of the Town.

### **Major Initiatives**

The Town continues to make capital investments in infrastructure a high priority. In recent years, voters have approved debt exclusions to construct a new Foster Elementary School, the cost of which is partially offset by grants from the Massachusetts School Building Authority, and a new joint public safety facility to replace the current Police Station and North Fire Station. Town Meeting has also appropriated funds in recent years for a major sewer improvement project in Route 3A, construction of a new water tank and booster station, inner harbor resiliency improvements, and a feasibility study to site a new senior center.

### **Financial Information**

**Financial Management.** The Advisory Committee maintains the Town's Financial Policy, conducting a thorough review and update of the Policy every three years. It is a comprehensive statement covering financial management, capital expenditures, and debt service. The purpose of the Policy is to stabilize tax rates and control expenditures. It is expected to give guidance to the preparation, review, and approval of budgets.

The Policy recommends that Available Reserves (Unassigned Fund Balance) be maintained at a level of no less than 16% and no more than 20% of total annual appropriations. Each year that Available Reserves increase, any excess of the above level should be available for spending or for tax reductions in accordance with the policy.

In addition, in March 2023 in conjunction with proposing an override to Hingham voters, the Select Board, Town Administrator, School Committee, School Superintendent, and Advisory Committee signed onto an FY24 Override Framework and FY24-28 Financial Management Plan. The purpose of the Plan was to make a public commitment to the residents and taxpayers of the town to exercise fiscal discipline and achieve balanced budgets consistent with the Plan's fiscal constraints while continuing to provide quality municipal and educational services. The plan imposes a 3.5% expenditure growth cap for the municipal and school budgets each year.

**Internal Controls.** Management of the Town is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the Town are protected from loss, theft or misuse and to ensure that accurate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Town Administrator and the fiscal team are responsible for evaluating the adequacy and effectiveness of the internal control structure and implementing improvements. Because the cost of internal controls should not outweigh their benefits, the Town of Hingham's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement.

The Town voted at the Annual Town Meeting held on April 27, 2010 to establish an Audit Committee. The Committee assists in the selection and monitoring of an independent auditing firm to conduct annual audits of the financial statements of the Town. The Committee supervises and reviews the conduct of the audit and the auditor's relationship with the Town. The Chair of the Audit Committee is also a member of the Whistleblower Committee.

**Budgetary Controls.** The Town Administrator is responsible for the preparation of the budget for all non-school departments. He initiates the process in October/November of each year with the development of a five-year financial forecast and budget guidelines for the coming fiscal year. The various department heads prepare their budgets and meet with the Town Administrator for review and approval. The Town Administrator then submits budget recommendations to the Select Board. The Select Board conducts budget hearings in December/January with each department to review their requests and the Town Administrator's recommendations. The Select Board then recommends the budget to the Advisory Committee. The 15-member Advisory Committee reviews the budgets approved by the Select Board, attempts to resolve any differences, and then prepares the annual budget recommendations to Town Meeting, which is the body that has final approval authority. The Annual Town Meeting (April) legally adopts the budgets for the General Fund, Water Enterprise Fund, South Shore Country Club Enterprise Fund, Sewer Special Revenue Fund, and Community Preservation Fund. Once approved, the budgets are controlled at the department level with the Town Accountant approving all payrolls and invoices. The Advisory Committee, based on a recommendation of the Select Board, may approve subsequent transfers from a Reserve Fund.

The Treasurer/Collector is responsible for all of the Town's cash and investments, debt management, and payment of invoices. The Town Accountant sets the tax rate, while the Assessors commit the real estate taxes, personal property taxes, and motor vehicle excise taxes to the Treasurer/Collector for collection. About 99% of all real estate taxes are collected during the year of billing with the remaining 1% collected the following year. This efficiency greatly aids the Treasurer/Collector in not only reducing or avoiding temporary loans but also maximizing investment potential.

The Treasurer/Collector, in common with other towns as a result of permissive legislation, changed from a semi-annual billing system to a quarterly billing system in 1992. This change has not only eliminated the need for temporary borrowings, which were costing the Town \$150,000 per year, but also provided temporary excess cash beyond immediate needs which is available for short-term investment.

In addition to approval authority over all disbursements, the Town Accountant is responsible for providing accurate and timely estimates of the Town's current and future financial position to the Town Administrator. The Town Accountant also holds quarterly budget review meetings with departments to ensure they are within their approved budgeted appropriation.

The Assistant Town Administrator for Finance holds regular meetings with the Town's financial officers to establish goals and objectives, coordinate municipal financial functions, and review reports comparing budgeted revenues and expenditures with actuals.

### **Other Information**

**Certificate of Achievement for Excellence in Financial Reporting.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Hingham for its ACFR for the year ended June 30, 2023. This was the twenty-eighth consecutive year that the government has achieved this prestigious award. In order to be awarded the Certificate of Achievement, a governmental unit (state, county, district, or town) must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards established by the Government Finance Officers Association of the United States and Canada (GFOA). Such reports must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Independent Audit.** The financial statements for the year ended June 30, 2024 were audited by the public accounting firm of CliftonLarsonAllen LLP. The financial statements have received an "unmodified opinion" from the auditors. An "unmodified opinion" is the best opinion which a governmental unit can receive. It indicates that the financial statements were prepared in accordance with generally accepted accounting principles and that they are fairly presented in all material aspects.

Additionally, the Town is required to have a single audit, under the requirements of the Single Audit Act of 1984, of all Federal programs, as prescribed in the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance).

### **Acknowledgments**

A special gratitude is owed to Phil Hwang, James Piotrowski, and Christian Rogers of CliftonLarsonAllen LLP, whose attention to the 2024 financial statements was invaluable. We also want to express our deep appreciation to the Accounting team – Huong Pham, Cheryl Karoutsos, and Aksana Holmes – for their invaluable assistance with the preparation of this Annual Comprehensive Financial Report.

Cordially yours,

A handwritten signature in blue ink, appearing to read 'T Mayo', with a stylized flourish at the end.

Tom Mayo  
Town Administrator

A handwritten signature in black ink, reading 'Ann R. MacNaughton' in a cursive script.

Ann MacNaughton  
Town Accountant



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Hingham  
Massachusetts**

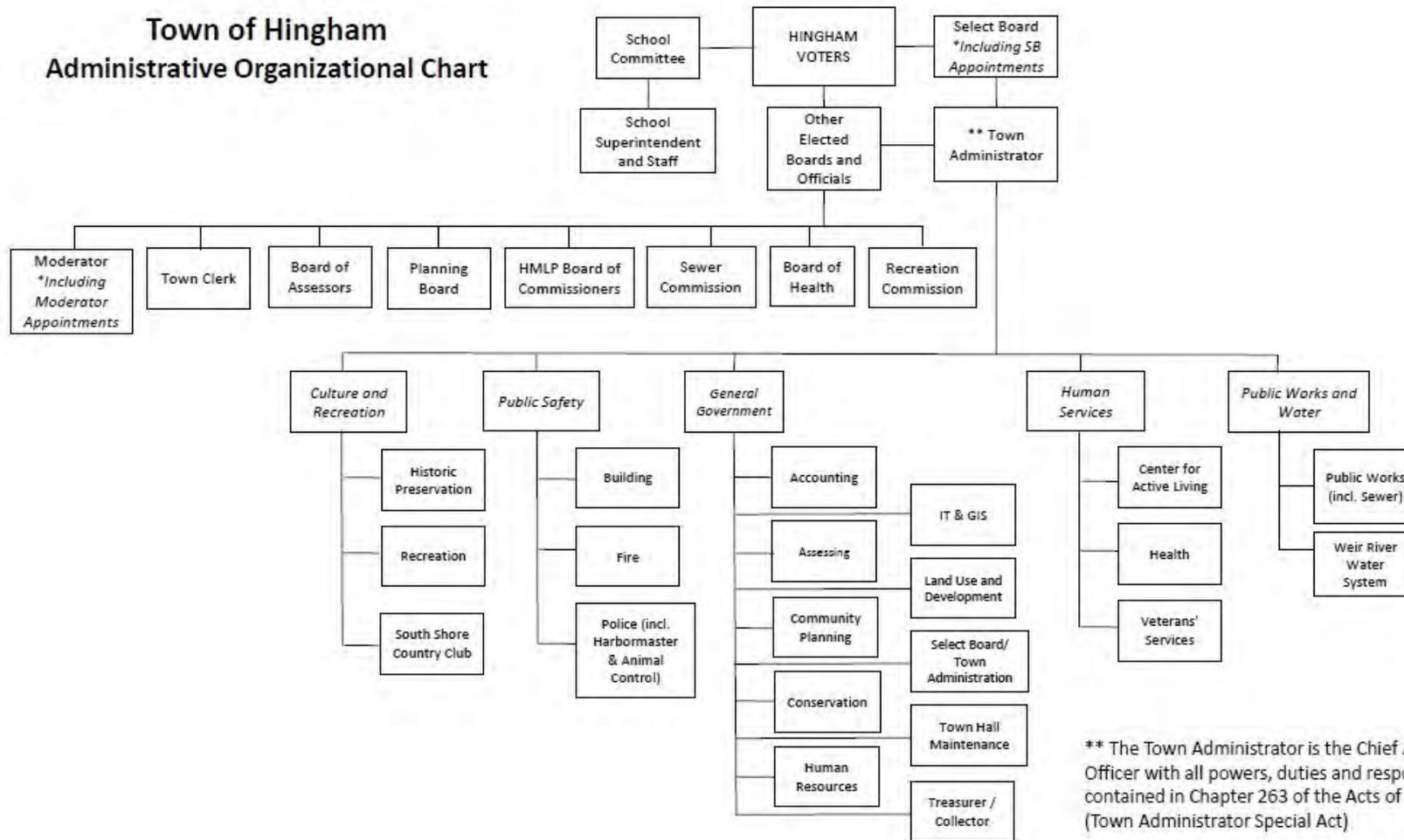
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

# Town of Hingham Administrative Organizational Chart



\*\* The Town Administrator is the Chief Administrative Officer with all powers, duties and responsibilities as contained in Chapter 263 of the Acts of 2016 (Town Administrator Special Act)

## Elected Officials\*

		<u>Term Expires</u>
MODERATOR (1 Year Term)	Michael J. Puzo	2025
SELECT BOARD (3 Year Term)	William C. Ramsey Joseph M. Fisher Elizabeth F. Klein	2026 2025 2027
TOWN CLERK (3 Year Term)	Carol M. Falvey	2027
BOARD OF ASSESSORS (3 Year Term)	Randall M. Winters Christine M. Roberts Joshua M. Ross	2026 2025 2027
BOARD OF HEALTH (3 Year Term)	Elizabeth Eldredge Rosemary D. Byrne Mark D. Lundin	2026 2025 2027
SCHOOL COMMITTEE (3 Year Term)	Michelle Ayer Jennifer Benham Alyson B Anderson Matthew J. Cosman Nancy Correnti Timothy "Miller" Dempsey Kerry J. Ni	2026 2026 2025 2025 2025 2027 2027
PLANNING BOARD (5 Year Term)	Rita Dasilva Kevin M. Ellis Tracy K. Shriver Gordon M. Carr Gary S. Tondorf-Dick	2025 2029 2028 2027 2026
SEWER COMMISSIONERS (3 Year Term)	James Henry Byrne II Kirk J. Shilts Clark Frazier	2026 2025 2027
MUNICIPAL LIGHT BOARD (3 Year Term)	Michael D. Reive Tyler R. Herrald Laura M. Burns	2025 2026 2027
RECREATION COMMISSIONERS (5 Year Term)	Adrienne S. Ramsey Matthew LeBretton Stephen P. Buckley Vicki Donlan Stephen C. Melia	2025 2026 2027 2028 2029

\*As of June 30, 2024

## Administrative Staff\*

Position	Official
Town Administrator	Thomas Mayo
Asst. Town Administrator-Finance	Michelle Monsegur
Asst. Town Administrator-Operations	Arthur Robert
Town Accountant	Ann MacNaughton
Director of Assessing	Erin Delaney
Building Commissioner	Michael Clancy
Community Planning Director	Emily Wentworth
Center for Active Living Director	Jennifer Young
Conservation Officer	Shannon Palmer
DPW Superintendent	Randy Sylvester
Town Engineer	J. R. Frey
Fire Chief	Steven Murphy
Harbormaster	Kenneth Corson III
Executive Health Officer	Susan Sarni
Historic Preservation Administrator	Andrea Young
Human Resources Director	Lisa Campbell
Information Technology Director	Bill Hartigan
Library Director	Linda Harper Stone
Light Plant General Manager	Thomas Morahan
Light Plant Business Manager	Joan Griffin
Police Chief	David Jones
Recreation Director	Mark Thorell
Superintendent of Schools	Dr. Margaret Adams
Asst. Superintendent of Schools	Kathryn Roberts
School Business Manager	Aisha Oppong
South Shore Country Club Exec. Director	Kevin Whalen
Town Clerk	Carol Falvey
Treasurer/Collector	Lori-Ann Magner
Veterans' Services Officer	Keith Jermyn
Water Superintendent	Russell Tierney
Zoning Administrator	Jennifer Oram

\*As of June 30, 2024.

# *Financial Section*



Town of Hingham, Massachusetts  
Annual Comprehensive Financial Report  
For the Year Ended June 30, 2024



## INDEPENDENT AUDITORS' REPORT

To the Honorable Select Board  
Town of Hingham, Massachusetts

### ***Report on the Audit of the Financial Statements*** ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Hingham, Massachusetts (the Town), as of and for the year ended June 30, 2024 (except for the Hingham Municipal Lighting Plant, Hingham Contributory Retirement System and Lincoln Apartments, LLC, a discretely presented component unit, which is as of and for the year ended December 31, 2023), and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2024 (except for the Hingham Municipal Lighting Plant, Hingham Contributory Retirement System and Lincoln Apartments, LLC, a discretely presented component unit, which is as of and for the year ended December 31, 2023), and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Hingham Municipal Lighting Plant, a major enterprise fund which statements reflect total assets and net position constituting 36% and 77%, respectively, of total assets and net position of the business-type activities as of December 31, 2023, and total revenues constituting 67% of total revenues of the business-type activities for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities of the Hingham Municipal Lighting Plant, is based solely of the report of the other auditors.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, general fund and community preservation budgetary comparisons, and certain pension and other postemployment benefits information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the

information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2024, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town's internal control over financial reporting and compliance.



**CliftonLarsonAllen, LLP**

Boston, Massachusetts  
December 19, 2024

# **Management's Discussion and Analysis**

## Management's Discussion and Analysis

This analysis, prepared by the Town Accountant, offers readers of the Town's financial statements a narrative overview and analysis of the financial activities of the Town of Hingham for the year ended June 30, 2024. This is the 19th year our financial statements have been prepared under the Government Accounting Standards Board Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. We encourage readers to consider the information presented in this report in conjunction with additional information that we have furnished in our letter of transmittal.

The Governmental Accounting Standards Board (GASB) is the authoritative standard setting body that provides guidance on how to prepare financial statements in conformity with generally accepted accounting principles (GAAP). Users of these financial statements (such as investors and rating agencies) rely on the GASB to establish consistent reporting standards for all governments in the United States. This consistent application is the only way users (including citizens, the media, legislators and others) can assess the financial condition of one government compared to others.

Governments must adhere to GASB pronouncements in order to issue their financial statements in conformity with GAAP. The users of financial statements also rely on the independent auditor's opinion. If the Town's financial statements have significant departures from GAAP the independent auditors may issue a modified opinion or a disclaimer (where no opinion is given). These types of opinions may have an adverse effect on the Town's bond rating and our ability to borrow money at favorable interest rates. The Town has enjoyed an unmodified opinion on its financial statements for many years.

### Financial Highlights

- The government-wide assets and deferred outflows of the Town of Hingham exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$112.9 million and \$75.9 million (net position) for governmental activities and business-type activities, respectively.
- At the close of the current year, the Town of Hingham's general fund reported an ending fund balance of \$59.7 million, including \$10.6 million set aside in stabilization funds, an increase of approximately \$1.4M over the prior year. Total fund balance represents 42.9% of total general fund expenditures. Approximately \$42.7 million of this total amount is available for appropriation at the Town's discretion.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Hingham's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to private-sector businesses.

The statement of net position presents information on all of the Town's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include general government, public safety, public education, public works, human services, culture and recreation, community preservation, and debt service interest. The business-type activities include the activities of the South Shore Country Club, the Hingham Municipal Lighting Plant, and the Weir River Water System enterprise funds.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Fiscal year 2011 was the Town's initial year of implementation of GASB #54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The implementation of this standard has changed the fund balance components into nonspendable, restricted, committed, assigned and unassigned. Additionally, under the new standard, the Town's stabilization funds are reported within the general fund as unassigned.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Town's general fund, Community Preservation fund, Foster School fund, and Public Safety Building fund are shown separately and the remaining governmental funds are aggregated and shown as nonmajor governmental funds.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

**Proprietary funds.** The Town maintains one proprietary fund type.

*Enterprise funds* are used to report the same functions as business-type activities in the government-wide financial statements, only in more detail. The Town uses enterprise funds to account for its country club, electric lighting, and water operations, all of which are considered major funds of the Town.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Hingham, assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$188.8 million as of June 30, 2024.

Government-wide net position of \$167 million reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town of Hingham's net position, \$51.7 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position resulted in a deficit of \$29.9 million mainly related to the cumulative effects of recording pension and other postemployment liabilities.

Details related to the Town's governmental and business-type activities follow.

**Governmental activities.** The governmental activities net position increased by approximately \$36 million during the current year as compared to an increase in net position of approximately \$8.6 million during the prior year. Total revenues increased 20%, while total expenses increased 3.1%.

*Governmental Activities Consolidated Statement of Net Position*

	2024	2023
<b>ASSETS</b>		
Current assets.....	166,273,994	155,274,474
Noncurrent assets (excluding capital).....	3,858,385	3,539,880
Capital assets, non depreciable.....	129,964,963	48,708,215
Capital assets, net of accumulated depreciation.....	123,846,635	127,631,569
Total assets.....	<u>423,943,977</u>	<u>335,154,138</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<u>18,185,518</u>	<u>18,372,244</u>
<b>LIABILITIES</b>		
Current liabilities (excluding debt).....	27,143,848	14,449,730
Noncurrent liabilities (excluding debt).....	112,224,992	113,130,658
Current debt.....	100,871,188	104,768,090
Noncurrent debt.....	77,832,093	32,186,485
Total liabilities.....	<u>318,072,121</u>	<u>264,534,963</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<u>11,196,418</u>	<u>12,091,208</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets.....	127,755,204	116,930,061
Restricted.....	24,532,053	18,806,947
Unrestricted.....	(39,426,301)	(58,836,797)
Total Net Position.....	<u>\$ 112,860,956</u>	<u>\$ 76,900,211</u>

Current assets increased by \$11 million primarily related to real estate, personal property, and motor vehicle and other excises taxes of \$14.1. Noncurrent liabilities increased \$44.7 million primarily for the issuance of general obligation bonds (\$52 million) and related principal payments (\$4.2 million).

As mentioned above, governmental activities net position increased by approximately \$36 million this year compared to an increase of approximately \$8.6 million last year. Charges for services increased \$1.7 million (9.8%), operating grants and contributions decreased \$1.6 million (5%) and real estate and other taxes increased \$14.1 million (13.8%).

*Governmental Activities Consolidated Statement of Activities*

	2024	2023
<b>PROGRAM REVENUES:</b>		
Charges for services.....	\$ 19,291,536	\$ 17,561,735
Operating grants and contributions.....	31,071,011	32,693,321
Capital grants and contributions.....	17,300,463	3,609,402
<b>GENERAL REVENUES:</b>		
Real estate, personal property taxes, and motor vehicle and other excise taxes.....	116,319,669	102,223,979
Penalties and interest.....	404,788	387,812
Nonrestricted grants, contributions and other.....	2,145,292	2,092,684
Unrestricted investment income.....	7,292,598	3,290,561
Total revenues.....	193,825,357	161,859,494
<b>EXPENSES:</b>		
General government.....	9,509,953	9,299,808
Public safety.....	24,481,122	25,046,937
Education.....	99,348,251	95,891,263
Public works.....	13,846,588	13,589,033
Human services.....	2,048,048	2,049,765
Culture and recreation.....	5,945,560	5,743,875
Community preservation.....	197,469	225,163
Interest.....	3,698,303	2,491,750
Total expenses.....	159,075,294	154,337,594
<b>EXCESS (DEFICIENCY) BEFORE TRANSFERS</b> .....	34,750,063	7,521,900
Transfers.....	1,210,682	1,127,824
<b>CHANGE IN NET POSITION</b> .....	35,960,745	8,649,724
Net Position - Beginning of Year.....	76,900,211	68,250,487
<b>NET POSITION - END OF YEAR</b> .....	\$ 112,860,956	\$ 76,900,211

*Other financial notes related to governmental activities:*

- Charges for services represented 10% of governmental activities resources. The Town can exercise more control over this category of revenue than any other. Fees charged for services rendered that are set by the Town are included in this category.
- Operating grants and contributions accounted for 16% of the governmental activities resources. Most of these resources apply to educational operations. These resources offset costs within the school department and supplement their general fund operating budget. Operating grants and contributions decreased by approximately \$1.6 million which was primarily the result of a \$1.8 million decrease in Health and Human Services operating grants.
- Capital grants and contributions accounted for 8.9% of the governmental activities resources. In 2024 these mainly consisted of state grants for school and highway projects.

- Property and other excise taxes are by far the most significant revenue source for the Town’s governmental activities. They comprised 60% of current revenues. Real estate and personal property taxes increased by approximately \$14.1 million which is primarily the result of the increase in the Town’s taxable property valuation of 5.3% from the previous fiscal year.
- All other revenues comprised a total of 5.1% percent of the governmental activities resources. These primarily include penalties & interest, unrestricted investment income, and unrestricted contributions.
- Education is by far the largest governmental activity of the Town. In addition to \$45.7 million of program revenues (charges for services, operating grants and capital grants) as shown on the Statement of Activities, approximately \$53.6 million in taxes and other revenues were needed to cover its 2024 net operating expenses. A pension contribution of approximately \$11.8 million made by the State on-behalf of Hingham teachers was recorded as an expense and grant revenue in 2024. The 2023 amount was approximately \$10.5 million.
- Public safety and public works are the second and third largest activities of the Town. Approximately \$16.1 million and \$7.1 million, respectively, of taxes and other revenue were needed to cover their 2024 operating expenses.

**Business-type activities.** Business-type activities, consisting of the South Shore Country Club, Hingham Municipal Lighting Plant, and Weir River Water System, increased the Town’s net position by approximately \$7.3 million. These results continue to reflect management’s goal of maintaining the systems while only charging users for the cost of operations.

As shown below, business-type activities assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$75.9 million at the close of 2024. Net investment in capital assets was \$39.2 million, net position restricted for depreciation was \$27.2 million, and unrestricted net position was \$9.6 million.

*Business-Type Activities Consolidated Statement of Net Position*

	2024	2023
<b>ASSETS</b>		
Current assets.....	66,430,414	64,682,074
Noncurrent assets (excluding capital).....	502,561	597,334
Capital assets, non depreciable.....	26,969,032	25,486,199
Capital assets, net of accumulated depreciation.....	127,198,363	124,831,704
Total assets.....	221,100,370	215,597,311
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b>2,112,327</b>	<b>1,684,582</b>
<b>LIABILITIES</b>		
Current liabilities (excluding debt).....	5,753,753	6,170,520
Noncurrent liabilities (excluding debt).....	9,253,567	7,023,710
Current debt.....	7,117,378	11,556,843
Noncurrent debt.....	113,758,498	111,637,876
Total liabilities.....	135,883,196	136,388,949
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>11,390,697</b>	<b>12,269,532</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets.....	39,224,076	35,567,002
Restricted.....	27,158,028	22,629,567
Unrestricted.....	9,556,700	10,426,843
Total Net Position.....	\$ 75,938,804	\$ 68,623,412

The South Shore Country Club includes facilities for golf, bowling, tennis, swimming, and dining. Total revenues amounted to \$2.3 million, which was consistent with the prior year. Expenses increased by approximately \$126,000 mainly relating to operating and maintenance expenses increasing from the prior year. The Country Club’s net position increased by approximately \$67,000 this past year.

The Hingham Municipal Lighting Plant provides electricity to Hingham residents. Total revenues amounted to \$33.4 million; a decrease of approximately \$216,000 from \$33.6 million in 2023 primarily due to decreases in charges for services. Expenses decreased by approximately \$619,000, and after transferring approximately \$504,000 to the general fund the Lighting Plant’s net position increased by approximately \$5.1 million for the year.

The Weir River Water System was acquired by the Town in 2021 and distributes water to the Towns of Hingham, Hull, and Cohasset. Total operating revenues amounted to \$14.5 million in 2024 which was consistent with the prior year and was the third year of operation under Town ownership. Expenses totaled \$12 million in 2024; compared to \$11 million in 2023. After investment income of approximately \$386,000 and transferring approximately \$706,000 to the general fund the Water System’s net position increased by approximately \$2.2 million for the year.

*Business-Type Activities Consolidated Statement of Activities*

	2024	2023
<b>PROGRAM REVENUES:</b>		
Charges for services - South Shore Country Club.....	\$ 2,329,660	\$ 2,280,009
Charges for services - Hingham Municipal Light Plant.....	33,386,345	33,602,472
Charges for services - Weir River Water System.....	14,501,807	14,510,070
<b>GENERAL REVENUES:</b>		
Unrestricted investment income.....	2,056,573	718,967
Total revenues.....	52,274,385	51,111,518
<b>EXPENSES:</b>		
South Shore Country Club.....	2,262,719	2,136,523
Hingham Municipal Light Plant.....	29,497,012	30,115,650
Weir River Water System.....	11,988,580	10,976,144
Total expenses.....	43,748,311	43,228,317
<b>EXCESS (DEFICIENCY) BEFORE TRANSFERS .....</b>	8,526,074	7,883,201
Transfers.....	(1,210,682)	(1,127,824)
<b>CHANGE IN NET POSITION.....</b>	7,315,392	6,755,377
Net Position - Beginning of Year.....	68,623,412	61,868,035
<b>NET POSITION - END OF YEAR.....</b>	\$ 75,938,804	\$ 68,623,412

**Financial Analysis of the Government’s Major Funds**

As noted earlier, The Town of Hingham uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the Town’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the year.

As of the end of the current year, governmental funds reported a combined ending fund balance of \$40.9 million, an increase of \$3.2 million for the year. The causes of the governmental funds increases and decreases are discussed further below.

### *General Fund*

The General Fund is the chief operating fund of the Town. At the end of the current year, the unassigned fund balance of the general fund was \$42.7 million, while the total fund balance was \$59.7 million. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to total fund expenditures. The unassigned fund balance represents 31% of total general fund expenditures, while the total fund balance represents 43% of that same amount.

The total fund balance of the General Fund increased by approximately \$9.9 million during the year. The primary reason for the increase is, largely due to conservative budgeting, the Town experienced positive budget to actual variances for both revenues (\$7.4 million) and expenditures (\$5.8 million). Real estate and personal property taxes also increased by approximately \$13 million which is primarily the result of the increase in the Town's taxable property valuation of 5.3% from the previous fiscal year.

### *Community Preservation Fund*

The Community Preservation fund is a special revenue fund used to account for funds received in accordance with the Community Preservation Act (CPA). Fund Balance increased by approximately \$2.5 million, which was due to CPA surcharges and intergovernmental revenues in excess of expenditures. The fund also received proceeds and premiums of bonds and notes of approximately \$1.9 million during the fiscal year.

### *Foster School Fund*

The Foster School fund is a capital project fund used to account for used to account for the construction of the Foster Elementary School. Fund Balance decreased by approximately \$11.4 million. The fund received \$30.3 million of bond proceeds and premiums, and also received approximately \$15.9 million of state grants while incurring capital expenditures of approximately \$57.5 million during the fiscal year.

### *Public Safety Building Fund*

The Public Safety Building fund is a capital project fund used to account for used to account for the construction of the new Public Safety building. Fund Balance decreased by approximately \$12.7 million. The fund received \$10 million of bond proceeds and premiums and incurred \$22.7 million of capital expenditures during the fiscal year.

**Proprietary funds.** The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds have already been addressed in the discussion of the Town's business-type activities.

### **General Fund Budgetary Highlights**

The final budget decreased from the original budget by approximately \$335 thousand for various purposes.

Total general fund revenues were greater than budget overall by 5.7%.

Total expenditures and carryovers were less than budgeted amounts by approximately \$5.8 million. Virtually every Town department contributed to the savings.

### **Capital Assets and Debt Management**

In conjunction with the operating budget, the Town annually prepares a capital budget which includes detailed information concerning those capital requests for the upcoming year as well as summary information for the following four years to identify current projections of what level of capital outlay will be required in future years.

### Long-Term Debt

The Town of Hingham has maintained its bond rating of "Aaa" from Moody's Investor Services, "AAA" from Fitch Ratings, and "AAA" from Standard & Poor's. These bond ratings are consistent with the prior year. This is a significant achievement as only about 6% of Massachusetts communities receive these highest ratings.

Major capital assets are funded primarily by the issuance of long-term debt and at times from the receipt of capital grants. For capital assets acquired through debt, the effect on net position during the construction phase of the project is neutral since the Town increases its assets and associated liabilities by the same amount. For capital assets acquired through capital grants, the effect on net position is positive since the Town does not use its own resources to acquire the assets. In subsequent years the net position will be reduced through depreciation and will be increased by the revenues raised to support the debt principal payments. Outstanding long-term debt of the governmental activities as of June 30, 2024, totaled \$84.2 million, an increase of \$47.2 million from the prior year due to issuance of bonds and scheduled principal payments during the year. Funding for the majority of this debt service is from real estate taxes that have been exempt from the tax levy limitation of Massachusetts' Proposition 2½.

Outstanding long-term debt of the business-type activities as of June 30, 2024 totaled \$117.1 million, an increase of \$2.5 million due to issuance of bonds and scheduled principal payments during the year. This debt service is funded by the Weir River Water System's and South Shore Country Club's user charges. Additional information on the Town's long-term debt can be found in Note 11 of this report.

### Capital Assets

The Town's investment in capital assets for its governmental and business-type activities at the end of the fiscal year totaled \$407,978,993 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment, infrastructure, and the Weir River Water System network.

Major capital asset events that occurred during the fiscal year include the following:

- Foster School construction in progress of \$57,489,000
- Public safety building construction in progress of \$22,731,000
- Various governmental vehicle and equipment purchases of \$1,869,000
- Weir River Water System construction in progress and network additions of \$4,767,000

Additional information on the Town's capital assets can be found in Note 5 of this report.

### **Pension Trust Fund**

The Pension Trust Fund (System) realized an increase in net position of \$14.8 million for the year. Contributions and of \$10.9 million were supplemented by net investment income of \$16.5 million due to favorable market conditions. Benefits and other deductions totaled \$13.5 million. Total net position of the System amounted to \$167.9 million at December 31, 2023.

### **Other Postemployment Benefits**

The Town implemented GASB Statement 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as of June 30, 2018. The governmental activities have accumulated a liability for other postemployment benefits in the amount of \$65.6 million at June 30, 2024.

The Hingham Municipal Lighting Plant implemented GASB Statement 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as of December 31, 2018. The related business-type activities have accumulated a liability for other postemployment benefits of \$1.8 million as of December 31, 2023.

The OPEB Plan's total assets set aside in trust for future benefits amounted to approximately \$30 million at year-end. As discussed in Note 16, the Plan's Net OPEB Liability at June 30, 2024 amounted to \$66.9 million.

### **Discretely Presented Component Units**

The net position of the Component Units represent the Hingham Public Library, a separate legal entity established in 1872, and the Lincoln Apartments, LLC a Massachusetts Limited Liability Company established in 2009 to operate affordable housing at the Lincoln School Apartment building owned by the Town.

### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Ann MacNaughton, Town Accountant, 210 Central Street, Hingham, MA 02043.

# Basic Financial Statements

**TOWN OF HINGHAM, MASSACHUSETTS  
STATEMENT OF NET POSITION  
JUNE 30, 2024**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Hingham Public Library	Lincoln Apartments, LLC (December 31, 2023)
<b>ASSETS</b>					
Current Assets:					
Cash and Cash Equivalents.....	\$ 143,309,216	\$ 45,337,624	\$ 188,646,840	\$ 211,297	\$ 510,627
Restricted Cash and Cash Equivalents.....	-	5,932,557	5,932,557		
Investments.....	8,382,714	3,160,774	11,543,488	3,268,471	-
Receivables, Net of Allowance for Uncollectible Amounts:					
Real Estate and Personal Property Taxes.....	1,699,407	-	1,699,407	-	-
Tax and Utility Liens.....	1,063,938	-	1,063,938	-	-
Motor Vehicle and Other Excise Taxes.....	858,747	-	858,747	-	-
Community Preservation Taxes.....	8,002	-	8,002	-	-
User Charges.....	2,468,092	6,417,084	8,885,176	-	-
Special Assessments.....	82,615	-	82,615	-	-
Departmental and Other.....	526,746	987,845	1,514,591	-	-
Opioid Settlements.....	85,298	-	85,298	-	-
Intergovernmental.....	6,722,854	-	6,722,854	-	-
Lease.....	335,850	94,776	430,626	-	-
Due from Other Funds.....	5,256	-	5,256	-	-
Other Assets.....	-	-	-	-	886,760
Inventory.....	-	1,774,687	1,774,687	-	-
Purchase Power Advance Deposits.....	-	2,725,067	2,725,067	-	-
Assets Held for Resale.....	725,259	-	725,259	-	-
<b>Total Current Assets.....</b>	<b>166,273,994</b>	<b>66,430,414</b>	<b>232,704,408</b>	<b>3,479,768</b>	<b>1,397,387</b>
Noncurrent Assets:					
Receivables, Net of Allowance for Uncollectible Amounts:					
Special Assessments.....	186,850	-	186,850	-	-
Opioid Settlements.....	1,259,443	-	1,259,443	-	-
Lease.....	2,060,632	150,677	2,211,309	-	-
Tax Foreclosures.....	351,460	-	351,460	-	-
Investment in Energy Providers.....	-	351,884	351,884	-	-
Capital Assets not being Depreciated.....	129,964,963	26,969,032	156,933,995	154,036	-
Capital Assets, Net of Accumulated Depreciation.....	123,846,635	127,198,363	251,044,998	268,359	9,197,614
<b>Total Noncurrent Assets.....</b>	<b>257,669,983</b>	<b>154,669,956</b>	<b>412,339,939</b>	<b>422,395</b>	<b>9,197,614</b>
<b>Total Assets.....</b>	<b>423,943,977</b>	<b>221,100,370</b>	<b>645,044,347</b>	<b>3,902,163</b>	<b>10,595,001</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension Related.....	9,331,707	1,746,273	11,077,980	-	-
OPEB Related.....	8,853,811	366,054	9,219,865	-	-
<b>Total Deferred Outflows of Resources.....</b>	<b>18,185,518</b>	<b>2,112,327</b>	<b>20,297,845</b>	<b>-</b>	<b>-</b>

(Continued)

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2024**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Hingham Public Library	Lincoln Apartments, LLC (December 31, 2023)
<b>LIABILITIES</b>					
Current Liabilities:					
Warrants Payable.....	15,130,728	2,887,551	18,018,279	202	87,774
Accrued Payroll.....	5,460,684	-	5,460,684	-	-
Accrued Liabilities.....	-	117,061	117,061	-	-
Tax Refunds Payable.....	80,981	-	80,981	-	-
Other Liabilities.....	1,610,635	1,524,524	3,135,159	-	131,419
Accrued Interest.....	1,579,201	1,214,803	2,794,004	-	-
Lease Liability.....	-	9,814	9,814	-	371,860
Workers' Compensation Claims.....	312,292	-	312,292	-	-
Advance Collections - Fees.....	1,546,565	-	1,546,565	-	1,921
Compensated Absences.....	1,422,762	-	1,422,762	-	-
Short-Term Notes Payable.....	94,498,148	3,783,000	98,281,148	-	-
Long-Term Bonds and Notes Payable.....	6,373,040	3,334,378	9,707,418	-	-
<b>Total Current Liabilities.....</b>	<b>128,015,036</b>	<b>12,871,131</b>	<b>140,886,167</b>	<b>202</b>	<b>592,974</b>
Noncurrent Liabilities:					
Workers' Compensation Claims.....	300,045	-	300,045	-	-
Compensated Absences.....	474,254	54,415	528,669	-	-
Lease Liability.....	-	9,814	9,814	-	5,154,572
Customer Deposits.....	-	2,008,670	2,008,670	-	-
Net OPEB Liability.....	65,612,957	1,755,500	67,368,457	-	-
Net Pension Liability.....	45,837,736	5,425,168	51,262,904	-	-
Long-Term Bonds and Notes Payable.....	77,832,093	113,758,498	191,590,591	-	-
<b>Total Noncurrent Liabilities.....</b>	<b>190,057,085</b>	<b>123,012,065</b>	<b>313,069,150</b>	<b>-</b>	<b>5,154,572</b>
<b>Total Liabilities.....</b>	<b>318,072,121</b>	<b>135,883,196</b>	<b>453,955,317</b>	<b>202</b>	<b>5,747,546</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Pension Related.....	241,056	130,016	371,072	-	-
OPEB Related.....	8,097,470	418,068	8,515,538	-	-
Rate Stabilization Reserve.....	-	10,614,481	10,614,481	-	-
Taxes Collected in Advance.....	53,368	-	53,368	-	-
Lease Related.....	2,804,524	228,132	3,032,656	-	-
<b>Total Deferred Inflows of Resources.....</b>	<b>11,196,418</b>	<b>11,390,697</b>	<b>22,587,115</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets.....	127,755,204	39,224,076	166,979,280	422,395	3,671,182
Restricted for:				-	-
Permanent Funds:				-	-
Expendable.....	74,158	-	74,158	-	-
Nonexpendable.....	35,000	-	35,000	-	-
Depreciation.....	-	27,158,028	27,158,028	-	-
Grants and gifts.....	24,422,895	-	24,422,895	-	-
Unrestricted.....	(39,426,301)	9,556,700	(29,869,601)	3,479,566	1,176,273
<b>Total Net Position.....</b>	<b>\$ 112,860,956</b>	<b>\$ 75,938,804</b>	<b>\$ 188,799,760</b>	<b>\$ 3,901,961</b>	<b>\$ 4,847,455</b>

(Concluded)

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense)/ Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
Governmental Activities:					
General Government.....	\$ 9,509,953	\$ 2,465,948	\$ 1,233,026	\$ -	\$ (5,810,979)
Public Safety.....	24,481,122	5,993,700	2,363,017	-	(16,124,405)
Education.....	99,348,251	3,808,011	26,043,819	15,882,800	(53,613,621)
Public Works.....	13,846,588	4,365,371	994,025	1,417,663	(7,069,529)
Health and Human Services.....	2,048,048	285,445	42,601	-	(1,720,002)
Culture and Recreation.....	5,945,560	2,373,061	126,354	-	(3,446,145)
Community Preservation.....	197,469	-	268,169	-	70,700
Debt Service-Interest.....	3,698,303	-	-	-	(3,698,303)
Total Governmental Activities.....	<u>159,075,294</u>	<u>19,291,536</u>	<u>31,071,011</u>	<u>17,300,463</u>	<u>(91,412,284)</u>
Business-Type Activities:					
South Shore Country Club.....	2,262,719	2,329,660	-	-	66,941
Electric Light.....	29,497,012	33,386,345	-	-	3,889,333
Weir River Water System.....	11,988,580	14,501,807	-	-	2,513,227
Total Business-Type Activities.....	<u>43,748,311</u>	<u>50,217,812</u>	<u>-</u>	<u>-</u>	<u>6,469,501</u>
Total Primary Government.....	<u>\$ 202,823,605</u>	<u>\$ 69,509,348</u>	<u>\$ 31,071,011</u>	<u>\$ 17,300,463</u>	<u>\$ (84,942,783)</u>
<b>Component Units:</b>					
Hingham Public Library.....	\$ 2,458,446	\$ 32,880	\$ 159,320	\$ -	\$ (2,266,246)
Lincoln Apartments, LLC.....	989,975	396,431	1,386,435	-	792,891
Total Component Units	<u>\$ 3,448,421</u>	<u>\$ 429,311</u>	<u>\$ 1,545,755</u>	<u>\$ -</u>	<u>\$ (1,473,355)</u>

(Continued)

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Hingham Public Library	Lincoln Apartments, LLC (December 31, 2023)
<b>CHANGES IN NET POSITION</b>					
Net (Expense) Revenue (From Previous Page).....	\$ (91,412,284)	\$ 6,469,501	\$ (84,942,783)	\$ (2,266,246)	\$ 792,891
General Revenues:					
Real Estate and Personal Property Taxes.....	107,789,905	-	107,789,905	-	-
Motor Vehicle and Other Excise Taxes.....	5,751,538	-	5,751,538	-	-
Tax Liens.....	230,860	-	230,860	-	-
Meals Tax.....	1,092,631	-	1,092,631	-	-
Penalties and Interest on Taxes.....	404,788	-	404,788	-	-
Community Preservation Taxes.....	1,454,735	-	1,454,735	-	-
Grants and Contributions not Restricted to Specific Programs.....	2,145,292	-	2,145,292	-	-
Unrestricted Investment Income.....	7,292,598	2,056,573	9,349,171	527,161	189
Payments from Town of Hingham.....	-	-	-	2,168,298	-
Transfers, Net.....	1,210,682	(1,210,682)	-	-	-
Total General Revenues and Transfers.....	<u>127,373,029</u>	<u>845,891</u>	<u>128,218,920</u>	<u>2,695,459</u>	<u>189</u>
<b>CHANGE IN NET POSITION</b> .....	35,960,745	7,315,392	43,276,137	429,213	793,080
Net Position - Beginning of Year.....	<u>76,900,211</u>	<u>68,623,412</u>	<u>145,523,623</u>	<u>3,472,748</u>	<u>4,054,375</u>
<b>NET POSITION - END OF YEAR</b> .....	<u>\$ 112,860,956</u>	<u>\$ 75,938,804</u>	<u>\$ 188,799,760</u>	<u>\$ 3,901,961</u>	<u>\$ 4,847,455</u>

(Concluded)

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2024**

ASSETS	General	Community Preservation	Foster School	Public Safety Building	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents.....	\$ 56,908,853	\$ 2,980,686	\$ 33,294,551	\$ 27,708,901	\$ 22,416,225	\$ 143,309,216
Investments.....	6,715,195	-	-	-	1,667,519	8,382,714
Receivables, Net of Allowance for Uncollectible Amounts:						
Real Estate and Personal Property Taxes.....	1,699,407	-	-	-	-	1,699,407
Tax and Utility Liens.....	1,003,884	-	-	-	60,054	1,063,938
Motor Vehicle and Other Excise taxes.....	858,747	-	-	-	-	858,747
Community Preservation Taxes.....	-	8,002	-	-	-	8,002
User Charges.....	-	-	-	-	2,468,092	2,468,092
Special Assessments.....	269,465	-	-	-	-	269,465
Departmental and Other.....	526,746	-	-	-	-	526,746
Intergovernmental.....	-	-	4,255,110	-	2,467,744	6,722,854
Opioid Settlements.....	-	-	-	-	1,344,741	1,344,741
Lease.....	-	-	-	-	2,396,482	2,396,482
Due from Other Funds.....	5,780,136	-	-	-	-	5,780,136
Tax Foreclosures.....	351,460	-	-	-	-	351,460
Assets Held for Resale.....	-	-	-	-	725,259	725,259
<b>Total Assets.....</b>	<b>\$ 74,113,893</b>	<b>\$ 2,988,688</b>	<b>\$ 37,549,661</b>	<b>\$ 27,708,901</b>	<b>\$ 33,546,116</b>	<b>\$ 175,907,259</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Warrants Payable.....	\$ 2,148,645	\$ 178,160	\$ 7,545,709	4,095,531	\$ 1,162,683	\$ 15,130,728
Accrued Payroll.....	5,460,684	-	-	-	-	5,460,684
Tax Refunds Payable.....	80,981	-	-	-	-	80,981
Other Liabilities.....	1,610,635	-	-	-	-	1,610,635
Advance Collections - Fees.....	-	-	-	-	1,546,565	1,546,565
Due to Other Funds.....	-	-	-	-	5,774,880	5,774,880
Short-Term Notes Payable.....	831,695	-	51,960,463	38,285,380	3,420,610	94,498,148
<b>Total Liabilities.....</b>	<b>10,132,640</b>	<b>178,160</b>	<b>59,506,172</b>	<b>42,380,911</b>	<b>11,904,738</b>	<b>124,102,621</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue.....	4,213,451	8,002	-	-	3,787,422	8,008,875
Related to Leases.....	-	-	-	-	2,804,524	2,804,524
Taxes Collected in Advance.....	53,368	-	-	-	-	53,368
<b>Total Deferred Inflows of Resources.....</b>	<b>4,266,819</b>	<b>8,002</b>	<b>-</b>	<b>-</b>	<b>6,591,946</b>	<b>10,866,767</b>
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	35,000	35,000
Restricted.....	-	2,802,526	-	-	20,957,771	23,760,297
Committed.....	13,136,550	-	-	-	-	13,136,550
Assigned.....	3,899,967	-	-	-	-	3,899,967
Unassigned.....	42,677,917	-	(21,956,511)	(14,672,010)	(5,943,339)	106,057
<b>Total Fund Balances.....</b>	<b>59,714,434</b>	<b>2,802,526</b>	<b>(21,956,511)</b>	<b>(14,672,010)</b>	<b>15,049,432</b>	<b>40,937,871</b>

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION  
JUNE 30, 2024**

Total Governmental Fund Balances .....	\$	40,937,871
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.....		253,811,598
Other assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.....		8,008,875
In the statement of net position, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due.....		(1,579,201)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds and Notes Payable.....		(84,205,133)
Workers' Compensation Claims.....		(612,337)
Compensated Absences.....		(1,897,016)
Net OPEB Liability, Net of Deferred Outflows and Inflows of Resources.....		(64,856,616)
Net Pension Liability, Net of Deferred Outflows and Inflows of Resources.....		<u>(36,747,085)</u>
Net Position of Governmental Activities .....	\$	<u><u>112,860,956</u></u>

*See notes to basic financial statements.*

**TOWN OF HINGHAM, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2024**

	General	Community Preservation	Foster School	Public Safety Building	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Real Estate and Personal Property Taxes.....	\$ 107,750,970	\$ -	\$ -	\$ -	\$ -	\$ 107,750,970
Motor Vehicle and Other Excise Taxes.....	5,509,409	-	-	-	-	5,509,409
Meals Tax.....	1,092,631	-	-	-	-	1,092,631
Tax Liens.....	132,765	-	-	-	-	132,765
Community Preservation Taxes.....	-	1,456,187	-	-	-	1,456,187
Charges for Services.....	3,003,703	-	-	-	4,608,707	7,612,410
Intergovernmental.....	10,159,008	268,169	15,882,800	-	11,543,475	37,853,452
State Grant for Teachers Pension.....	11,750,132	-	-	-	-	11,750,132
Penalties and Interest on Taxes.....	404,788	-	-	-	-	404,788
Settlement Proceeds.....	-	-	-	-	228,083	228,083
Departmental and Other.....	2,698,436	-	-	-	8,882,110	11,580,546
Contributions.....	-	-	-	-	1,057,137	1,057,137
Investment Income.....	7,108,402	13,601	-	-	170,595	7,292,598
Total Revenues.....	<u>149,610,244</u>	<u>1,737,957</u>	<u>15,882,800</u>	<u>-</u>	<u>26,490,107</u>	<u>193,721,108</u>
<b>EXPENDITURES</b>						
Current:						
General Government.....	5,892,812	-	-	-	3,249,776	9,142,588
Public Safety.....	18,387,372	-	-	22,731,089	2,184,301	43,302,762
Education.....	66,459,617	-	57,489,324	-	9,556,106	133,505,047
Public Works.....	6,405,851	-	-	-	5,639,640	12,045,491
Health and Human Services.....	904,915	-	-	-	254,363	1,159,278
Culture and Recreation.....	2,705,813	-	-	-	2,598,343	5,304,156
Community Preservation.....	-	415,607	-	-	-	415,607
Teachers Pension Benefits - State Funded.....	11,750,132	-	-	-	-	11,750,132
Pension Benefits.....	6,303,180	-	-	-	-	6,303,180
Employee Benefits.....	10,012,079	-	-	-	-	10,012,079
Property and Liability Insurance.....	1,305,063	-	-	-	-	1,305,063
State and County Charges.....	987,694	-	-	-	-	987,694
Debt Service:						
Principal.....	4,092,060	-	-	-	343,766	4,435,826
Interest.....	3,931,058	56,709	-	-	59,350	4,047,117
Total Expenditures.....	<u>139,137,646</u>	<u>472,316</u>	<u>57,489,324</u>	<u>22,731,089</u>	<u>23,885,645</u>	<u>243,716,020</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....</b>	<u>10,472,598</u>	<u>1,265,641</u>	<u>(41,606,524)</u>	<u>(22,731,089)</u>	<u>2,604,462</u>	<u>(49,994,912)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds of Bonds and Notes.....	-	1,743,155	28,476,850	9,370,311	9,253,728	48,844,044
Premium from Issuance of Bonds and Notes.....	-	203,946	1,523,150	629,689	817,820	3,174,605
Transfers In.....	1,354,690	-	250,000	-	3,003,125	4,607,815
Transfer Out.....	(1,963,589)	(735,000)	-	-	(698,544)	(3,397,133)
Total Other Financing Sources (Uses).....	<u>(608,899)</u>	<u>1,212,101</u>	<u>30,250,000</u>	<u>10,000,000</u>	<u>12,376,129</u>	<u>53,229,331</u>
<b>NET CHANGE IN FUND BALANCES.....</b>	<u>9,863,699</u>	<u>2,477,742</u>	<u>(11,356,524)</u>	<u>(12,731,089)</u>	<u>14,980,591</u>	<u>3,234,419</u>
Fund Balances - Beginning of Year.....	49,850,735	324,784	(10,599,987)	(1,940,921)	68,841	37,703,452
<b>FUND BALANCES - END OF YEAR.....</b>	<u>\$ 59,714,434</u>	<u>\$ 2,802,526</u>	<u>\$ (21,956,511)</u>	<u>\$ (14,672,010)</u>	<u>\$ 15,049,432</u>	<u>\$ 40,937,871</u>

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balances - Total Governmental Funds.....	\$	3,234,419
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts represent the related activity of the current period.</p>		
Capital Outlays.....		85,159,986
Depreciation.....		(7,688,172)
<p>Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources.....</p>		
		104,248
<p>The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any impact on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts represent the related activity of the current period.</p>		
Proceeds of Bonds.....		(48,844,044)
Proceeds from Bond Premiums.....		(3,174,605)
Bond Maturities.....		4,207,664
Amortization of Bond Premiums.....		384,940
Financed Purchases Maturities.....		228,162
<p>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable.....</p>		
		(36,126)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These amounts represent the net changes:</p>		
Workers' Compensation.....		(122,048)
Compensated Absences.....		86,721
Net OPEB Liability, Net.....		2,264,419
Net Pension Liability, Net.....		155,181
		155,181
Changes in Net Position of Governmental Activities.....	\$	35,960,745

*See notes to basic financial statements.*

**TOWN OF HINGHAM, MASSACHUSETTS  
PROPRIETARY FUNDS  
STATEMENT OF FUND NET POSITION  
JUNE 30, 2024**

Business-Type Activities - Enterprise Funds				
	South Shore Country Club	Lighting Plant (December 31, 2023)	Weir River Water System	Total
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents.....	\$ 558,617	\$ 42,552,507	\$ 2,226,500	\$ 45,337,624
Restricted Cash and Cash Equivalents.....	373,797	-	5,558,760	5,932,557
Investments.....	-	3,160,774	-	3,160,774
Receivables, Net of Allowance for Uncollectible Amounts:				
User Charges.....	-	2,328,793	4,088,291	6,417,084
Departmental and Other.....	-	987,845	-	987,845
Lease.....	94,776	-	-	94,776
Inventory.....	-	1,774,687	-	1,774,687
Purchase Power Advance Deposits.....	-	2,725,067	-	2,725,067
<b>Total Current Assets.....</b>	<b>1,027,190</b>	<b>53,529,673</b>	<b>11,873,551</b>	<b>66,430,414</b>
Noncurrent Assets:				
Receivables, Net of Allowance for Uncollectible Amounts:				
Lease.....	150,677	-	-	150,677
Investment in Energy Providers.....	-	351,884	-	351,884
Capital Assets not being Depreciated.....	7,008,200	3,578,591	16,382,241	26,969,032
Capital Assets, Net of Accumulated Depreciation.....	6,545,130	21,896,664	98,756,569	127,198,363
<b>Total Noncurrent Assets.....</b>	<b>13,704,007</b>	<b>25,827,139</b>	<b>115,138,810</b>	<b>154,669,956</b>
<b>Total Assets.....</b>	<b>14,731,197</b>	<b>79,356,812</b>	<b>127,012,361</b>	<b>221,100,370</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related.....	296,990	1,449,283	-	1,746,273
OPEB related.....	-	366,054	-	366,054
<b>Total Deferred Inflows.....</b>	<b>296,990</b>	<b>1,815,337</b>	<b>-</b>	<b>2,112,327</b>
<b>LIABILITIES</b>				
Current Liabilities:				
Warrants Payable.....	51,055	2,135,826	700,670	2,887,551
Accrued Liabilities.....	-	117,061	-	117,061
Other Liabilities.....	-	1,524,524	-	1,524,524
Accrued Interest.....	-	-	1,214,803	1,214,803
Lease Liability.....	9,814	-	-	9,814
Short-Term Notes Payable.....	83,000	-	3,700,000	3,783,000
Long-Term Bonds and Notes Payable.....	157,882	-	3,176,496	3,334,378
<b>Total Current Liabilities.....</b>	<b>301,751</b>	<b>3,777,411</b>	<b>8,791,969</b>	<b>12,871,131</b>
Noncurrent Liabilities:				
Compensated Absences.....	54,415	-	-	54,415
Lease Liability.....	9,814	-	-	9,814
Customer Deposits.....	-	2,008,670	-	2,008,670
Net OPEB Liability.....	-	1,755,500	-	1,755,500
Net Pension Liability.....	1,458,826	3,966,342	-	5,425,168
Long-Term Bonds and Notes Payable.....	2,747,118	-	111,011,380	113,758,498
<b>Total Noncurrent Liabilities.....</b>	<b>4,270,173</b>	<b>7,730,512</b>	<b>111,011,380</b>	<b>123,012,065</b>
<b>Total Liabilities.....</b>	<b>4,571,924</b>	<b>11,507,923</b>	<b>119,803,349</b>	<b>135,883,196</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Rate Stabilization Reserve.....	-	10,614,481	-	10,614,481
Pension Related.....	7,672	122,344	-	130,016
OPEB Related.....	-	418,068	-	418,068
Lease Related.....	228,132	-	-	228,132
<b>Total Deferred Inflows.....</b>	<b>235,804</b>	<b>11,154,893</b>	<b>-</b>	<b>11,390,697</b>
<b>FUND NET POSITION</b>				
Net Investment in Capital Assets.....	10,939,127	25,475,255	2,809,694	39,224,076
Restricted for:				
Depreciation.....	-	27,158,028	-	27,158,028
Unrestricted.....	(718,668)	5,876,050	4,399,318	9,556,700
<b>Total Net Position.....</b>	<b>\$ 10,220,459</b>	<b>\$ 58,509,333</b>	<b>\$ 7,209,012</b>	<b>\$ 75,938,804</b>

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 YEAR ENDED JUNE 30, 2024**

	Business-Type Activities - Enterprise Funds			
	South Shore Country Club	Hingham Municipal Lighting Plant (December 31, 2023)	Weir River Water System	Total
<b>OPERATING REVENUES</b>				
Charges for Services.....	\$ 2,329,660	\$ 32,384,298	\$ 14,501,807	\$ 49,215,765
Other.....	-	1,002,047	-	1,002,047
Total Operating Revenues.....	<u>2,329,660</u>	<u>33,386,345</u>	<u>14,501,807</u>	<u>50,217,812</u>
<b>OPERATING EXPENSES</b>				
Program Expenses.....	126,594	21,991,772	5,888,102	28,006,468
Administrative and General Salaries and Wages.....	1,091,859	370,812	239,113	1,701,784
Pension Benefits Adjustments.....	(7,902)	-	-	(7,902)
Grounds and Custodial Expenses.....	410,045	947,403	311,879	1,669,327
Other Administrative Expenses.....	99,331	2,404,470	240,099	2,743,900
Facilities Expenses.....	178,524	283,652	258,874	721,050
Depreciation.....	296,019	3,442,764	2,284,044	6,022,827
Total Operating Expenses.....	<u>2,194,470</u>	<u>29,440,873</u>	<u>9,222,111</u>	<u>40,857,454</u>
<b>OPERATING INCOME (LOSS)</b> .....	<u>135,190</u>	<u>3,945,472</u>	<u>5,279,696</u>	<u>9,360,358</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment Income.....	525	1,670,404	385,644	2,056,573
Interest Expense.....	(68,249)	(56,139)	(2,766,469)	(2,890,857)
Total Nonoperating Revenues (Expenses), Net.....	<u>(67,724)</u>	<u>1,614,265</u>	<u>(2,380,825)</u>	<u>(834,284)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b> .....	<u>67,466</u>	<u>5,559,737</u>	<u>2,898,871</u>	<u>8,526,074</u>
Transfers Out.....	-	(504,445)	(706,237)	(1,210,682)
Total Transfers.....	<u>-</u>	<u>(504,445)</u>	<u>(706,237)</u>	<u>(1,210,682)</u>
<b>CHANGE IN FUND NET POSITION</b> .....	67,466	5,055,292	2,192,634	7,315,392
Fund Net Position - Beginning of Year .....	<u>10,152,993</u>	<u>53,454,041</u>	<u>5,016,378</u>	<u>68,623,412</u>
<b>FUND NET POSITION - END OF YEAR</b> .....	<u>\$ 10,220,459</u>	<u>\$ 58,509,333</u>	<u>\$ 7,209,012</u>	<u>\$ 75,938,804</u>

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2024**

	Business-Type Activities - Enterprise Funds			
	South Shore Country Club	Hingham Municipal Lighting Plant (December 31, 2023)	Weir River Water System	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers and Users.....	\$ 2,241,351	\$ 32,786,302	\$ 14,236,296	\$ 49,263,949
Payments to Vendors.....	(914,262)	(18,846,302)	(7,435,739)	(27,196,303)
Payments to Employees.....	(1,102,307)	(5,710,739)	(239,113)	(7,052,159)
Net Cash Provided (Used) by Operating Activities.....	<u>224,782</u>	<u>8,229,261</u>	<u>6,561,444</u>	<u>15,015,487</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers Out.....	-	(504,445)	(706,237)	(1,210,682)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from the Issuance of Bonds and Notes.....	2,738,216	-	6,030,740	8,768,956
Premium from the Issuance of Bonds and Notes.....	249,784	-	219,260	469,044
Acquisition and Construction of Capital Assets.....	(80,814)	(5,024,091)	(4,767,414)	(9,872,319)
Principal Payments on Bonds and Notes.....	(3,181,000)	-	(7,805,000)	(10,986,000)
Interest Paid.....	(84,551)	(56,139)	(3,330,507)	(3,471,197)
Proceeds from Leases.....	107,937	-	-	107,937
Net Cash Provided (Used) by Capital and Related Financing Activities.....	<u>(250,428)</u>	<u>(5,080,230)</u>	<u>(9,652,921)</u>	<u>(14,983,579)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Investments.....	-	(268,165)	-	(268,165)
Investment Income.....	525	1,670,404	385,644	2,056,573
Net Cash Provided by Investing Activities.....	<u>525</u>	<u>1,402,239</u>	<u>385,644</u>	<u>1,788,408</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b> .....	<u>(25,121)</u>	<u>4,046,825</u>	<u>(3,412,070)</u>	<u>609,634</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b> .....	<u>957,535</u>	<u>38,505,682</u>	<u>11,197,330</u>	<u>50,660,547</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b> .....	<u>\$ 932,414</u>	<u>\$ 42,552,507</u>	<u>\$ 7,785,260</u>	<u>\$ 51,270,181</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>				
Operating Income (Loss).....	\$ 135,190	\$ 3,945,472	\$ 5,279,696	\$ 9,360,358
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities not Requiring Current Cash Flows:				
Depreciation.....	296,019	3,442,764	2,284,044	6,022,827
Net OPEB Liability.....	-	121,881	-	121,881
Rate Stabilization Reserve.....	-	817,918	-	817,918
Net Pension Liability.....	(41,544)	2,127,147	-	2,085,603
Deferred Outflows of Resources Related to Pensions.....	43,202	(580,237)	-	(537,035)
Deferred Inflows of Resources Related to Pensions.....	(9,560)	(1,478,026)	-	(1,487,586)
Deferred Outflows of Resources Related to OPEB.....	-	109,290	-	109,290
Deferred Inflows of Resources Related to OPEB.....	-	(120,858)	-	(120,858)
Deferred Inflows of Resources Related to Leases.....	(88,309)	-	-	(88,309)
Effect of Changes in Operating Assets and Liabilities:				
User Charges.....	-	299,378	(265,511)	33,867
Departmental and Other.....	-	36,828	-	36,828
Inventory.....	-	(514,792)	-	(514,792)
Purchased Power Advances Deposits.....	-	(421,457)	-	(421,457)
Warrants Payable.....	(107,240)	427,411	(736,785)	(416,614)
Accrued Liabilities.....	-	4,710	-	4,710
Other Liabilities.....	-	(3,703)	-	(3,703)
Customer Deposits.....	-	15,535	-	15,535
Compensated Absences.....	(2,976)	-	-	(2,976)
Total Adjustments.....	<u>89,592</u>	<u>4,283,789</u>	<u>1,281,748</u>	<u>5,655,129</u>
Net Cash Provided (Used) by Operating Activities.....	<u>\$ 224,782</u>	<u>\$ 8,229,261</u>	<u>\$ 6,561,444</u>	<u>\$ 15,015,487</u>

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2024**

ASSETS	Pension and Other Postemployment Benefit Trust Funds	Private Purpose Trust Funds	Custodial Funds
	Trust Funds	Trust Funds	Funds
Cash and Cash Equivalents.....	\$ 6,201,702	\$ -	\$ 13,526
Investments:			
Equities and Equity Mutual Funds.....	-	5,293,433	-
Fixed Income Securities and Mutual Funds.....	-	2,175,915	-
External Investment Pool (PRIT).....	191,631,516	-	-
Receivables, Net of Allowance for Uncollectible Amounts:			
Departmental and Other.....	74,957	-	-
	197,908,175	7,469,348	13,526
Total Assets.....			
<b>LIABILITIES</b>			
Warrants Payable.....	-	-	-
Taxes Collected for Other Governments.....	-	-	13,526
Due to Other Funds.....	-	5,256	-
	-	5,256	13,526
Total Liabilities.....			
<b>NET POSITION</b>			
Restricted for:			
Pensions.....	167,933,820	-	-
Postemployment Benefits Other Than Pensions.....	29,974,355	-	-
Individuals, Organizations and Other Governments.....	-	7,464,092	-
	197,908,175	7,464,092	-
Total Net Position.....	\$ 197,908,175	\$ 7,464,092	\$ -

See notes to basic financial statements.

**TOWN OF HINGHAM, MASSACHUSETTS  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2024**

	Pension and Other Postemployment Benefit Trust Funds	Private Purpose Trust Funds	Custodial Funds
<b>ADDITIONS</b>			
Contributions:			
Employer.....	\$ 12,239,162	\$ -	\$ -
Plan Members.....	3,843,780	-	-
Private Donations.....	-	131,069	-
Total Contributions.....	<u>16,082,942</u>	<u>131,069</u>	<u>-</u>
Net Investment Income:			
Net Change in Fair Value of Investments.....	15,622,831	1,120,823	-
Interest.....	4,239,571	-	-
Total Investment Income.....	<u>19,862,402</u>	<u>1,120,823</u>	<u>-</u>
Less: Investment Expense.....	<u>(952,256)</u>	<u>-</u>	<u>-</u>
Net Investment Income.....	<u>18,910,146</u>	<u>1,120,823</u>	<u>-</u>
Intergovernmental.....	24,524	-	-
Transfers from Other Systems.....	842,081	-	-
Taxes Collected for Other Governments.....	-	-	9,475
Total Additions.....	<u>35,859,693</u>	<u>1,251,892</u>	<u>9,475</u>
<b>DEDUCTIONS</b>			
Administration.....	132,750	-	-
Retirement Benefits and Refunds.....	12,140,718	-	-
Other Postemployment Benefits .....	3,883,752	-	-
Transfers to Other Systems.....	1,176,757	-	-
Scholarships Awarded.....	-	326,350	-
Payments of Taxes to Other Governments.....	-	-	9,475
Total Deductions.....	<u>17,333,977</u>	<u>326,350</u>	<u>9,475</u>
<b>CHANGE IN NET POSITION</b> .....	18,525,716	925,542	-
Net Position - Beginning of Year.....	<u>179,382,459</u>	<u>6,538,550</u>	<u>-</u>
<b>NET POSITION - END OF YEAR</b> .....	<u>\$ 197,908,175</u>	<u>\$ 7,464,092</u>	<u>\$ -</u>

See notes to basic financial statements.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. General**

The accompanying basic financial statements of the Town of Hingham, Massachusetts (the Town) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

**B. Reporting Entity**

The Town was incorporated in 1635 under the statutes of the Commonwealth of Massachusetts (the "Commonwealth"). The Town is a municipal corporation governed by an elected Select Board.

For financial reporting purposes, the Town has included all funds, organizations, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the Town (the primary government) and its component units. Three entities have been included as component units in the reporting entity, because of the significance of its operational and/or financial relationship.

*Component Unit Presented as a Fiduciary Fund* – The following component unit is presented as a Fiduciary Fund of the primary government due to the nature and significance of the relationship between the Town and the component unit.

**Fiduciary Fund Component Units**

- (1) The Hingham Contributory Retirement System ("System") was established to provide retirement benefits to Town employees, the Hingham Housing Authority employees, and the South Shore Regional Emergency Communication Center employees, and their beneficiaries. Board members of the Retirement System consist of two elected members, who are employees or retirees within the system and who are elected by the members-in-service and retirees, an ex-officio member who is a member by virtue of holding the office of Town Accountant, and an appointed member who is chosen by the Select Board. The remaining four members select the fifth member of the Board. The System is presented using the accrual basis of accounting and is reported in the pension and other postemployment benefits trust funds in the fiduciary fund financial statements.
- (2) The Hingham Other Postemployment Benefits Trust Fund ("Fund") was established to accumulate resources to provide post-retirement benefits other than pensions to retirees and their beneficiaries. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the Fund. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Fund is presented using the accrual basis of accounting and is reported in the pension and other postemployment benefits trust funds in the fiduciary fund financial statements.

*Discretely Presented Component Units* – Discretely presented component units are entities that are legally separate from the Town, but are financially accountable to the Town, or whose relationships with the Town are such that exclusion would cause the Town's financial statements to be misleading or incomplete. The Town has included the following Discretely Presented Component Units:

- (3) The Hingham Public Library is a private non-profit corporation that operates a library for the Town of Hingham residents. The Board of Trustees for the Hingham Public Library consists of the members of the corporation, the superintendent of schools of the Town, the treasurer of the Town, a member of the Select Board, and five residents of which three are appointed by the Select Board and two are appointed by the Town Moderator. The library is financially accountable to the Town as a result of fiscal dependency and a financial burden relationship since the Town provides substantial financial support each year. The Town has the authority to approve and modify the budget of the library.
- (4) The Lincoln Apartments, LLC, a Massachusetts limited liability company, is owned by its sole member, the Town of Hingham, through the Hingham Affordable Housing Trust. The Select Board appoints all trustees. The LLC operates affordable housing for Hingham residents at the Lincoln School Apartment building owned by the Town. The affordable housing program is subsidized by the U.S. Department of Housing and Urban Development (HUD). Under the terms of a 30 year lease agreement, Lincoln Apartments, LLC will pay the Town an annual base rent equal to the debt service on the bonds issued by the Town to finance the building plus "Cash Flow Rent" and "Additional Rent" as defined in the Agreement. The LLC is financially accountable to the Town through the appointment of the trustees, the Town is the sole owner of the LLC and the LLC is responsible to pay rent equal to the debt service on the bonds.

*Availability of Financial Information for Component Units, Lighting Plant Enterprise Fund, and Joint Venture*

The Hingham Contributory Retirement System did not issue a separately audited financial statement. The System issues a publicly available unaudited financial report in accordance with guidelines established by the Commonwealth of Massachusetts' (Commonwealth) Public Employee Retirement Administration Commission (PERAC). That report may be obtained by writing to the Hingham Retirement Board, 210 Central Street, Hingham, MA 02043.

The Hingham Other Postemployment Benefits Trust Fund does not issue a publicly available financial report that includes financial statements and related notes. The Fund is included as a pension and other postemployment benefits trust fund in the fiduciary fund financial statements. Additional note disclosures can be found at Note 17.

The Hingham Public Library issues an unaudited publicly available financial report that includes financial statements and related notes. Further information about the Public Library can be obtained from the Library's administrative offices, at 66 Leavitt Street, Hingham, MA 02043.

The Lincoln Apartments, LLC issues a publicly available financial report that includes financial statements and supplementary information. Copies of these financial statements may be obtained by writing to the Board of Managers, C/O the Hingham Affordable Housing Trust, 210 Central Street, Hingham, MA 02043.

The Hingham Municipal Lighting Plant issues a publicly available financial report that includes financial statements and required supplemental information. Copies of these financial statements may be obtained by writing to the Hingham Municipal Lighting Plant, 31 Bare Cove Park Drive, Hingham, MA 02043-2685.

Joint Venture - The Town has entered into a joint venture for the South Shore Regional Emergency Communications Center (SSRECC) along with the Towns of Cohasset, Hull, and Norwell to pool resources and share costs, risks, and rewards of operating a regional 911 call center. The Center became operational as of January 1, 2012, and the Town's 2024 assessment totaled \$1,085,126. Since the assets of the SSRECC were acquired with State grants there is currently no significant equity interest accruing to the member communities. The annual assessments are based on and equal to the operating costs of the Center. The SSRECC issues a publicly available financial report that includes its financial statements. Copies of these financial statements may be obtained by writing to the SSRECC's Executive Director, 210 Central Street, Hingham, MA 02043.

### ***C. Government-Wide and Fund Financial Statements***

#### **Government-Wide Financial Statements**

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which are supported primarily by user fees and charges.

#### **Fund Financial Statements**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

Fiduciary funds are reported by fund type.

### ***D. Measurement Focus, Basis of Accounting and Basis of Presentation***

#### **Government-Wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Real estate and personal property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a particular function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operational requirements of a particular function or segment.
- Grants and contributions that are restricted to meeting the capital requirements of a particular function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues.

Except for charges between the general fund and enterprise funds, the effect of interfund activity has been removed from the government-wide financial statements. However, the effect of interfund services provided and used between functions is not eliminated as the elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

### Fund Financial Statements

**Governmental funds** financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the amounts have matured or are due and payable.

Real estate and personal property tax revenues are considered available if they are collected within 60 days after year-end. Investment income is susceptible to accrual. Other receipts and tax revenues become measurable and available when the cash is received and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the "susceptible to accrual criteria" is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.

The *community preservation fund* is a special revenue fund used to account for all activity related to community preservation. The fund is financed primarily by real estate tax surcharges and intergovernmental revenues.

The *foster school fund* is a capital project fund used to account for the construction of the Foster Elementary School.

The *public safety building fund* is a capital project fund used to account for the construction of the public safety building.

The nonmajor governmental funds consist of other special revenue, capital project and permanent funds that are aggregated and presented in the *nonmajor governmental funds* column on the governmental funds financial statements. The following describes the general use of these fund types:

*Special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than permanent funds or capital projects.

*Capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets of the governmental funds. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

*Permanent funds* are used to account for and report financial resources that are restricted to the extent that only earnings, not principal, may be used for purposes that support the governmental programs.

**Proprietary funds** financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following major proprietary funds are reported:

The *South Shore Country Club* manages and operates a recreational complex which primarily includes a municipal golf course in the Town of Hingham.

The *Hingham Municipal Lighting Plant* is used to account for the operations of the municipal lighting plant's activities.

The *Weir River Water System* is used to account for the operations of the Weir River Water System; the Town-owned water distribution network serving the Town of Hingham, Town of Hull, and Town of Cohasset.

**Fiduciary funds** financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs.

The following fiduciary fund types are reported:

The *pension and other postemployment benefits trust funds* are used to account for the activities of the Hingham Contributory Retirement System, which accumulates resources to provide pension benefits to eligible retirees and their beneficiaries. The funds are also used to accumulate resources to provide funding for future OPEB liabilities.

The *private-purpose trust fund* is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trust funds have donor restrictions and trustee policies that do not allow the endowment portion and any unrealized appreciation to be spent. The donor restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings. The Town's educational scholarships are accounted for in this fund.

The *custodial fund* is used to account for assets held in a purely custodial capacity. The Town's custodial fund consists of taxes collected on behalf of other governments.

#### ***E. Cash and Investments***

##### Government-Wide and Fund Financial Statements

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition.

Investments are carried at fair value, net asset value (NAV) or amortized cost, as further described in Note 4.

## *F. Accounts Receivable*

### Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and the proprietary funds and fiduciary funds financial statements are reported under the accrual basis of accounting. The recognition of revenue related to accounts receivable reported in the governmental funds financial statements are reported under the modified accrual basis of accounting.

### **Real Estate Taxes, Personal Property Taxes and Tax Liens**

Real estate and personal property taxes are levied and based on values assessed on January 1st of every year. Assessed values are established by the Board of Assessor's for 100% of the estimated fair market value. Taxes are due on August 1st, November 1st, February 1st and May 1st and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the year of the levy.

Real estate tax liens are processed annually after the close of the valuation year on delinquent properties and are recorded as receivables in the year they are processed.

A statewide limitation statute known as "Proposition 2 ½" limits the annual property tax levy increases to an amount equal to 2 ½% of the value of all taxable property in the Town, plus taxes levied on property newly added to the tax rolls. Certain Proposition 2 ½ taxing limitations can be overridden by a Town wide referendum vote.

Although the Hingham Municipal Lighting Plant is exempt from property taxes, they pay amounts in lieu of taxes to the Town of Hingham. The Weir River Water System's property taxes paid to the Town of Hingham are reported as "Transfers Out".

### **Motor Vehicle Excise Taxes**

Motor vehicle excise taxes are assessed annually for each vehicle registered and are recorded as receivables in the year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value.

### **User Charges**

User charges and liens consist primarily of amounts due from residents for the providing of services by various departments including the Hingham Municipal Lighting Plant and Weir River Water System.

### **Departmental and Other**

Departmental and other receivables consist primarily of police and fire details and are recorded as receivables in the year in which the service is performed.

### **Special Assessments**

Special Assessments consist of apportioned and unapportioned sewer betterments assessed to homeowners whose properties were improved through Town-run construction projects.

**Intergovernmental**

Various Federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred and all other grant requirements are met.

**Leases**

The Town's leases certain operating and office facilities for various terms under long-term, non-cancellable lease agreements.

**Opioid Settlements**

Opioid settlements receivable represent the Town's allocation of national settlement proceeds from pharmaceutical distributors to be received in future years in accordance with the national settlement agreement as well as the state subdivision agreement with the Commonwealth of Massachusetts.

**G. Allowance for Uncollectible Amounts**

The allowance for uncollectible amounts is estimated based on historical trends and specific account analysis for the following accounts receivable:

- Personal property taxes
- Motor vehicle and other excise taxes
- Departmental and other (includes allowance for ambulance accounts receivable)
- User Charges

The following types of accounts receivable are secured via the lien process and are considered 100% collectible. Accordingly, an allowance for uncollectible amounts is not reported.

- Real estate taxes and tax liens
- Special assessments

Intergovernmental and lease receivables are considered 100% collectible.

**H. Inventories****Government-Wide and Fund Financial Statements**

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide and fund financial statements, and therefore are not reported.

Materials and supplies held by the Municipal Lighting Plant are generally recorded at cost, using the weighted average method.

*I. Capital Assets*

Government-Wide and Proprietary Funds Financial Statements

Capital assets, which include land, construction in process, land improvements, buildings, building improvements, plant in service, machinery and equipment, infrastructure (e.g., roads, street lights, sewer mains, and similar items), and network are reported in the applicable governmental or business-type activity column of the government-wide financial statements. Capital assets are recorded at historical cost or at estimated historical cost, when actual historical cost could not be determined. Donated capital assets; donated works of art, historical treasures and similar assets; and capital assets received in service concession arrangements are recorded at acquisition value. Except for the capital assets of the governmental activities column in the government-wide financial statements, construction period interest is capitalized on constructed capital assets.

For the Town of Hingham capital assets are defined as all purchases and construction costs in excess of \$5,000 which are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than three years.

Capital assets (excluding land and construction in progress) are depreciated over the estimated useful lives using the straight-line method. The estimated useful lives of capital assets being depreciated are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Land improvements.....	10-30
Buildings.....	35
Building improvements.....	10-20
Plant in service.....	30-40
Machinery and equipment.....	3-20
Infrastructure.....	50

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

The statutory provision for depreciation of utility plant is computed on the straight-line method at three percent of cost of plant in service at the beginning of the year, exclusive of land and land rights. Therefore, no depreciation is taken in the year of plant additions. Massachusetts’ law stipulates that the Hingham Municipal Lighting Plant may change from the statutory depreciation rate only with the approval of the Department of Public Utilities (DPU). The Hingham Municipal Lighting Plant has consistently used a rate of 5.0%, which approximates GAAP. The Hingham Municipal Lighting Plant charges maintenance to expense when incurred. Replacements and betterments are charged to the utility plant.

Governmental Funds Financial Statements

Capital asset costs are recorded as expenditures in the acquiring fund in the year of the purchase.

## *J. Deferred Outflows/Inflows of Resources*

### Government-Wide Financial Statements (Net Position)

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources expense/expenditure until then. The Town has reported deferred outflows of resources related to pensions and OPEB in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town has recorded advance tax collections, a rate stabilization reserve, and future lease receipts as deferred inflows of resources in the government-wide statement of net position. The Town has also reported deferred inflows of resources related to pensions and OPEB in this category.

### Governmental Fund Financial Statements

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents amounts that have been recorded in the governmental fund financial statements but the revenue is not available and so will not be recognized as an inflow of resources (revenue) until it becomes available. The Town has recorded unavailable revenue, advance tax collections, and future lease receipts as deferred inflows of resources in the governmental funds balance sheet.

## *K. Interfund Receivables and Payables*

During the course of its operations, transactions occur between and within individual funds that may result in amounts owed between funds.

### Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of net position as "internal balances".

### Fund Financial Statements

Transactions of a buyer/seller nature between and within funds are not eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as "Due from/to other funds" on the balance sheet.

## *L. Interfund Transfers*

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as transfers in and transfers out.

### Government-Wide Financial Statements

Transfers between and within governmental funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as "Transfers, net".

### Fund Financial Statements

Transfers between and within funds are not eliminated from the individual fund statements and are reported as transfers in and transfers out.

#### *M. Unavailable Revenue*

Unavailable revenue at the governmental fund financial statement level represents billed receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting, i.e. receivables that are not considered to be available to liquidate liabilities of the current period. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

#### *N. Net Position and Fund Balances*

##### Government-Wide and Proprietary Funds Financial Statements (Net Position)

Net position represents the residual difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources.

Net position reported as “net investment in capital assets” includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets. Outstanding debt related to future reimbursements from the state’s school building program is not considered to be capital related debt.

Net position is reported as restricted when amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use.

Net position has been “restricted” for the following:

“Depreciation” – represents amounts restricted in the Electric department for the statutory reserve for funded depreciation.

“Permanent funds - expendable” represents the amount of realized and unrealized investment earnings of donor restricted funds. The restrictions and trustee policies only allow the trustees to approve spending of the realized investment earnings.

“Permanent funds - nonexpendable” represents the endowment portion of donor restricted funds.

“Grants and gifts” represents amounts held for school grants, and other grants and gift funds.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Governmental Funds Financial Statements (Fund Balances)

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The governmental fund balance classifications are as follows:

“Nonspendable” fund balance includes amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

“Restricted” fund balance includes amounts subject to constraints placed on the use of resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments’ or that are imposed by law through constitutional provisions or enabling legislation.

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. Town Meeting is the highest level of decision making authority that can, by Town Meeting vote of a Special Article, commit funds for a specific purpose. Once voted, the limitation imposed of the Special Article remains in place until the funds are used for their intended purpose or a vote is taken to rescind the commitment.

“Assigned” fund balance includes amounts that are constrained by the Town’s intent to be used for specific purposes, but are neither restricted nor committed. The Town’s by-laws authorize the Town Accountant to assign portions of fund balance. Assignments generally only exist temporarily. Additional action does not have to be taken for the removal of an assignment.

“Unassigned” fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The Town’s spending policy is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balance. Most governmental funds are designated for one purpose at the time of their creation.

Therefore, any expenditure from the fund will be allocated to the applicable fund balance classifications in the order of the aforementioned spending policy. The general fund and certain other funds may have more than one purpose.

***O. Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of both the Hingham Contributory Retirement System and the Massachusetts Teachers Retirement System and additions to/deductions from the System’s fiduciary net position have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, net asset value (NAV), or amortized cost as further described in Note 3.

**P. Other Postemployment Benefits (OPEB)**

In addition to providing pension benefits, and as more fully described in Note 16, the Town provides health, dental and life insurance coverage for current and future retirees and their spouses.

**Q. Long-term Debt****Government-Wide and Proprietary Fund Financial Statements**

Long-term debt is reported as liabilities in the government-wide and proprietary fund statement of net position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

**Governmental Fund Financial Statements**

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

**R. Compensated Absences**

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies.

**Government-Wide and Proprietary Fund Financial Statements**

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

**Governmental Fund Financial Statements**

Compensated absences are reported in the governmental funds only if they have matured, i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement. Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

**S. Investment Income**

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL). Investment income from proprietary funds is maintained in those funds.

**T. Use of Estimates****Government-Wide and Fund Financial Statements**

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the year. Actual results could vary from estimates that were used.

## ***U. Total Column***

### Government-Wide Financial Statements

The total column presented on the government-wide financial statements represents consolidated financial information.

### Fund Financial Statements

The total column on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

## **NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### ***A. Budgetary Information***

Municipal Law requires the adoption of a balanced budget that is approved at the Annual Town Meeting. The Town has an advisory committee that submits reports on proposed appropriations at Town Meetings. The appropriated budget is prepared by fund, function and department. Transfers of appropriations among departments require the approval of Town Meeting.

The majority of appropriations are non-continuing which lapse at the end of each year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior year be carried forward and made available for spending in the current year. These carry forwards are included as part of the subsequent year's original budget.

Generally, expenditures may not exceed the legal level of spending (salaries, expenses and capital) authorized for an appropriation account. However, the payment of debt service is statutorily required, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized by two-thirds vote of the Select Board and written approval from the Massachusetts Department of Revenue. An annual budget is adopted for the general fund in conformity with the guidelines described above.

The original 2024 general fund and community preservation fund budgets consisted of \$137,336,443 and \$1,589,642, respectively, in appropriations and other amounts to be raised, including \$3,782,634 in the general fund for amounts carried over from previous years. During 2024, the Town rescinded previously authorized appropriations for the general fund totaling \$334,924, for a total budget of \$137,001,519.

The Accounting Office has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the accounting system.

**B. Fund Deficits**

At June 30, 2024, the following governmental fund deficits exist:

Fund	Amount	Funding Source
<b>Major Governmental Funds:</b>		
Foster School.....	\$ 21,956,511	Issuance of Long-Term Debt
Public Safety Building.....	14,672,010	Issuance of Long-Term Debt
<b>Nonmajor Governmental Funds:</b>		
Recreation Drive.....	3,303,857	Issuance of Long-Term Debt
Middle School Building Project.....	1,909,988	Issuance of Long-Term Debt
Plymouth River School.....	417,587	Issuance of Long-Term Debt
Sewer Maintenance.....	245,122	Available Funds
South Shore Regional Communications Center.....	66,785	Available Funds
Total Nonmajor Governmental Funds.....	<u>5,943,339</u>	
Total Governmental Funds.....	<u>\$ 42,571,860</u>	

**NOTE 3 - CASH AND INVESTMENTS**

*General - Town and Pension Trust*

A cash and investment pool is maintained that is available for use by all funds. Each fund type’s portion of this pool is displayed on the balance sheet as “Cash and Cash equivalents.” The deposits and investments of the trust funds are held separately from those of other funds.

Statutes authorize the investment in obligations of the U. S. Treasury, agencies, and instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer’s Investment Pool (the Pool). The Treasurer may also invest trust funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth. The Town Treasurer is responsible for adhering to these statutes, and at June 30, 2024 the Town is in compliance with these requirements.

The Pool meets the criteria of an external investment pool. The Pool is administered by the Massachusetts Municipal Depository Trust (MMDT), which was established by the Treasurer of the Commonwealth who serves as Trustee. The fair value of the position in the Pool is the same as the value of the Pool shares.

The System participates in the Pension Reserve Investment Trust (PRIT), which meets the criteria of an external investment pool. PRIT is administered by the Pension Reserves Investment Management Board, which was established by the Treasurer of the Commonwealth of Massachusetts who serves as Trustee. The fair value of the position in the PRIT is the same as the value of the PRIT shares.

Town policy provides that up to 100% of available cash may be invested in the State Treasurer’s pooled fund. Investment in a single institution may not exceed 10% of the institution’s capital and surplus position as of the most recent quarterly data available to the Town Treasurer. Investment in a single institution (other than MMDT) may not exceed 25% of the total cash balance at any time. The Town treasurer shall subscribe to information reports from a recognized bank rating company. Direct investment in an institution shall be restricted to those ranked in the upper half of rating categories utilized by the Town unless the Town Treasurer obtains additional adequate security for the investment or otherwise determines and documents in writing that the rating provided does not properly reflect the strength of the institution. Maintenance of disbursement or other types of accounts at an institution below a mid-range rating shall be limited, to the maximum extent possible, to a balance below \$100,000. When the rating falls to a “warning stage” or when more than one-half of the institution’s capital and surplus has been lost in a 12-month period, any accounts shall be closed forthwith.

The following table reconciles total Town cash and investments as reported in the financial statements to presentation of these same amounts in the Notes to Basic Financial Statements:

	Primary Government		Fiduciary Funds					Totals
	Governmental Activities	Business-Type Activities	Pension and Other Postemployment Benefits Trust Funds			Other Fiduciary Funds		
			Other Postemployment Benefits Trust Fund	Pension Trust (As of 12/31/23)	Other Postemployment Benefits Trust Funds	Private Purpose Trust Funds	Custodial Fund	
Cash and Cash Equivalents.....	\$ 143,309,216	\$ 51,270,181	\$ 5,146,887	\$ 1,054,815	\$ 6,201,702	\$ -	\$ 13,526	\$ 200,794,625
Investments.....	8,382,714	3,160,774	24,827,468	166,804,048	191,631,516	7,469,348	-	210,644,352
<b>Total.....</b>	<b>\$ 151,691,930</b>	<b>\$ 54,430,955</b>	<b>\$ 29,974,355</b>	<b>\$ 167,858,863</b>	<b>\$ 197,833,218</b>	<b>\$ 7,469,348</b>	<b>\$ 13,526</b>	<b>\$ 411,438,977</b>
Carrying value of cash:								
Primary Government.....	80,947,967							
Pension Trust.....			1,054,815					
Investments Considered Cash & Cash Equivalents:								
Money Market Mutual Funds.....	33,830							
External Investment Pool MMDT.....	118,758,013							
Cash and Cash Equivalents.....	200,794,625							
U.S. Treasury Securities.....								
U.S. Agencies.....	9,906,033							
Equity Mutual Funds.....	67,434							
Fixed Income Mutual Funds.....	5,212,801							
Equity Securities.....	2,833,171							
PRIT Investments.....	590,611							
Certificates of Deposit.....	191,631,516							
Corporate Bonds.....	242,271							
	160,515							
Investments.....	210,644,352							
Total Cash, Cash Equivalents and Investments.....	\$ 411,438,977							

**Deposits and Investments - Town (Excluding Pension Trust)**

Deposits - Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town policy for mitigating custodial credit risk is that the Town will not have on deposit amounts exceeding 10% of capital and surplus unless those deposits carry full FDIC insurance or are collateralized. In addition, it is the Town's policy that at no time shall any single bank or bank holding company hold an excess of 25% of the cash balance under the control of the Treasurer at any time.

At the respective year-ends of the Town and the Municipal Light Plant, the carrying amount (book value) of deposits totaled \$80,947,967 and the bank balances (as of June 30, 2024 for the Town and as of December 31, 2023 for the Municipal Light Plant) totaled \$57,669,745. Of the bank balance, \$1,500,000 was covered by Federal Depository Insurance, \$8,418,706 was covered by the Depositors Insurance Fund, \$9,192,043 was collateralized, and \$38,558,996 was exposed to custodial credit risk because it was uninsured and uncollateralized. The uncollateralized balances are deposits in three separate well-known banks offering municipal services that are monitored by the Town Treasurer as described above. These deposits are not in violation of Town policy.

Investments Summary

The Town’s investments at June 30, 2024 are presented as follows:

Investment Type	Total Amount	Investment Maturities (in Years)		
		Less Than 1	1 - 5	5-10
<u>Debt Securities:</u>				
U.S. Treasury Securities.....	\$ 9,906,033	\$ 9,752,481	\$ 81,557	\$ 71,995
U.S. Agencies.....	67,434	14,720	35,927	16,787
Money Market Mutual Funds.....	33,830	33,830	-	-
Fixed Income Mutual Funds.....	2,833,171	2,833,171	-	-
Certificates of Deposit.....	242,271	242,271	-	-
Corporate Bonds.....	160,515	49,245	85,289	25,981
External Investment Pool MMDT.....	118,758,013	118,758,013	-	-
Total Debt Securities.....	132,001,267	\$ 131,683,731	\$ 202,773	\$ 114,763
<u>Other Investments:</u>				
Equity Securities.....	590,611			
Equity Mutual Funds.....	5,212,801			
PRIT Investments -OPEB Trust.....	24,827,468			
Total Investments - Town	\$ 162,632,147			

Investments - Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Town's investment policy is to follow state statutes, which limits investment maturities as a means of managing its exposure to fair value losses arising from increasing rates.

Investments - Custodial Credit Risk

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral security that are in the possession of an outside party.

As of June 30, 2024, the Town’s investments were not exposed to custodial credit risk.

The Town will minimize Custodial Credit Risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities listed in the Statutory Authority section of the Town's Investment Policy; and obtaining necessary documentation (e.g. broker certification forms and documentation of perfected security interests in pledged collateral) from the financial institutions, broker/dealers, intermediaries and advisors, as applicable, with which the Town will do business in accordance with this Investment Policy. Some of this risk will be managed requiring that the above referenced financial institutions, broker/dealers, intermediaries and advisors have Securities Investor Protection Corporation (SIPC) and excess SIPC Coverage.

Investments - Credit Risk of Debt Securities

Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to meet its obligations. The Treasurer's policy for credit risk requires all financial institutions wishing to do business with the Town to read the Town's Investment Policy and agree to comply with it. This policy requires minimum standards of credit worthiness as well as guidance for the types of investment allowed.

The Town has disclosed the credit ratings of its investments in accordance with GASB Statement No. 40. At June 30, 2024 the Town's investments in U.S. Treasury Securities and U.S Agencies were rated AAA. At June 30, 2024, the Town's investments in Corporate Bonds were rated by *Standard and Poors*, a nationally recognized statistical rating organization, as follows:

Rating	Amount
AA-	23,911
A+	8,346
A	23,818
A-	43,646
BBB+	42,291
BBB+	18,503
Total	160,515

Investments - Concentration of Credit Risk

The Town has adopted a formal policy to mitigate concentration of credit risk by mandating that the town may not at any one time have on deposit in a bank or trust company an amount exceeding 10% of the capital and surplus of that institution unless the deposits are fully collateralized.

The Town does not have any investments in any one issuer that represents 5% or more of its total investments requiring disclosure in these financial statements.

Investments - Fair Value Measurements

The Town holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Town's mission, the Town determines that the disclosures related to these investments only need to be disaggregated by major type. The Town chooses a tabular format for disclosing the levels within the fair value hierarchy.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2024:

Investment Type	Total Amount	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments Measured by Fair Value Level</u>				
U.S. Treasury Securities.....	\$ 9,906,033	\$ 9,906,033	\$ -	\$ -
U.S. Agencies.....	67,434	-	67,434	-
Equity Securities.....	590,611	590,611	-	-
Equity Mutual Funds.....	5,212,801	5,212,801	-	-
Corporate Bonds.....	160,515	-	160,515	-
Fixed Income Mutual Funds.....	2,833,171	-	2,833,171	-
Total Investments by Fair Value Level.....	18,770,565	\$ 15,709,445	\$ 3,061,120	\$ -
<u>Other Assets Measured at Fair Value:</u>				
PRIT Investments - OPEB Trust.....	24,827,468			
Total Investments Measured by Fair Value Level.....	43,598,033			
<u>Investments Measured at Amortized Cost:</u>				
Money Market Mutual Funds.....	33,830			
Certificates of Deposit.....	242,271			
External Investment Pool MMDT.....	118,758,013			
Total Investments Measured at Amortized Cost.....	119,034,114			
Total Investments - Town	\$ 162,632,147			

U.S. Treasury securities, equity securities, and equity mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Corporate bonds, U.S. agencies, and fixed income mutual funds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Money market mutual funds, certificates of deposit, and MMDT investments are valued at amortized cost. Under the amortized cost method, an investment is valued initially at its cost and adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost and the amount payable at its maturity. If amortized cost is determined not to approximate fair value, the value of the portfolio securities will be determined under procedures established by the Advisor.

#### *Deposits and Investments - Pension Trust Fund - Hingham Contributory Retirement System (System)*

##### Deposits - Custodial Credit Risk

At December 31, 2023 the carrying amount (book value) of the Retirement System's deposits totaled \$1,054,815 and the bank balance totaled \$1,306,945. The bank balance was fully insured by Federal Depository Insurance.

Investments - Custodial Credit Risk

At December 31, 2023, the System's \$166,804,048 investment in PRIT is not subject to custodial credit risk exposure because it is not evidenced by securities that exist in physical or book-entry form.

Investments - Concentration of Credit Risk

As of December 31, 2023, the Retirement System had investments in PRIT's general allocation fund; which are not subject to concentration of credit risk.

Investments - Fair Value Measurements

The retiree pension defined benefit plan holds significant amounts of investments that are measured at fair value on a recurring basis. The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

PRIT is an external investment pool comprised of securities measured at various fair value measurements. The investment pool is managed by the Pension Reserves Investment Management (PRIM) Board and the System's share of the pool is reported at fair value in the System's financial statements. A complete copy of PRIT's separately issued financial statements can be obtained from the PRIM Board at 84 State Street, Boston, MA 02109, or by visiting the PRIM Board's website at <http://www.mapension.com/public-records/records-of-interest/>.

**NOTE 4 - ACCOUNTS RECEIVABLE**

At June 30, 2024, receivables for the individual major and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real Estate and Personal Property Taxes.....	\$ 1,699,407	\$ -	\$ 1,699,407
Tax and Utility Liens.....	1,063,938	-	1,063,938
Motor Vehicle and Other Excise Taxes.....	858,747	-	858,747
Community Preservation Taxes.....	8,002	-	8,002
User charges.....	2,468,092	-	2,468,092
Opioid Settlements.....	1,344,741	-	1,344,741
Special Assessments.....	269,465	-	269,465
Departmental and Other.....	1,896,663	(1,369,917)	526,746
Intergovernmental.....	6,722,854	-	6,722,854
Leases.....	2,396,482	-	2,396,482
	<u>\$ 18,728,391</u>	<u>\$ (1,369,917)</u>	<u>\$ 17,358,474</u>

At June 30, 2024 and December 31, 2023 respectively, receivables for the Hingham Municipal Lighting Plant, Weir River Water System and South Shore Country Club enterprise funds, respectively, consisted of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
<i>Hingham Municipal Lighting Plant</i>			
User Charges.....	\$ 2,378,793	\$ (50,000)	\$ 2,328,793
Departmental and Other.....	987,845	-	987,845
<i>Weir River Water System</i>			
User charges.....	4,088,291	-	4,088,291
<i>South Shore Country Club</i>			
Leases.....	245,453	-	245,453
	<u>\$ 7,700,382</u>	<u>\$ (50,000)</u>	<u>\$ 7,650,382</u>

**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	July 1, 2023 Balance	Increases	Decreases	June 30, 2024 Balance
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land.....	\$ 24,634,635	\$ -	\$ -	\$ 24,634,635
Construction in progress.....	24,073,580	81,256,748	-	105,330,328
Sub-total .....	<u>48,708,215</u>	<u>81,256,748</u>	<u>-</u>	<u>129,964,963</u>
Capital assets being depreciated:				
Land improvements.....	3,366,764	-	-	3,366,764
Buildings.....	217,152,518	2,034,436	-	219,186,954
Machinery and Equipment.....	30,822,874	1,868,802	-	32,691,676
Infrastructure.....	58,687,244	-	-	58,687,244
Sub-total.....	<u>310,029,400</u>	<u>3,903,238</u>	<u>-</u>	<u>313,932,638</u>
Less: accumulated depreciation:				
Land improvements.....	(1,627,482)	(145,130)	-	(1,772,612)
Buildings.....	(118,101,519)	(4,670,857)	-	(122,772,376)
Machinery and Equipment.....	(24,270,097)	(1,895,932)	-	(26,166,029)
Infrastructure.....	(38,398,733)	(976,253)	-	(39,374,986)
Sub-total.....	<u>(182,397,831)</u>	<u>(7,688,172)</u>	<u>-</u>	<u>(190,086,003)</u>
Capital assets being depreciated, net.....	<u>127,631,569</u>	<u>(3,784,934)</u>	<u>-</u>	<u>123,846,635</u>
Governmental capital assets, net.....	<u>\$ 176,339,784</u>	<u>\$ 77,471,814</u>	<u>\$ -</u>	<u>\$ 253,811,598</u>
	July 1, 2023 Balance	Increases	Decreases	June 30, 2024 Balance
<b>South Shore Country Club</b>				
Capital assets not being depreciated:				
Land.....	\$ 7,008,200	\$ -	\$ -	\$ 7,008,200
Construction in progress.....	3,077,283	-	(3,077,283)	-
Sub-total .....	<u>10,085,483</u>	<u>-</u>	<u>(3,077,283)</u>	<u>7,008,200</u>
Capital assets being depreciated:				
Land improvements.....	2,368,273	-	-	2,368,273
Buildings.....	3,097,797	3,069,578	-	6,167,375
Machinery and Equipment.....	2,287,175	88,519	-	2,375,694
Infrastructure.....	49,006	-	-	49,006
Sub-total.....	<u>7,802,251</u>	<u>3,158,097</u>	<u>-</u>	<u>10,960,348</u>
Less: accumulated depreciation:				
Land improvements.....	(1,194,584)	(79,217)	-	(1,273,801)
Buildings.....	(1,133,961)	(107,707)	-	(1,241,668)
Machinery and Equipment.....	(1,786,606)	(107,869)	-	(1,894,475)
Infrastructure.....	(4,048)	(1,226)	-	(5,274)
Sub-total.....	<u>(4,119,199)</u>	<u>(296,019)</u>	<u>-</u>	<u>(4,415,218)</u>
Capital assets being depreciated, net.....	<u>3,683,052</u>	<u>2,862,078</u>	<u>-</u>	<u>6,545,130</u>
South Shore Country Club capital assets, net.....	<u>\$ 13,768,535</u>	<u>\$ 2,862,078</u>	<u>\$ (3,077,283)</u>	<u>\$ 13,553,330</u>

	July 1, 2023				June 30, 2024
	Balance	Increases	Decreases		Balance
<b>Weir River Water System</b>					
Capital assets not being depreciated:					
Land.....	\$ 12,029,400	\$ -	\$ -	\$	12,029,400
Construction in progress.....	1,650,307	2,702,534	-		4,352,841
Sub-total	<u>13,679,707</u>	<u>2,702,534</u>	<u>-</u>		<u>16,382,241</u>
Capital assets being depreciated:					
Network.....	105,050,925	2,064,880	-		107,115,805
Less: accumulated depreciation:					
Network.....	(6,075,192)	(2,284,044)	-		(8,359,236)
Capital assets being depreciated, net.....	98,975,733	(219,164)	-		98,756,569
Weir River Water System capital assets, net.....	<u>\$ 112,655,440</u>	<u>\$ 2,483,370</u>	<u>\$ -</u>	<u>\$</u>	<u>115,138,810</u>

	January 1, 2023				December 31, 2023
	Balance	Increases	Decreases		Balance
<b>Hingham Municipal Lighting Plant</b>					
Capital assets not being depreciated:					
Land.....	\$ 434,863	\$ -	\$ -	\$	434,863
Construction in progress.....	1,286,146	1,923,512	(65,930)		3,143,728
Sub-total	<u>1,721,009</u>	<u>1,923,512</u>	<u>(65,930)</u>		<u>3,578,591</u>
Capital assets being depreciated:					
Plant in service.....	68,855,218	3,166,509	(22,586)		71,999,141
Less: accumulated depreciation:					
Plant in service.....	(46,682,299)	(3,442,764)	22,586		(50,102,477)
Capital assets being depreciated, net.....	22,172,919	(276,255)	-		21,896,664
Hingham Municipal Lighting Plant capital assets, net.....	<u>\$ 23,893,928</u>	<u>\$ 1,647,257</u>	<u>\$ (65,930)</u>	<u>\$</u>	<u>25,475,255</u>

Depreciation expense was charged to functions/programs of the Town as follows:

**Governmental Activities:**

General Government.....	\$ 930,663
Public Safety.....	1,013,122
Public Education.....	4,243,630
Public works administration and support.....	1,396,310
Human Services.....	7,505
Culture and Recreation.....	96,942
	<u>\$ 7,688,172</u>

**Business-Type Activities:**

South Shore Country Club.....	\$ 296,019
Hingham Municipal Lighting Plant.....	3,442,764
Weir River Water System.....	2,284,044
	<u>\$ 6,022,827</u>

**NOTE 6 - NET INVESTMENT IN CAPITAL ASSETS**

The Town’s net investment in capital assets at June 30, 2024 is summarized as follows:

*Governmental Activities*

Capital Assets, Net of Accumulated Depreciation.....	\$ 253,811,598
Less Outstanding Bonds and Notes Payable.....	(177,545,675)
Less Outstanding Financed Purchase Obligations.....	(1,157,606)
Less Capital Related Accounts Payable.....	(11,763,180)
Add Unspent Proceeds of Capital Related Debt.....	<u>64,410,067</u>
Net Investment in Capital Assets.....	<u><u>\$ 127,755,204</u></u>

*Business-Type Activities*

Capital Assets, Net of Accumulated Depreciation.....	\$ 154,167,395
Less Outstanding Bonds and Notes Payable Related to Asset Aquisition.....	(120,875,876)
Add Unspent Proceeds of Capital Related Debt.....	<u>5,932,557</u>
Net Investment in Capital Assets.....	<u><u>\$ 39,224,076</u></u>

**NOTE 7 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund receivables and payables between funds at June 30, 2024, as summarized as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund.....	Middle School Building.....	\$ 2,116,667 (1)
General Fund.....	Town Grants.....	1,683,957 (2)
General Fund.....	School Federal Grants.....	807,965 (2)
General Fund.....	Recreation Drive.....	518,857 (1)
General Fund.....	South Shore Regional Communications Center.....	270,719 (1)
General Fund.....	Sewer Maintenance.....	228,902 (1)
General Fund.....	Other Nonmajor Governmental Funds.....	147,813 (1)
General Fund.....	Private Purpose Trust Funds.....	<u>5,256 (1)</u>
		<u><u>\$ 5,780,136</u></u>

- (1) Represents advances between funds to meet temporary cash flow needs.
- (2) Represents advance funding pending receipt of grant reimbursements.

Interfund transfers for the fiscal year ended June 30, 2024 are summarized as follows:

Transfers Out:	Transfers In:			
	General Fund	Foster School	Nonmajor Governmental Funds	Total
General Fund.....	\$ -	\$ 250,000	\$ 1,713,589	\$ 1,963,589 (1)
Community Preservation Fund.....	-	-	735,000	735,000 (2)
Nonmajor Governmental Funds.....	144,008	-	554,536	698,544 (3)
Hingham Municipal Light Plant Enterprise Fund.....	504,445	-	-	504,445 (4)
Weir River Water System Enterprise Fund.....	706,237	-	-	706,237 (5)
	<u>\$ 1,354,690</u>	<u>\$ 250,000</u>	<u>\$ 3,003,125</u>	<u>\$ 4,607,815</u>

- (1) Represents budgeted transfers to the Foster School (\$250,000), Recreation Drive (\$110,000), High School Field Improvements (\$30,565), and other capital project funds (\$1,216,808). Also represents budgeted transfer to special revenue funds (\$356,216).
- (2) Represents budgeted transfer to the Affordable Housing Trust.
- (3) Represents budgeted transfers from the Waterways (\$144,000) to the General fund as operating subsidies. Also represents appropriated transfer from the Waterways special revenue fund to the Sewer Capital fund (\$360,000). Also represents a transfer from the Cable Access special revenue fund to the Fiber capital projects fund (\$108,671). Also represents various transfers amongst nonmajor governmental funds for BAN paydowns (\$85,865) and a transfer to the general fund to close out ongoing projects (\$8).
- (4) Represents transfers in from the Hingham Municipal Light Plant enterprise fund (in lieu of taxes).
- (5) Represents transfer from the Weir River Water System to the general fund for real estate and property taxes.

**NOTE 8 - LEASES (LESSOR)**

The Town leases certain office facilities to organizations for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2038. The business-type activities facilities lease provides for a renewal option of five years at the end of the lease term in 2026.

The business-type activities lease requires variable payments based on future performance of the lessee and are not included in the measurement of the lease liability. Those variable payments are recognized as inflows of resources in the periods in which the obligation for those payments becomes due to the Town. During the year ended June 30, 2024, the Town received variable payments as required by lease agreements totaling approximately \$57,000.

Total future minimum lease receipts to be received are as follows:

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 335,850	\$ 49,746	\$ 94,776	\$ 4,224	\$ 484,596
2026	337,224	36,288	99,906	2,094	475,512
2027	336,737	22,807	50,771	229	410,544
2028	336,376	9,344	-	-	345,720
2029	109,269	1,843	-	-	111,112
2030-2034	641,026	5,220	-	-	646,246
2035-2038	300,000	2,700	-	-	302,700
Total minimum lease receipts	<u>\$ 2,396,482</u>	<u>\$ 127,948</u>	<u>\$ 245,453</u>	<u>\$ 6,547</u>	<u>\$ 2,776,430</u>

**NOTE 9 - SHORT-TERM FINANCING**

Short-term debt may be authorized and issued to fund the following:

- Current operating costs prior to the collection of revenues through issuance of revenue or tax anticipation notes (RANS or TANS).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BANS) or grant anticipation notes (GANS).

Short-term loans are general obligations and carry maturity dates that are limited by statute. Interest expenditures and expenses for short-term borrowings are accounted for in the general fund and enterprise fund, respectively.

Details related to the short-term debt activity for the fiscal year ended June 30, 2024, is as follows:

*Notes Payable - Governmental Funds*

Type	Description	Origination Date	Maturity Date	Interest Rate	Balance at 7/1/2023	Increases	Decreases	Balance at 6/30/2024
BAN	Municipal Purpose.....	5/10/23	2/16/24	4.00%	\$ 15,503,468	\$ -	\$ (15,503,468)	\$ -
BAN	Municipal Purpose.....	2/16/23	2/16/24	4.00%	83,542,880	-	(83,542,880)	-
BAN	Municipal Purpose.....	2/15/24	2/14/25	4.00%	-	93,666,453	-	93,666,453
	Sub-Total.....				99,046,348	93,666,453	(99,046,348)	93,666,453
	Premium on BAN's.....				900,977	831,695	(900,977)	831,695
	Total.....				\$ 99,947,325	\$ 94,498,148	\$ (99,947,325)	\$ 94,498,148

*Notes Payable - Business-Type Activities*

Type	Description	Origination Date	Maturity Date	Interest Rate	Balance at 7/1/2023	Increases	Decreases	Balance at 6/30/2024
BAN	Municipal Purpose - SSCC.....	5/10/23	2/16/24	4.00%	\$ 3,181,000	\$ -	\$ (3,181,000)	\$ -
BAN	Municipal Purpose - WRWS...	5/10/23	2/16/24	4.00%	5,400,000	-	(5,400,000)	-
BAN	Municipal Purpose - SSCC.....	2/15/24	2/14/25	4.00%	-	83,000	-	83,000
BAN	Municipal Purpose - WRWS...	2/15/24	2/14/25	4.00%	-	3,700,000	-	3,700,000
	Total.....				\$ 8,581,000	\$ 3,783,000	\$ (8,581,000)	\$ 3,783,000

**NOTE 10 - LONG-TERM OBLIGATIONS**

The following represents a summary of changes that occurred in long-term obligations during the fiscal year ended June 30, 2024:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion
<b>Governmental Activities:</b>					
Bonds and Notes Payable.....	\$ 33,658,441	\$ 48,844,044	\$ (4,207,664)	\$ 78,294,821	\$ 5,623,823
Unamortized Premium.....	1,963,041	3,174,605	(384,940)	4,752,706	516,538
Financed Purchases.....	1,385,768	-	(228,162)	1,157,606	232,679
Bonds and Notes Payable, Gross.....	37,007,250	52,018,649	(4,820,766)	84,205,133	6,373,040
Workers' Compensation Claims.....	490,289	607,690	(485,642)	612,337	312,292
Compensated Absences.....	1,983,735	371,841	(458,560)	1,897,016	1,422,762
Total.....	\$ 39,481,274	\$ 52,998,180	\$ (5,764,968)	\$ 86,714,486	\$ 8,108,094
<b>Business-Type Activities:</b>					
Bonds and Notes Payable.....	\$ 106,705,000	\$ 4,985,956	\$ (2,405,000)	\$ 109,285,956	\$ 2,729,299
Unamortized Premium.....	7,908,719	469,044	(570,843)	7,806,920	605,079
Bonds and Notes Payable, Gross.....	114,613,719	5,455,000	(2,975,843)	117,092,876	3,334,378
Customer Deposits.....	1,993,135	15,535	-	2,008,670	-
Compensated Absences.....	57,391	-	(2,976)	54,415	-
Total.....	\$ 116,664,245	\$ 5,470,535	\$ (2,978,819)	\$ 119,155,961	\$ 3,334,378

Governmental activities long-term liabilities are generally liquidated by the general fund. Business-type activities long-term liabilities are normally paid from the funds reporting the liability, namely the South Shore Country Club, Weir River Water System, or Hingham Municipal Lighting Plant.

**NOTE 11 - LONG-TERM DEBT**

Under the provisions of Chapter 44, Section 10, Municipal Law authorizes indebtedness up to a limit of 5% of the equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit". In addition, however, debt may be authorized in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit".

Details related to the outstanding indebtedness at June 30, 2024, and the debt service requirements are as follows:

***Bonds and Notes Payable - Governmental Funds***

Project	Date of Issue	Maturity Date	Interest Rate (%)	Outstanding at June 30, 2023	Issued	Redeemed	Outstanding at June 30, 2024
MCWT - 2006 Bonds*	12/14/06	4/15/28	2.0 - 5.0	\$ 93,441	\$ -	\$ (22,664)	\$ 70,777
Municipal Purpose Bonds of 2015	5/15/16	5/15/37	3.0 - 5.0	22,745,000	-	(1,995,000)	20,750,000
2007 Multi Purpose Bonds - Refunded Debt	5/19/16	9/15/28	2.0 - 5.0	1,055,000	-	(260,000)	795,000
Municipal Purpose Refunding Bonds of 2016	5/19/16	9/15/28	2.0 - 5.0	9,765,000	-	(1,930,000)	7,835,000
Municipal Purpose Bonds of 2024	1/23/24	2/15/53	4.0 - 5.0	-	48,844,044	-	48,844,044
Sub-Total Bonds and Notes				33,658,441	48,844,044	(4,207,664)	78,294,821
Add: School Bus Financed Purchases*				1,385,768	-	(228,162)	1,157,606
Sub-Total - Governmental Activities				35,044,209	48,844,044	(4,435,826)	79,452,427
Add: Unamortized Premium on Bonds and Notes				1,963,041	3,174,605	(384,940)	4,752,706
Total Governmental Funds				\$ 37,007,250	\$ 52,018,649	\$ (4,820,766)	\$ 84,205,133

\* Notes from direct borrowings

The Massachusetts Clean Water Trust (MCWT) operates a water pollution abatement bond program for community owned water systems. For each community approved for the project, financial assistance received from the MCWT consists of subsidized interest-bearing loans payable in annual installments. At June 30, 2024, the outstanding principal amount of these loans totaled \$70,777.

The Town acquired several school buses under financed purchase agreements with Wells Fargo and Santander Bank. The titles to the school buses transfer ownership to the Town upon delivery. Principal and interest is payable in annual installments. At June 30, 2024, the outstanding principal amount due for these agreements totaled \$1,157,606.

Debt service requirements for principal and interest for governmental funds in future fiscal years are as follows:

Fiscal Year	Bonded Debt		Notes from Direct Borrowings		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025.....\$	5,600,701	\$ 3,008,725	\$ 255,801	\$ 24,106	\$ 5,856,502	\$ 3,032,831
2026.....	5,620,701	2,780,513	260,875	19,032	5,881,576	2,799,545
2027.....	5,605,701	2,584,681	711,707	13,860	6,317,408	2,598,541
2028.....	5,260,702	2,391,045	-	-	5,260,702	2,391,045
2029.....	3,320,702	2,236,361	-	-	3,320,702	2,236,361
2030.....	3,155,702	2,107,925	-	-	3,155,702	2,107,925
2031.....	3,165,702	1,978,078	-	-	3,165,702	1,978,078
2032.....	3,155,702	1,845,867	-	-	3,155,702	1,845,867
2033.....	3,055,702	1,712,294	-	-	3,055,702	1,712,294
2034.....	3,085,702	1,583,560	-	-	3,085,702	1,583,560
2035.....	3,020,702	1,467,532	-	-	3,020,702	1,467,532
2036.....	3,055,702	1,354,102	-	-	3,055,702	1,354,102
2037.....	3,085,702	1,239,274	-	-	3,085,702	1,239,274
2038.....	1,510,703	1,121,398	-	-	1,510,703	1,121,398
2039.....	1,545,703	1,060,970	-	-	1,545,703	1,060,970
2040.....	1,580,703	999,140	-	-	1,580,703	999,140
2041.....	1,595,703	935,912	-	-	1,595,703	935,912
2042.....	1,635,703	872,084	-	-	1,635,703	872,084
2043.....	1,675,703	806,658	-	-	1,675,703	806,658
2044.....	1,720,703	739,628	-	-	1,720,703	739,628
2045.....	1,695,000	670,800	-	-	1,695,000	670,800
2046.....	1,745,000	603,000	-	-	1,745,000	603,000
2047.....	1,790,000	533,200	-	-	1,790,000	533,200
2048.....	1,845,000	461,600	-	-	1,845,000	461,600
2049.....	1,895,000	387,800	-	-	1,895,000	387,800
2050.....	1,955,000	312,000	-	-	1,955,000	312,000
2051.....	2,010,000	233,800	-	-	2,010,000	233,800
2052.....	1,885,000	153,400	-	-	1,885,000	153,400
2053.....	1,950,000	78,000	-	-	1,950,000	78,000
Total.....	\$ 78,224,044	\$ 36,259,347	\$ 1,228,383	\$ 56,998	\$ 79,452,427	\$ 36,316,345

**Bonds and Notes Payable - Enterprise Funds**

Project	Date of Issue	Maturity Date	Interest Rate (%)	Outstanding at June 30, 2023	Issued	Redeemed	Outstanding at June 30, 2024
WRWS General Obligation Water Bonds of 2020.....	7/30/20	2/15/50	2.0 - 5.0	\$ 106,705,000	\$ -	(2,405,000)	\$ 104,300,000
General Obligation Water Bonds of 2024.....	1/23/24	2/15/44	4.0 - 5.0	-	2,330,740	-	2,330,740
Municipal Purpose Bonds of 2024 - SSCC.....	1/23/24	2/15/44	4.0 - 5.0	-	2,655,216	-	2,655,216
Sub-Total.....				106,705,000	4,985,956	(2,405,000)	109,285,956
Add: Unamortized Premium.....				7,908,719	469,044	(570,843)	7,806,920
Total Enterprise Funds.....				\$ 114,613,719	\$ 5,455,000	\$ (2,975,843)	\$ 117,092,876

Debt service requirements for principal and interest for enterprise funds in future fiscal years are as follows:

Fiscal Year	Bonded Debt		
	Principal	Interest	Total
2025.....	\$ 2,729,299	\$ 3,334,194	\$ 6,063,493
2026.....	2,854,299	3,197,731	6,052,030
2027.....	2,979,299	3,055,013	6,034,312
2028.....	3,119,298	2,906,049	6,025,347
2029.....	3,264,298	2,750,083	6,014,381
2030.....	3,384,298	2,617,019	6,001,317
2031.....	3,509,298	2,479,153	5,988,451
2032.....	3,639,298	2,336,289	5,975,587
2033.....	3,774,298	2,188,225	5,962,523
2034.....	3,914,298	2,034,759	5,949,057
2035.....	4,024,298	1,914,837	5,939,135
2036.....	4,139,298	1,791,617	5,930,915
2037.....	4,254,298	1,664,945	5,919,243
2038.....	4,374,297	1,534,821	5,909,118
2039.....	4,499,297	1,401,099	5,900,396
2040.....	4,584,297	1,306,129	5,890,426
2041.....	4,669,297	1,209,457	5,878,754
2042.....	4,774,297	1,094,510	5,868,807
2043.....	4,884,297	977,067	5,861,364
2044.....	4,994,297	857,016	5,851,313
2045.....	4,855,000	734,350	5,589,350
2046.....	4,970,000	619,044	5,589,044
2047.....	5,090,000	501,006	5,591,006
2048.....	5,210,000	380,119	5,590,119
2049.....	5,335,000	256,381	5,591,381
2050.....	5,460,000	129,675	5,589,675
Total.....	\$ <u>109,285,956</u>	\$ <u>43,270,588</u>	\$ <u>152,556,544</u>

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2024, the Town had the following authorized and unissued debt:

Purpose	Amount
Water Capital Improvements	\$ 21,005,000
Foster School - New Construction	20,507,812
Route 3A Sewer Construction	13,000,000
Town Pool/Design & Construction	8,000,000
Town Pier Wharf Repair/Reconstruction	5,650,000
Hingham Harbor Dredging	3,500,000
Water Company Purchase/Bond issued July 2020	2,820,000
Plymouth River School Windows Project	2,725,178
Water Capital Improvements	1,700,000
Purchase of a Fire Engine	1,200,000
Route 3A sewer project	900,000
Design & Engineering/North Fire Station	466,750
Road Construction/Seawalls	312,000
Design & Engineering/North Fire Station etc.	295,903
Wharf Repair and Restoration	200,000
Road Reconstruction	157,000
Acquire Lincoln School Apartments/Bond and Ban	100,000
Town Hall Data Center D&E and Renovation	48,338
Foster School/Feasibility	45,029
Land acquisition - 30 Summer St	4,585
	<hr/>
Total	\$ <u>82,637,595</u>

**NOTE 12 - GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

The constraints on fund balances as listed in the aggregate in the Governmental Funds Balance Sheet are detailed as follows:

	General	Community Preservation	Foster School	Public Safety Building	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>						
Permanent Fund Principal.....	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000
<b>Restricted:</b>						
Town gift funds.....	-	-	-	-	1,234,570	1,234,570
School gift funds.....	-	-	-	-	177,327	177,327
Town grant funds.....	-	-	-	-	191,042	191,042
School state grant funds.....	-	-	-	-	1,732,505	1,732,505
School federal grant funds.....	-	-	-	-	97,626	97,626
Affordable housing trust.....	-	-	-	-	1,861,757	1,861,757
School revolving funds.....	-	-	-	-	5,670,228	5,670,228
Town revolving funds.....	-	-	-	-	720,082	720,082
Town trust funds.....	-	-	-	-	295,198	295,198
Town other funds.....	-	-	-	-	4,047,287	4,047,287
Community preservation.....	-	2,802,526	-	-	-	2,802,526
Preservation projects.....	-	-	-	-	1,122,193	1,122,193
Conservation.....	-	-	-	-	121,046	121,046
Sewer inflow/infiltration.....	-	-	-	-	701,327	701,327
Sewer.....	-	-	-	-	280,813	280,813
High school field improvements.....	-	-	-	-	52,744	52,744
Other capital project funds.....	-	-	-	-	2,577,868	2,577,868
Conservation permanent fund.....	-	-	-	-	73,392	73,392
Town permanent funds.....	-	-	-	-	766	766
Sub-Total - Restricted.....	-	2,802,526	-	-	20,957,771	23,760,297
<b>Committed:</b>						
Subsequent year's expenditures.....	4,500,000	-	-	-	-	4,500,000
Capital.....	7,561,448	-	-	-	-	7,561,448
Tax mitigation.....	1,026,205	-	-	-	-	1,026,205
Continuing appropriations.....	48,897	-	-	-	-	48,897
Sub-Total - Committed.....	13,136,550	-	-	-	-	13,136,550
<b>Assigned:</b>						
General Government.....	179,393	-	-	-	-	179,393
Public Safety.....	362,258	-	-	-	-	362,258
Education.....	1,358,984	-	-	-	-	1,358,984
Public Works.....	1,895,715	-	-	-	-	1,895,715
Health and Human Services.....	31,605	-	-	-	-	31,605
Culture and Recreation.....	72,012	-	-	-	-	72,012
Sub-Total - Assigned.....	3,899,967	-	-	-	-	3,899,967
<b>Unassigned.....</b>	<b>42,677,917</b>	<b>-</b>	<b>(21,956,511)</b>	<b>(14,672,010)</b>	<b>(5,943,339)</b>	<b>106,057</b>
	<u>\$ 59,714,434</u>	<u>\$ 2,802,526</u>	<u>\$ (21,956,511)</u>	<u>\$ (14,672,010)</u>	<u>\$ 15,049,432</u>	<u>\$ 40,937,871</u>

At June 30, 2024, approximately \$10.6 million has been set aside in the governmental funds financial statements for stabilization funds. Municipal finance laws of the Commonwealth of Massachusetts authorize municipalities to establish stabilization funds on an as needed basis. The number of and exact purpose of the stabilization funds of the Town are dependent upon authorization and approval of Town Meeting. The stabilization fund balance can be used for general and/or capital purposes upon approval of Town Meeting. Additions to the funds can only be made upon Town Meeting approval.

At June 30, 2024, \$7.6 million of capital stabilization and \$1 million of tax mitigation stabilization fund balances are reported as committed and approximately \$2 million of general stabilization fund balance is reported as unassigned in the general fund.

**NOTE 13 - RISK FINANCING**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. The amount of claim settlements has not exceeded insurance coverage in any of the previous three years.

The Town participates in premium-based health care plans for its active employees and retirees. The Town is self-insured for workers’ compensation and unemployment benefits, and also self-insures property coverage over a group of vacant buildings given to them by the federal government. The Town maintains liability coverage on these respective buildings. The Town records an estimated liability for workers’ compensation claims based on estimates of the ultimate cost of reported claims and an estimate for claims incurred but not reported based on historical experience. At June 30, 2024, the estimated liability for workers’ compensation claims totaled \$612,337; which includes \$312,292 of claims due within one year.

Changes in the Workers’ Compensation claims liability amount for the years ended June 30 were as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Fiscal Year-end
Fiscal year 2023.....	\$ 363,540	739,282	(612,533)	490,289
Fiscal year 2024.....	490,289	607,690	(485,642)	612,337

Unemployment claims at June 30, 2024 are considered to be immaterial for these financial statements.

**NOTE 14 - PENSION PLAN - HINGHAM CONTRIBUTORY RETIREMENT SYSTEM**

General Information

**Plan Description** - The Town is a member of the Hingham Contributory Retirement System (HCRS), a cost-sharing multiple employer defined benefit pension plan covering eligible employees of the 3 member units. The System is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The System is included in the financial statements as a blended fiduciary component unit.

**Benefits Provided** - The System provides retirement, disability, survivor and death benefits to plan members and beneficiaries. The System provides retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification. Members become vested after ten years of creditable service.

Employees who resign from service and who are not eligible to receive a retirement allowance or are under the age of 55 are entitled to request a refund of their accumulated total deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

Cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth’s state law during those years are borne by the Commonwealth and are deposited into the pension fund. Cost-of-living adjustments granted after 1997 must be approved by the Board and are borne by the System.

**Plan Membership** - At December 31, 2023, the System’s membership consists of the following:

Active members.....	636
Retirees and beneficiaries entitled to but not yet receiving benefits.....	387
Retirees and beneficiaries currently receiving benefits.....	373
Total.....	1,396

**Contributions** - Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the HCRS a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The total member units’ contribution for the year ended December 31, 2023 was \$7,041,637, which is actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Town’s proportionate share of the required contribution was \$6,303,180 which equaled its actual contribution.

**Actuarial Assumptions** - The total pension liability was determined by an actuarial valuation as of January 1, 2024, which was rolled back to the measurement date of December 31, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date.....	January 1, 2024
Investment rate of return/Discount rate.....	7.25%, net of pension plan investment expense, including inflation
Projected salary increases.....	Group 1: 4.25%-6.00%, based on service Group 4: 4.75%-7.00%, based on service
Inflation rate.....	2.50% per year
Cost of living adjustments.....	3.00% of the first \$14,000 of retirement income
Mortality Rates.....	RP-2014 Blue Collar Mortality Table with full generational mortality improvement using Scale MP-2020. For disabled lives, the mortality rates were based on the RP-2014 Blue Collar Mortality Table set forward one year with full generational mortality improvement using Scale MP-2020.
Actuarial cost method.....	Entry Age Normal

Amortization method..... Increasing dollar amount at 4% to reduce the Unfunded Actuarial Accrued Liability to zero on or before June 30, 2035

Remaining amortization period.....11 years from July 1, 2024

Asset valuation method..... The Actuarial Value of Assets is the market value of assets as of the valuation date reduced by the sum of:  
 a.) 80% of gains and losses of the prior year,  
 b.) 60% of gains and losses of the second prior year,  
 c.) 40% of gains and losses of the third prior year and,  
 d.) 20% of gains and losses of the fourth prior year.  
 Investment gains and losses are determined by the excess or deficiency of the expected return over the actual return on the market value. The actuarial valuation of assets is further constrained to be not less than 80% or more than 120% of market value.

**Investment Policy** - The pension plan’s policy in regard to the allocation of invested assets is established by PRIT. Plan assets are managed on a total return basis with a long-term objective of achieving a fully funded status for the benefits provided through the pension plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan’s target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Asset Allocation
Global equity.....	4.58%	37.00%
Fixed income.....	7.70%	23.00%
Private equity.....	7.70%	16.00%
Real estate.....	4.10%	10.00%
Timber/Natural Resources.....	4.60%	4.00%
Portfolio Completion (PCS).....	3.90%	10.00%
		100.00%

**Rate of Return** - For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.93%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Discount Rate** - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Plan Reporting

**Net Pension Liability** - The components of the net pension liability of the participating member units at December 31, 2023 were as follows:

Total pension liability.....	220,771,471
Fiduciary net position.....	<u>(167,933,820)</u>
Net pension liability.....	<u>52,837,651</u>
Plan fiduciary net position as a percentage of the net pension liability.....	76.07%

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the net pension liability, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%
System's Net Pension Liability \$	<u>77,504,749</u>	<u>52,837,651</u>	<u>31,952,154</u>

Employer Reporting

**Net Pension Liability** - At June 30, 2024, the Town reported a liability of \$47,296,562 for its proportionate share of the net pension liability. At December 31, 2023, the Municipal Light Plant reported a liability of \$3,966,342 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023 for the Town and December 31, 2022 for the Municipal Light Plant. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024 for the Town and as of January 1, 2022 for the Municipal Light Plant.

The Town’s proportion of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2023, the Town’s proportion was 89.51%, compared to a proportion of 88.70% in the prior year. At December 31, 2022, the Hingham Municipal Light Plant’s proportion was 7.25%, compared to a proportion of 7.42% as of December 31, 2021.

**Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources** - For the year ended June 30, 2024, the Town recognized pension expense of \$6,140,100. For the year ended December 31, 2023, the Municipal Light Plant recognized pension expense of \$528,608. At June 30, 2024 and December 31, 2023, respectively, the Town and the Municipal Light Plant, respectively, reported deferred outflows of resources related to pensions of \$11,077,980 and deferred inflows of resources related to pensions of \$371,072, from the following deferred categories:

Deferral Category:	Town of Hingham		Municipal Lighting Plant (12/31/23)		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience.....	\$ 2,728,772	\$ 232,513	\$ -	\$ 40,520	\$ 2,728,772	\$ 273,033
Differences between projected and actual earnings.....	5,941,937	-	778,228	-	6,720,165	-
Changes of assumptions.....	618,761	-	112,952	-	731,713	-
Changes in proportion and differences between actual and proportionate share of contributions.....	339,227	16,215	98,379	81,824	437,606	98,039
Contributions subsequent to the measurement date.....	-	-	459,724	-	459,724	-
	<u>\$ 9,628,697</u>	<u>\$ 248,728</u>	<u>\$ 1,449,283</u>	<u>\$ 122,344</u>	<u>\$ 11,077,980</u>	<u>\$ 371,072</u>

The Town’s amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Amount
2025.....	\$ 1,555,517
2026.....	2,581,804
2027.....	5,637,348
2028.....	(394,700)
	<u>\$ 9,379,969</u>

The \$459,724 reported as deferred outflows of resources related to pensions resulting from the Hingham Municipal Light Plant contributions subsequent to the measurement date but before the employer’s year-end will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The remaining net deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Amount
2024.....	\$ 56,187
2025.....	134,806
2026.....	220,266
2027.....	455,956
	<u>\$ 867,215</u>

**Sensitivity of the net pension liability to changes in the discount rate** - The following presents the Town’s (excluding the Hingham Municipal Lighting Plant) proportionate share of the net pension liability as of the measurement date of 12/31/23, calculated using the discount rate of 7.25%, as well as what the Town’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Town's Proportionate Share of the Net Pension Liability	\$ <u>69,376,820</u>	\$ <u>47,296,562</u>	\$ <u>28,601,329</u>

The following presents the Hingham Municipal Lighting Plant’s proportionate share of the net pension liability as of the measurement date of 12/31/22, calculated using the discount rate of 7.25%, as well as what the Hingham Municipal Lighting Plant’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Hingham Municipal Lighting Plant's Proportionate Share of the Net Pension Liability	\$ <u>5,638,158</u>	\$ <u>3,966,342</u>	\$ <u>2,549,565</u>

**NOTE 15 - PENSION PLAN - MASSACHUSETTS TEACHERS RETIREMENT SYSTEM**

General Information about the Pension Plan

*Plan description.* Public school teachers and certain administrators are provided with pensions through the Massachusetts Teachers’ Retirement System (MTRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Massachusetts Teachers’ Retirement Board. The MTRS is part of the Commonwealth of Massachusetts’ (Commonwealth) reporting entity and does not issue a stand-alone audited financial report. The MTRS is reported as a Pension Trust Fund in the Commonwealth’s audited financial statements that can be obtained at <https://www.macomptroller.org/annual-comprehensive-financial-reports/>.

*Benefits provided.* MTRS provides retirement, disability, survivor and death benefits to members and their beneficiaries. Massachusetts General Laws (MGL) establishes uniform benefit requirements. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated on the basis of the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member's age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Legislature.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of creditable service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65. Most employees who joined the system after April 1, 2012 cannot retire prior to age 60.

*Contributions.* The MTRS' funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MTRS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Member contributions for MTRS vary depending on the most recent date of membership, ranging from 5-11% of regular compensation. Members hired in 1979 or subsequent contribute an additional 2% of regular compensation in excess of \$30,000.

The Commonwealth is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributing entity in MTRS.

#### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Since the Town does not contribute directly to MTRS, the Town does not report a proportionate share of the net pension liability of the MTRS at June 30, 2024. The Commonwealth's net pension liability associated with the Town was \$125,844,652.

The MTRS' net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023 rolled forward to June 30, 2023.

For the year ended June 30, 2024, the Town recognized pension expense of \$11,750,132 associated with MTRS and revenue of the same amount for support provided by the Commonwealth.

*Actuarial assumptions.* The MTRS' total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of January 1, 2023 rolled forward to June 30, 2023. This valuation used the following assumptions:

Investment rate of return - 7.00%

Salary increases - Salary increases are based on analyses of past experience but range from 4.0% to 7.5% depending on length of service

Mortality Rates - Pre-retirement reflects the Pub-2010 Teachers Employees mortality table (headcount weighted) projected generationally with Scale MP-2021 (gender distinct). Post-retirement reflects the Pub-2010 Teachers Retirees mortality table (headcount weighted) projected generationally with Scale MP-2021 (gender distinct). Disability is assumed to be in accordance with the Pub-2010 Teachers Retirees mortality table (headcount weighted) projected generationally with Scale MP-2021 (gender distinct).

Other - 3.5% interest rate credited to the annuity savings fund and 3.0% cost of living increase per year.

Investment assets of the MTRS are with the Pension Reserves Investment Trust (PRIT) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund’s target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity.....	37.0%	4.9%
Core Fixed Income.....	15.0%	1.9%
Private Equity.....	16.0%	7.4%
Portfolio Completion Strategies.....	10.0%	3.8%
Real Estate.....	10.0%	3.0%
Value Added Fixed Income.....	8.0%	5.1%
Timber/Natural Resources.....	4.0%	4.3%
	100.0%	

*Discount rate.* The discount rate used to measure the MTRS’ total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Pension plan fiduciary net position.* Detailed information about the MTRS’ fiduciary net position is available in the Commonwealth’s audited financial statements.

**NOTE 16 - OTHER POST EMPLOYMENT BENEFITS**

General Information

*Plan Description* - The Town maintains a single employer defined benefit healthcare plan (“The Other Postemployment Benefit Plan”). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the Plan. The plan provides the benefits by participating in the Mayflower Municipal Health Group. Medical and prescription drug benefits are provided to all eligible retirees through a plan offered by Blue Cross Blue Shield of Massachusetts. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The plan also pays approximately 50% of the retiree life insurance premiums. The OPEB Plan does not issue a publicly available financial report.

The Town adopted MGL, Chapter 32B, Section 18 in April 2006, requiring all Medicare-eligible retirees to enroll in a Medicare supplement plan. The effects of this adoption have been included in the actuarial determination of OPEB liabilities by the Town’s actuary.

**Plan Membership** - The number of participants as of June 30, 2024 is as follows:

Active members.....	909
Retirees and beneficiaries currently receiving benefits.....	584
Total.....	1,493

**Funding Policy** - Contribution requirements are also negotiated between the Town and union representatives. Retired plan members and beneficiaries currently receiving benefits are required to contribute between 10% and 50% of the cost of benefits provided depending on the plan they choose. The Town and the HMLP are required to contribute the balance of the current premiums and may contribute additional amounts to pre-fund benefits. Administrative costs of the Plan are assumed to be included in the fully insured premium rates.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town to establish the Postemployment Benefit Trust Fund and to enable the Town to raise taxes necessary to begin pre-funding its OPEB liabilities. During 2024, the Town pre-funded future OPEB liabilities in the amount of \$1,313,773.

The annual money-weighted rate of return on OPEB plan investments was 9.16%. The money-weighted rate of return expresses investment performance, net of OPEB plan investment expense, adjusted for the changing amount actually invested.

**Significant Actuarial Methods and Assumptions** - The Plan’s total OPEB liability is based on a July 1, 2023 actuarial valuation rolled forward to June 30, 2024. The significant methods and assumptions used to measure the total OPEB liability are as follows:

- Valuation date..... July 1, 2023
- Actuarial cost method..... Entry Age Normal
- Investment rate of return.....6.8%, net of investment expenses, including inflation (previously 6.6%)
- Healthcare cost trend rate.....8.0 percent for 2023, decreasing 0.50 percent per year to 6.0 percent, then grading down to an ultimate trend rate of 4.0 percent, utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate medical inflation rate is reached in 2075.
- Amortization Method..... Increasing at 3.5% over 30 years on an open amortization period
- Mortality..... Pre/Post-Retirement General and Public Safety: RP-2014 Blue Collar, projected with generational mortality improvement using scale MP-2020.  
  
Pre/Post-Retirement Teachers: PUB-2010 Teachers Headcount-Weighted Employee Mortality Table, base year 2010, projected with generational mortality using Scale MP-2021.

**Investment Policy** - The Town’s policy in regard to the allocation of invested assets is established and may be amended by the Select Board by a majority vote. The OPEB plan’s assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan. The long-term real rate of return on OPEB investments was determined using the Town’s investment policy.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class include in the target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Global Equity.....	36.00%	4.58%
Private Equity.....	16.00%	7.70%
Core Fixed Income.....	15.00%	2.40%
Value Added Fixed Income.....	9.00%	5.30%
Real Estate.....	10.00%	4.10%
Timberland.....	4.00%	4.60%
Portfolio Completion Strategies.....	10.00%	3.90%
	100.00%	

**Discount Rate** - The discount rate used to measure the total OPEB liability was 6.8%. The projection of cash flows used to determine the discount rate assumed that contributions from the Town will be made in accordance with the Plan’s funding policy. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Plan Reporting

**Components of the Net OPEB Liability** - The following table represents the components of the Plan’s Net OPEB liability as of the measurement date of June 30, 2024:

Total OPEB Liability.....	\$ 96,866,270
Plan Fiduciary Net Position.....	(29,974,355)
Net OPEB Liability.....	\$ 66,891,915
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability.....	30.9%

*Sensitivity of the Net OPEB liability to Changes in the Discount Rate* - The following table presents the plan's net other postemployment benefit liability, calculated using the discount rate of 6.8%, as well as what the plan's net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) than the current rate.

	1% Decrease (5.8%)	Current Discount Rate (6.8%)	1% Increase (7.8%)
Plan's Net OPEB Liability	\$ <u>80,755,361</u>	\$ <u>66,891,915</u>	\$ <u>55,598,535</u>

*Sensitivity of the net OPEB Liability to Changes in the Healthcare Trend Rate* - The following table presents the net other postemployment benefit liability, calculated using the current healthcare trend rate, as well as what the net other postemployment benefit liability would be if it was 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease	Current Trend Rate	1% Increase
Plan's Net OPEB Liability	\$ <u>54,111,723</u>	\$ <u>66,891,915</u>	\$ <u>82,879,522</u>

Employer Reporting

*Net OPEB Liabilities* - The following table represents the components of the Town's proportion of the net OPEB liability as of the measurement date of June 30, 2024:

	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023	\$ 89,378,918	\$ 24,008,895	65,370,023
Changes for the year:			
Service Cost	2,015,258	-	2,015,258
Interest	5,909,205	-	5,909,205
Changes of benefit terms	(4,998,660)	-	(4,998,660)
Differences between expected and actual experience	(734,751)	-	(734,751)
Changes of assumptions	5,322,507	-	5,322,507
Contributions- employer	-	5,035,312	(5,035,312)
Net investment income	-	2,235,313	(2,235,313)
Benefit payments	(3,721,539)	(3,721,539)	-
Net Changes	<u>3,792,020</u>	<u>3,549,086</u>	<u>242,934</u>
Balance at June 30, 2024	<u>\$ 93,170,938</u>	<u>\$ 27,557,981</u>	<u>\$ 65,612,957</u>

The following table represents the components of the Hingham Municipal Light Plant’s proportion of the net OPEB liability as of the measurement date of June 30, 2023:

	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2022	\$ 3,793,692	\$ 2,160,073	1,633,619
Changes for the year:			
Service Cost	128,892	-	128,892
Interest	253,280	-	253,280
Differences between expected and actual experience	-	-	-
Changes of assumptions	(4,063)	-	(4,063)
Contributions- employer	-	170,022	(170,022)
Net investment income	-	86,206	(86,206)
Benefit payments	(170,022)	(170,022)	-
Net Changes	208,087	86,206	121,881
Balance at June 30, 2023	<u>\$ 4,001,779</u>	<u>\$ 2,246,279</u>	<u>\$ 1,755,500</u>

**Sensitivity of the Net OPEB Liabilities to Changes in the Discount Rate** - The following table presents the Town’s proportionate share of the net other postemployment benefit liability, calculated using the discount rate of 6.8%, as well as what the Town’s proportionate share of the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) than the current rate.

	1% Decrease (5.8%)	Current Discount Rate (6.8%)	1% Increase (7.8%)
Town's Proportionate Share of the Net OPEB Liability	\$ <u>78,947,529</u>	\$ <u>65,612,957</u>	\$ <u>54,750,406</u>

The following table presents the Hingham Municipal Lighting Plant’s proportionate share of the net other postemployment benefit liability, calculated using the discount rate of 6.60% as of June 30, 2023, as well as what the proportionate share of the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.60%) or 1-percentage-point higher (7.60%) than the current rate:

	1% Decrease (5.60%)	Current Discount Rate (6.60%)	1% Increase (7.60%)
HMLP's Proportionate Share of the Net OPEB Liability	\$ <u>2,313,916</u>	\$ <u>1,755,500</u>	\$ <u>1,299,476</u>

**Sensitivity of the Net OPEB Liabilities to Changes in the Healthcare Trend Rate** - The following table presents Town’s proportionate share of the net other postemployment benefit liability, calculated using the current healthcare trend rate, as well as what the Town’s proportionate share of the net other postemployment benefit liability would be if it was 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease	Current Trend Rate	1% Increase
Town's Proportionate Share of the Net OPEB Liability	\$ <u>53,320,314</u>	\$ <u>65,612,957</u>	\$ <u>80,990,656</u>

The following table presents Hingham Municipal Lighting Plant’s proportionate share of the net other postemployment benefit liability, calculated using the current healthcare trend rate, as well as what the proportionate share of the net other postemployment benefit liability would be if it was 1-percentage-point lower or 1-percentage-point higher than the current rate.

HMLP’s Proportionate Share of the Net OPEB Liability	<u>\$ 1,211,148</u>	<u>\$ 1,755,500</u>	<u>\$ 2,435,393</u>
	1% Decrease	Current Trend Rate	1% Increase

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** – For the year ended June 30, 2024, the Town recognized OPEB expense of \$2,770,893. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferral Category:	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between actual and expected experience.....	\$ -	\$ (6,121,126)	\$ (6,121,126)
Differences between projected and actual earnings.....	-	(59,102)	(59,102)
Changes of assumptions.....	8,853,811	(1,917,242)	6,936,569
	<u>\$ 8,853,811</u>	<u>\$ (8,097,470)</u>	<u>\$ 756,341</u>

The Town’s amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	Amount
2025.....	\$ (305,468)
2026.....	(102,925)
2027.....	372,317
2028.....	(15,059)
2029.....	469,834
Thereafter.....	337,642
	<u>\$ 756,341</u>

For the year ended December 31, 2023, the Hingham Municipal Lighting Plant recognized OPEB expense of \$280,335. At December 31, 2023, the Hingham Municipal Lighting Plant reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferral Category:	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between actual and expected experience.....	\$ -	\$ (312,728)	\$ (312,728)
Differences between projected and actual earnings.....	45,229	-	45,229
Changes of assumptions.....	320,825	(105,340)	215,485
	<u>\$ 366,054</u>	<u>\$ (418,068)</u>	<u>\$ (52,014)</u>

The Hingham Municipal Lighting Plant’s amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31:</u>	<u>Amount</u>
2024.....	\$ (557)
2025.....	(21,196)
2026.....	(15,113)
2027.....	(842)
2028.....	(12,475)
Thereafter.....	<u>(1,831)</u>
	<u>\$ (52,014)</u>

**NOTE 17 - COMBINING FIDUCIARY FUND FINANCIAL STATEMENTS**

The Town’s Pension Trust Fund and OPEB Trust Fund Statements of Fiduciary net position are as follows:

	<u>Pension Trust Fund (As of 12/31/23)</u>	<u>OPEB Trust Fund (As of 6/30/24)</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents.....	\$ 1,054,815	\$ 5,146,887	\$ 6,201,702
Investments:			
External Investment Pool (PRIT).....	166,804,048	24,827,468	191,631,516
Receivables, Net of Allowance for Uncollectible Amounts:			
Departmental and Other.....	<u>74,957</u>	<u>-</u>	<u>74,957</u>
Total Assets.....	<u>167,933,820</u>	<u>29,974,355</u>	<u>197,908,175</u>
<b>NET POSITION</b>			
Restricted for Pensions and Other Post Employment Benefits.....	<u>\$ 167,933,820</u>	<u>\$ 29,974,355</u>	<u>\$ 197,908,175</u>

The Town’s Pension Trust Fund and OPEB Trust Fund Statements of Fiduciary net position are as follows:

	Pension Trust Fund (Year ended 12/31/23)	OPEB Trust Fund (Year ended 6/30/24)	Total
<b>ADDITIONS</b>			
Contributions:			
Employer.....	\$ 7,041,637	\$ 5,197,525	\$ 12,239,162
Plan Members.....	3,843,780	-	3,843,780
<b>Total Contributions.....</b>	<b>10,885,417</b>	<b>5,197,525</b>	<b>16,082,942</b>
Net Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments.....	13,095,289	2,527,542	15,622,831
Interest and Dividends.....	4,239,571	-	4,239,571
<b>Total Investment Income.....</b>	<b>17,334,860</b>	<b>2,527,542</b>	<b>19,862,402</b>
Less: Investment Expense.....	(830,122)	(122,134)	(952,256)
<b>Net Investment Income.....</b>	<b>16,504,738</b>	<b>2,405,408</b>	<b>18,910,146</b>
Intergovernmental.....	24,524	-	24,524
Transfers from Other Systems.....	842,081	-	842,081
<b>Total Additions.....</b>	<b>28,256,760</b>	<b>7,602,933</b>	<b>35,859,693</b>
<b>DEDUCTIONS</b>			
Administration.....	132,750	-	132,750
Retirement Benefits and Refunds.....	12,140,718	-	12,140,718
Other Postemployment Benefits.....	-	3,883,752	3,883,752
Transfers to Other Systems.....	1,176,757	-	1,176,757
<b>Total Deductions.....</b>	<b>13,450,225</b>	<b>3,883,752</b>	<b>17,333,977</b>
<b>CHANGE IN NET POSITION.....</b>	<b>14,806,535</b>	<b>3,719,181</b>	<b>18,525,716</b>
Net Position - Beginning of Year.....	153,127,285	26,255,174	179,382,459
<b>NET POSITION - END OF YEAR.....</b>	<b>\$ 167,933,820</b>	<b>\$ 29,974,355</b>	<b>\$ 197,908,175</b>

**NOTE 18 - COMMITMENTS**

The Town is authorized to borrow approximately \$83 million for various projects throughout the Town. Additionally, significant encumbrances and continuing appropriations from the general fund totaled \$3,948,864.

The HMLP has various power purchase commitments as more fully described in Note 19.

**NOTE 19 - POWER PURCHASE COMMITMENTS**Power Purchase Commitments

Hingham Municipal Lighting Plant has entered into various power contracts through Energy New England (ENE), as their acting agent. These power contracts began in 2008 and some go through to the life of the unit.

HMLP is a .5% entitlement owner in the Seabrook nuclear power plant and is entitled to almost 6MW. The average 2023 energy price for Seabrook was \$0.00454/kWh. This contract is a life of unit contract.

HMLP is a .1% entitlement owner in the Millstone nuclear power plant and is entitled to almost 1 ¼ MW. The average 2023 energy price for Millstone was \$0.00607/kWh. This contract is a life of unit contract.

HMLP is a 6% entitlement owner in the Brown Bear (formerly Miller Hydro) plant for hydroelectric renewable energy and is entitled to almost 1.2 MW. The HMLP is contracted with Brown Bear through 2025. The average 2023 energy price for Brown Bear was \$0.04952/kWh.

HMLP has entered into a 15-year contract terminating in 2026 with Spruce Mountain Wind Farm for renewable wind energy. HMLP has an ownership entitlement of 9% with a commitment to purchase almost 2 MW. The average 2023 energy price for Spruce Mountain Wind was \$0.09925/kWh.

HMLP has entered into a 20-year contract terminating in 2035 with Saddleback Ridge Wind for renewable wind energy. HMLP has an ownership entitlement of 5.6% with a commitment to purchase almost 2 MW. The average 2023 energy price for Saddleback Ridge Wind was \$0.09418/kWh.

HMLP has entered into a 20 year contract terminating in 2037 with Canton Mountain. HMLP has an ownership entitlement of 7.25% in this 20 MW facility, which should provide about 5,000 megawatt-hours of electricity annually for the Lighting Plant. The average 2023 energy price for Canton Mountain Wind was \$0.10685/kWh.

HMLP has a supply contract with the Commonwealth New Bedford Energy Landfill for 25% of the output from the 3.2 megawatt plant. In 2023, HMLP received 4,963,933 kWh of electricity from this facility at an average cost of \$0.04029/kWh.

HMLP has entered into a twenty-five year contract terminating in 2041 with NUGen-Harrington St. PV for renewable solar energy. HMLP has an ownership entitlement of 20% in each of the two 5.996 MW DC facilities. Each facility is projected to produce about 7,000 megawatt-hours of electricity each year with a degradation rate of approximately 0.5% per year. In 2023, these two facilities produced a combined 2,770,410 kWh of electricity for HMLP at an average cost of \$0.06767/kWh.

HMLP has entered into a 19-year contract terminating in 2037 with Granite Reliable Power for renewable wind energy. The project began delivering power on January 1, 2019 and has thirty-three (33) wind turbines each having a nameplate rating of 3 megawatts in the Town of Coos County, New Hampshire. HMLP has an ownership entitlement of 1.1% in this facility which meant HMLP received about 1.09 MW of electricity. The average 2023 energy price for Granite Wind was \$0.07108 per kWh.

HMLP is a 2% entitlement owner in the NYPA Hydro Base and Peaking plants for hydroelectric renewable energy. The contracts are life of unit contracts. The average 2023 energy price for the NYPA units was \$0.00549/kWh.

HMLP has entered into a contract with Firstlight Power Resources, a hydroelectric generating facility entity, located in Connecticut commencing in March of 2019 and commencing through the end of 2023. HMLP is entitled to 3.55% of the Shepaug hydroelectric station's output and 2.51% of the Stevenson hydroelectric station's output. Between both plants HMLP received approximately 8,561,878 /kWh and the average 2023 energy price for Firstlight electricity was \$0.05052 per kWh.

HMLP has entered into a contract with FirstLight Power Resources, a hydroelectric generating facility entity, located in Connecticut commencing in January of 2021 and commencing through the end of 2030. For 2023 HMLP contracted for 2.20% On-Peak and 1.32% Off-Peak of the Cabot & Turners Falls hydroelectric station's output. Between both plants, HMLP received approximately 11,811,709 / kWh and the average 2023 energy price for Cabot/Turners Falls electricity was \$0.04405 /kWh.

HMLP has entered into a contract with Braintree Electric Lighting Department as a 10% entitlement owner to the Watson Power Plant. This purchase power contract is effective from 2009 thru 2029. Watson Units 1 and 2 entitle HMLP to 11.4 MWs. They are primarily natural gas fired, but can burn oil if needed for reliability. The average 2023 energy price for Watson was \$0.08105 /kWh. HMLP had a 2.3% entitlement owner to Potter 2 CC. As of January 12, 2024, Potter 2 CC assets have been removed from the New England ISO bidding market. The last capacity settlement for Potter 2 CC was May 31, 2024. All fixed costs for Potter 2 CC have been terminated as of May 31, 2024.

HMLP is an entitlement owner in the Stony Brook Intermediate (4%) and Peaking (5 1/3%) units. The Intermediate units can run on either gas or oil while the peaking unit runs on oil. Units 1A, B and C of the Intermediate entitle HMLP to a total of 14 MW. Units 2A and B of the Peaking units entitle HMLP to a total of 9.2MW. The contracts are for the life of the units. The average 2023 energy price for the Peaking units was \$0.27593/kWh. The average 2023 energy price for the Intermediate units was \$0.14721/kWh.

HMLP has other contracts with various generators, which allows for the purchase of energy when various price points come into play including the contract that started on January 1, 2020. In 2023, the companies HMLP bought from under this agreement were NextEra and Shell Energy. The average 2023 per kWh price was \$0.05005 and \$0.07907 for NextEra and Shell Energy, respectively.

Additionally, HMLP has the ability to purchase from ISO-New England's Energy Interchange. In 2023, HMLP paid \$0.05655/kWh for energy through ISO-New England.

#### MMWEC Contingencies and Liabilities

The Town of Hingham acting through its Light Department is a Participant in certain Projects of the Massachusetts Municipal Wholesale Electric Company (MMWEC).

MMWEC is a public corporation and a political subdivision of the Commonwealth of Massachusetts, created as a means to develop a bulk power supply for its Members and other utilities. MMWEC is authorized to construct, own, or purchase ownership interests in, and to issue revenue bonds to finance, electric facilities (Projects). MMWEC has acquired ownership interests in electric facilities operated by other entities and also owns and operates its own electric facilities. MMWEC operates the Stony Brook Intermediate Project and the Stony Brook Peaking Project, both fossil-fueled power plants. MMWEC has the Nuclear Mix No 1 Project, Nuclear Project Three, Nuclear Project Four, Nuclear Project Five and Project Six, which comprise an 11.6% ownership interest in the Seabrook Station nuclear generating unit operated by NextEra Energy Seabrook, LLC and a 4.8% ownership interest in the Millstone Unit 3 nuclear unit, operated by Dominion Nuclear Connecticut, Inc. The operating license for Seabrook Station extends to March 15, 2050. The operating license for the Millstone Unit 3 nuclear unit extends to November 25, 2045.

MMWEC sells all of the capability (Project Capability) of each of its Projects to its Members and other utilities (Project Participants) under Power Sales Agreements (PSAs). The Light Department has entered into PSAs with MMWEC. Under the PSAs the Department is required to make certain payments to MMWEC payable solely from the Municipal Light Department revenues. Among other things, the PSAs require each Project Participant to pay its pro rata share of MMWEC's costs related to the Project, which costs include debt service on the revenue bonds issued by MMWEC to finance the Project. In addition, should a Project Participant fail to make any payment when due, other Project Participants of that Project may be required to increase (step-up) their payments and correspondingly their Participant's share of that Project's Project Capability. Project Participants have covenanted to fix, revise and collect rates at least sufficient to meet their obligations under the PSAs. Each Participant is unconditionally obligated to make payments due to MMWEC whether or not the Project(s) is completed or operating and notwithstanding the suspension or interruption of the output of the Project(s).

Pursuant to the PSAs, the MMWEC Project Participants are liable for their proportionate share of the costs associated with decommissioning the plants, which costs are being funded through monthly Project billings. Also, the Millstone and Seabrook Project Participants are liable for their proportionate share of the uninsured costs of a nuclear incident that might be imposed under the Price-Anderson Act (Act). Originally enacted in 1957, the Act has been renewed several times. In July 2005, as part of the Energy Policy Act of 2005, Congress extended the Act until the end of 2025.

MMWEC is involved in various legal actions. In the opinion of management, the outcome of such litigation or claims will not have a material adverse effect on the financial position of the company.

The total capital expenditures and annual capacity, fuel, and transmission costs (which include debt service and decommissioning expenses as discussed above) associated with the HMLP's Project Capability of the Projects in which it participates for the years ended December 31, 2023 and 2022, respectively are listed below.

Projects	Percentage Share	Total Capital Expenditures 2023	Capacity, Fuel and Transmission Billed 2023	Capacity, Fuel and Transmission Billed 2022
Stony Brook Peaking	5.3307%	\$ 3,364,088	\$ 308,102	\$ 285,678
Stony Brook Int.	4.3870%	8,050,410	678,730	1,011,065
Nuclear Mix 1-SBK	3.4281%	356,814	16,581	16,438
Nuclear Mix 1-MLS	3.4281%	2,211,071	196,147	203,671
Nuclear Project 3-MLS	1.4311%	2,231,505	162,408	168,964
Nuclear Project 4-SBK	3.4180%	10,505,543	434,216	431,337
Nuclear Project 5-SBK	1.6644%	1,383,435	54,734	54,464
Project No. 6-SBK	5.0331%	28,577,552	888,339	882,877
		<u>\$ 56,680,418</u>	<u>\$ 2,739,257</u>	<u>\$ 3,054,494</u>

**NOTE 20 - CONTINGENCIES**

Various legal actions and claims are pending against the Town. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2024, cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the Town at June 30, 2024.

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) through June 30, 2024, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

## **Required Supplementary Information**

**TOWN OF HINGHAM, MASSACHUSETTS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance Positive/ (Negative)
	Original Budget	Final Budget			
<b>REVENUES</b>					
Real estate and personal property taxes.....	\$ 108,541,417	\$ 108,541,417	\$ 108,045,604	\$ -	\$ (495,813)
Motor vehicle and other excise taxes.....	5,155,000	5,155,000	5,509,409	-	354,409
Meals taxes.....	950,000	950,000	1,092,631	-	142,631
Tax liens.....	-	-	132,765	-	132,765
Charges for services.....	2,609,030	2,609,030	3,003,703	-	394,673
Intergovernmental.....	10,705,775	10,705,775	10,688,769	-	(17,006)
Penalties and interest on taxes.....	385,000	385,000	404,788	-	19,788
Departmental and other.....	1,750,000	1,750,000	2,639,156	-	889,156
Investment income.....	572,092	572,092	6,552,210	-	5,980,118
TOTAL REVENUES.....	<u>130,668,314</u>	<u>130,668,314</u>	<u>138,069,035</u>	<u>-</u>	<u>7,400,721</u>
<b>EXPENDITURES</b>					
<b>GENERAL GOVERNMENT</b>					
Selectmen					
Payroll.....	761,553	784,186	737,103	3,222	43,861
Expenditures.....	175,001	175,001	96,219	21,630	57,152
Total.....	<u>936,554</u>	<u>959,187</u>	<u>833,322</u>	<u>24,852</u>	<u>101,013</u>
Human Resources					
Payroll.....	174,474	182,208	181,698	-	510
Expenditures.....	3,925	3,925	3,473	-	452
Total.....	<u>178,399</u>	<u>186,133</u>	<u>185,171</u>	<u>-</u>	<u>962</u>
Advisory Committee					
Reserve Fund.....	734,184	476,500	-	-	476,500
Town Accountant					
Payroll.....	329,824	340,665	340,274	-	391
Expenditures.....	10,650	35,650	28,144	5,000	2,506
Audit.....	76,500	76,500	74,150	-	2,350
Total.....	<u>416,974</u>	<u>452,815</u>	<u>442,568</u>	<u>5,000</u>	<u>5,247</u>
Information Technology.....					
Payroll.....	322,114	331,760	294,649	-	37,111
Expenditures.....	550,915	550,915	524,255	5,765	20,895
New Equipment.....	247,483	247,483	238,814	-	8,669
Total.....	<u>1,120,512</u>	<u>1,130,158</u>	<u>1,057,718</u>	<u>5,765</u>	<u>66,675</u>
Assessors					
Payroll.....	321,201	330,622	328,876	-	1,746
Expenditures.....	17,769	16,229	12,650	-	3,579
Consulting.....	52,000	53,540	51,130	-	2,410
Maintenance of Maps.....	300	300	60	-	240
Total.....	<u>391,270</u>	<u>400,691</u>	<u>392,716</u>	<u>-</u>	<u>7,975</u>
Treasurer and Collector					
Payroll.....	372,050	369,769	364,773	-	4,996
Expenditures.....	61,535	74,900	62,750	-	12,150
Tax Titles.....	19,206	19,206	18,700	506	-
Total.....	<u>452,791</u>	<u>463,875</u>	<u>446,223</u>	<u>506</u>	<u>17,146</u>
Legal Services					
Expenditures.....	445,372	715,372	620,635	51,515	43,222
Town Meetings					
Payroll.....	3,230	4,827	4,418	-	409
Expenditures.....	57,050	102,050	97,369	-	4,681
Total.....	<u>60,280</u>	<u>106,877</u>	<u>101,787</u>	<u>-</u>	<u>5,090</u>
Town Clerk					
Payroll.....	208,474	211,156	209,270	-	1,886
Expenditures.....	17,720	21,292	16,930	-	4,362
Total.....	<u>226,194</u>	<u>232,448</u>	<u>226,200</u>	<u>-</u>	<u>6,248</u>

(continued)

**TOWN OF HINGHAM, MASSACHUSETTS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance Positive/ (Negative)
	Original Budget	Final Budget			
<b>Elections and Registers</b>					
Payroll.....	28,669	29,467	27,360	-	2,107
Expenditures.....	21,032	21,032	20,701	-	331
<b>Total.....</b>	<b>49,701</b>	<b>50,499</b>	<b>48,061</b>	<b>-</b>	<b>2,438</b>
<b>Conservation Commission</b>					
Payroll.....	209,395	195,678	135,251	-	60,427
Expenditures.....	68,747	88,747	82,756	340	5,651
<b>Total.....</b>	<b>278,142</b>	<b>284,425</b>	<b>218,007</b>	<b>340</b>	<b>66,078</b>
<b>Community Planning</b>					
Payroll.....	258,976	266,727	230,248	-	36,479
Expenditures.....	36,920	36,920	20,901	-	16,019
<b>Total.....</b>	<b>295,896</b>	<b>303,647</b>	<b>251,149</b>	<b>-</b>	<b>52,498</b>
<b>Land Use &amp; Development</b>					
Payroll.....	169,540	174,627	162,311	-	12,316
Expenditures.....	7,375	7,375	2,634	80	4,661
<b>Total.....</b>	<b>176,915</b>	<b>182,002</b>	<b>164,945</b>	<b>80</b>	<b>16,977</b>
<b>Bare Cove Park</b>					
Payroll.....	24,757	25,500	25,500	-	-
Expenditures.....	10,390	10,390	9,353	-	1,037
<b>Total.....</b>	<b>35,147</b>	<b>35,890</b>	<b>34,853</b>	<b>-</b>	<b>1,037</b>
<b>Town Office Building</b>					
Payroll.....	310,673	345,931	343,495	-	2,436
Expenditures.....	353,241	353,241	328,294	13,591	11,356
New Equipment.....	113,321	172,538	105,483	58,744	8,311
<b>Total.....</b>	<b>777,235</b>	<b>871,710</b>	<b>777,272</b>	<b>72,335</b>	<b>22,103</b>
<b>GAR Hall</b>					
Expenditures.....	24,426	39,426	26,045	-	13,381
New Equipment.....	94,000	79,000	54,234	19,000	5,766
<b>Total.....</b>	<b>118,426</b>	<b>118,426</b>	<b>80,279</b>	<b>19,000</b>	<b>19,147</b>
<b>TOTAL GENERAL GOVERNMENT.....</b>	<b>6,693,992</b>	<b>6,970,655</b>	<b>5,880,906</b>	<b>179,393</b>	<b>910,356</b>
<b>PROTECTION OF PERSONS AND PROPERTY</b>					
<b>Public Safety and Protective Services - Police:</b>					
Payroll.....	6,873,921	6,979,921	6,963,095	9,677	7,149
Expenditures.....	495,750	415,750	378,359	20,000	17,391
New Equipment.....	222,658	222,658	144,223	67,390	11,045
<b>Total.....</b>	<b>7,592,329</b>	<b>7,618,329</b>	<b>7,485,677</b>	<b>97,067</b>	<b>35,585</b>
<b>Public Safety and Protective Services - Fire:</b>					
Payroll.....	7,380,856	7,397,612	6,981,408	6,057	410,147
Expenditures.....	785,213	785,213	633,156	152,057	-
New Equipment.....	811,820	811,820	673,674	107,077	31,069
<b>Total.....</b>	<b>8,977,889</b>	<b>8,994,645</b>	<b>8,288,238</b>	<b>265,191</b>	<b>441,216</b>
<b>Public Safety and Protective Services - All Other:</b>					
Payroll.....	603,197	621,156	602,444	-	18,712
Expenditures.....	1,780,864	1,783,864	1,772,466	-	11,398
New Equipment.....	243,880	243,880	241,817	-	2,063
<b>Total.....</b>	<b>2,627,941</b>	<b>2,648,900</b>	<b>2,616,727</b>	<b>-</b>	<b>32,173</b>
<b>TOTAL PROTECTION OF PERSONS AND PROPERTY.....</b>	<b>19,198,159</b>	<b>19,261,874</b>	<b>18,390,642</b>	<b>362,258</b>	<b>508,974</b>
<b>SCHOOL DEPARTMENT.....</b>	<b>67,905,744</b>	<b>67,905,744</b>	<b>64,645,253</b>	<b>1,358,984</b>	<b>1,901,507</b>

(continued)

**TOWN OF HINGHAM, MASSACHUSETTS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance Positive/ (Negative)
	Original Budget	Final Budget			
<b>PUBLIC WORKS AND FACILITIES</b>					
Department of Public Works					
Payroll.....	2,967,811	2,437,778	2,468,581	-	(30,803)
Expenditures.....	1,089,854	1,628,354	847,520	140,000	640,834
New Equipment.....	1,159,332	1,159,332	259,117	423,000	477,215
Snow Removal.....	630,286	630,286	450,241	27,000	153,045
Resurfacing.....	642,959	642,959	600,654	1,215,715	(1,173,410)
Total.....	<u>6,490,242</u>	<u>6,498,709</u>	<u>4,626,113</u>	<u>1,805,715</u>	<u>66,881</u>
Landfill/Recycling					
Payroll.....	717,441	717,441	564,853	-	152,588
Expenditures.....	1,238,331	1,240,235	1,178,103	62,132	-
New Equipment.....	93,369	93,369	36,781	27,868	28,720
Total.....	<u>2,049,141</u>	<u>2,051,045</u>	<u>1,779,737</u>	<u>90,000</u>	<u>181,308</u>
<b>TOTAL PUBLIC WORKS AND FACILITIES.....</b>	<u>8,539,383</u>	<u>8,549,754</u>	<u>6,405,850</u>	<u>1,895,715</u>	<u>248,189</u>
<b>HEALTH AND HUMAN SERVICES</b>					
Health Department					
Payroll.....	413,093	375,090	350,040	-	25,050
Expenditures.....	241,522	41,327	16,284	-	25,043
Total.....	<u>654,615</u>	<u>416,417</u>	<u>366,324</u>	<u>-</u>	<u>50,093</u>
Elder Services					
Personnel.....	348,381	358,833	309,072	-	49,761
Expenditures.....	28,310	28,310	14,928	1,440	11,942
New Equipment.....	25,000	25,000	-	25,000	-
Total.....	<u>401,691</u>	<u>412,143</u>	<u>324,000</u>	<u>26,440</u>	<u>61,703</u>
Veteran's Services					
Payroll.....	142,663	144,425	117,191	-	27,234
Expenditures.....	11,179	11,179	11,179	-	-
Benefits.....	148,929	148,929	82,522	2,465	63,942
Total.....	<u>302,771</u>	<u>304,533</u>	<u>210,892</u>	<u>2,465</u>	<u>91,176</u>
Health Imperatives.....					
	2,700	2,700	-	2,700	-
South Shore Women's Center.....					
	3,700	3,700	3,700	-	-
<b>TOTAL HEALTH AND HUMAN SERVICES.....</b>	<u>1,365,477</u>	<u>1,139,493</u>	<u>904,916</u>	<u>31,605</u>	<u>202,972</u>
<b>CULTURE AND RECREATION</b>					
Library:					
Payroll.....	1,806,243	1,804,895	1,707,462	-	97,433
Expenditures.....	432,615	432,615	391,171	25,536	15,908
New Equipment.....	98,108	108,108	69,665	34,196	4,247
Total.....	<u>2,336,966</u>	<u>2,345,618</u>	<u>2,168,298</u>	<u>59,732</u>	<u>117,588</u>
Recreation:					
Payroll.....	195,116	190,948	190,948	-	-
General.....	192,445	202,445	202,445	-	-
Total.....	<u>387,561</u>	<u>393,393</u>	<u>393,393</u>	<u>-</u>	<u>-</u>
Trustees of Bathing Beach:					
Payroll.....	27,372	26,066	26,066	-	-
Expenditures.....	11,750	15,750	3,469	12,280	1
Total.....	<u>39,122</u>	<u>41,816</u>	<u>29,535</u>	<u>12,280</u>	<u>1</u>
Historic Preservation					
Payroll.....	85,996	88,552	88,552	-	-
Expenditures.....	13,713	13,713	11,948	-	1,765
Total.....	<u>99,709</u>	<u>102,265</u>	<u>100,500</u>	<u>-</u>	<u>1,765</u>
Celebrations.....					
	18,921	18,921	14,088	-	4,833
<b>TOTAL CULTURE AND RECREATION.....</b>	<u>2,882,279</u>	<u>2,902,013</u>	<u>2,705,814</u>	<u>72,012</u>	<u>124,187</u>
<b>DEBT SERVICE</b>					
Principal.....	4,785,819	4,746,361	3,863,898	-	882,463
Financed Purchases.....	228,162	228,162	228,162	-	-
Interest.....	3,997,910	4,037,368	3,931,058	-	106,310

(continued)

**TOWN OF HINGHAM, MASSACHUSETTS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance Positive/ (Negative)
	Original Budget	Final Budget			
TOTAL DEBT SERVICE.....	9,011,891	9,011,891	8,023,118	-	988,773
PENSION BENEFITS.....	6,303,180	6,303,180	6,303,180	-	-
PROPERTY AND LIABILITY INSURANCE.....	1,225,910	1,310,910	1,310,910	-	-
EMPLOYEE BENEFITS.....	10,319,621	10,549,621	9,922,795	-	626,826
STATE AND COUNTY CHARGES.....	1,224,075	1,224,075	987,694	-	236,381
SPECIAL ARTICLES.....	861,897	67,474	-	48,897	18,577
<b>TOTAL EXPENDITURES.....</b>	<b>135,531,608</b>	<b>135,196,684</b>	<b>125,481,078</b>	<b>3,948,864</b>	<b>5,766,742</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(4,863,294)	(4,528,370)	12,587,957	(3,948,864)	13,167,463
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	828,836	828,836	828,290	-	(546)
Transfers out.....	(1,804,835)	(1,804,835)	(1,804,835)	-	-
Total other financing sources (uses).....	(975,999)	(975,999)	(976,545)	-	(546)
NET CHANGE IN FUND BALANCE.....	(5,839,293)	(5,504,369)	11,611,412	(3,948,864)	13,166,917
FUND BALANCE AT BEGINNING OF YEAR.....	37,985,776	37,985,776	37,985,776	-	-
FUND BALANCE AT END OF YEAR.....	\$ 32,146,483	\$ 32,481,407	\$ 49,597,188	\$ (3,948,864)	\$ 13,166,917

(concluded)

*See accompanying notes to required supplementary information.*

**TOWN OF HINGHAM, MASSACHUSETTS  
COMMUNITY PRESERVATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
(NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance Positive/ (Negative)
	Original Budget	Final Budget			
<b>REVENUES</b>					
Community preservation taxes..... \$	1,334,967	\$ 1,334,967	\$ 1,456,187	\$ -	\$ 121,220
Intergovernmental .....	-	254,675	268,169	-	13,494
Investment income.....	-	-	13,601	-	13,601
<b>TOTAL REVENUES.....</b>	<b>1,334,967</b>	<b>1,589,642</b>	<b>1,737,957</b>	<b>-</b>	<b>148,315</b>
<b>EXPENDITURES</b>					
Administration.....	50,000	50,000	5,806	-	44,194
Projects and Acquisitions.....	1,482,933	1,482,933	409,801	1,073,132	-
Debt Service Interest.....	56,709	56,709	56,709	-	-
<b>TOTAL EXPENDITURES.....</b>	<b>1,589,642</b>	<b>1,589,642</b>	<b>472,316</b>	<b>1,073,132</b>	<b>44,194</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(254,675)	-	1,265,641	(1,073,132)	192,509
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>(254,675)</b>	<b>-</b>	<b>326,695</b>	<b>(1,073,132)</b>	<b>(746,437)</b>
<b>FUND BALANCE AT BEGINNING OF YEAR.....</b>	<b>968,123</b>	<b>968,123</b>	<b>968,123</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE AT END OF YEAR..... \$</b>	<b>713,448</b>	<b>\$ 968,123</b>	<b>\$ 1,294,818</b>	<b>\$ (1,073,132)</b>	<b>\$ (746,437)</b>

*See accompanying notes to required supplementary information.*

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**PENSION PLAN SCHEDULES**

**SCHEDULE OF CHANGES IN EMPLOYERS' NET PENSION LIABILITY  
AND RELATED RATIOS (SYSTEM)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Total pension liability</u>					
Service cost.....	\$ 6,141,302	\$ 5,947,992	\$ 5,565,079	\$ 5,376,888	\$ 5,230,285
Interest.....	15,072,975	14,447,449	14,034,639	13,410,033	12,772,379
Changes in benefit terms.....	-	-	-	-	848,079
Differences between expected and actual experience.....	3,865,748	-	(616,639)	-	(887,998)
Changes of assumptions.....	-	-	1,619,857	-	2,745,997
Benefit payments, including refunds of member contributions.....	<u>(12,140,718)</u>	<u>(11,780,899)</u>	<u>(10,955,043)</u>	<u>(10,113,933)</u>	<u>(9,760,213)</u>
Net change in total pension liability.....	12,939,307	8,614,542	9,647,893	8,672,988	10,948,529
Total pension liability - beginning.....	<u>207,832,164</u>	<u>199,217,622</u>	<u>189,569,729</u>	<u>180,896,741</u>	<u>169,948,212</u>
Total pension liability - ending (a).....	<u>\$ 220,771,471</u>	<u>\$ 207,832,164</u>	<u>\$ 199,217,622</u>	<u>\$ 189,569,729</u>	<u>\$ 180,896,741</u>
<u>Plan fiduciary net position</u>					
Contributions - employer.....	\$ 7,041,637	\$ 6,580,970	\$ 6,150,439	\$ 5,748,074	\$ 5,397,253
Contributions - member.....	3,843,780	3,664,061	3,394,498	3,239,741	3,215,028
Net investment income.....	16,504,738	(19,806,675)	28,802,487	15,733,456	18,413,490
Benefit payments, including refunds of member contributions.....	(12,140,718)	(11,780,899)	(10,955,043)	(10,113,933)	(9,760,213)
Administrative expense.....	(132,750)	(138,634)	(133,842)	(111,678)	(130,595)
Other.....	<u>(310,152)</u>	<u>174,125</u>	<u>285,452</u>	<u>187,708</u>	<u>(90,100)</u>
Net change in plan fiduciary net position.....	14,806,535	(21,307,052)	27,543,991	14,683,368	17,044,863
Plan fiduciary net position - beginning.....	<u>153,127,285</u>	<u>174,434,337</u>	<u>146,890,346</u>	<u>132,206,978</u>	<u>115,162,115</u>
Plan fiduciary net position - ending (b).....	<u>\$ 167,933,820</u>	<u>\$ 153,127,285</u>	<u>\$ 174,434,337</u>	<u>\$ 146,890,346</u>	<u>\$ 132,206,978</u>
Net pension liability - ending (a) - (b).....	<u>\$ 52,837,651</u>	<u>\$ 54,704,879</u>	<u>\$ 24,783,285</u>	<u>\$ 42,679,383</u>	<u>\$ 48,689,763</u>
Plan fiduciary net position as a percentage of the total pension liability	76.07%	73.68%	87.56%	77.49%	73.08%
Covered payroll	\$ 36,173,149	\$ 34,292,918	\$ 32,299,577	\$ 33,068,856	\$ 29,725,273
Net pension liability as a percentage of covered payroll	146.07%	159.52%	76.73%	129.06%	163.80%

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**SCHEDULE OF CHANGES IN EMPLOYERS' NET PENSION LIABILITY  
AND RELATED RATIOS (SYSTEM) (CONTINUED)**

	2018	2017	2016	2015	2014
<u>Total pension liability</u>					
Service cost.....	\$ 5,029,120	\$ 4,812,414	\$ 4,627,321	\$ 4,139,996	\$ 4,139,996
Interest.....	12,182,229	12,193,144	11,572,453	10,635,592	9,818,513
Changes in benefit terms.....	-	-	1,363,018	-	-
Differences between expected and actual experience.....	-	(7,290,664)	(1,921,950)	-	-
Changes of assumptions.....	-	4,053,778	5,375,091	-	-
Benefit payments, including refunds of member contributions.....	(9,327,468)	(8,445,632)	(8,306,286)	(7,674,772)	(7,436,340)
Net change in total pension liability.....	7,883,881	5,323,040	12,709,647	7,100,816	6,522,169
Total pension liability - beginning.....	162,064,331	156,741,291	144,031,644	136,930,828	130,408,659
Total pension liability - ending (a).....	<u>\$ 169,948,212</u>	<u>\$ 162,064,331</u>	<u>\$ 156,741,291</u>	<u>\$ 144,031,644</u>	<u>\$ 136,930,828</u>
<u>Plan fiduciary net position</u>					
Contributions - employer.....	\$ 5,067,843	\$ 4,758,538	\$ 4,528,111	\$ 4,381,261	\$ 4,182,459
Contributions - member.....	3,011,972	2,972,604	3,143,850	2,751,726	2,672,455
Net investment income.....	(2,795,996)	17,745,883	7,689,342	(920,663)	6,123,665
Benefit payments, including refunds of member contributions.....	(9,327,468)	(8,445,632)	(8,306,286)	(7,674,771)	(7,436,340)
Administrative expense.....	(116,296)	(141,797)	(173,373)	(130,864)	(132,768)
Other.....	(129,083)	71,408	38,101	34,868	-
Net change in plan fiduciary net position.....	(4,289,028)	16,961,004	6,919,745	(1,558,443)	5,409,471
Plan fiduciary net position - beginning.....	119,451,143	102,490,139	95,570,394	97,128,837	91,719,366
Plan fiduciary net position - ending (b).....	<u>\$ 115,162,115</u>	<u>\$ 119,451,143</u>	<u>\$ 102,490,139</u>	<u>\$ 95,570,394</u>	<u>\$ 97,128,837</u>
Net pension liability - ending (a) - (b).....	<u>\$ 54,786,097</u>	<u>\$ 42,613,188</u>	<u>\$ 54,251,152</u>	<u>\$ 48,461,250</u>	<u>\$ 39,801,991</u>
Plan fiduciary net position as a percentage of the total pension liability	67.76%	73.71%	65.39%	66.35%	70.93%
Covered payroll	\$ 28,164,990	\$ 28,558,307	\$ 32,647,107	\$ 28,254,497	\$ 27,037,796
Net pension liability as a percentage of covered payroll	194.52%	149.21%	166.17%	171.52%	147.21%

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS (SYSTEM) (1)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 7,041,637	6,580,970	6,150,439	5,748,074	5,397,253
Contributions in relation to the actuarially determined contribution	<u>7,041,637</u>	<u>6,580,970</u>	<u>6,150,439</u>	<u>5,748,074</u>	<u>5,397,253</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 40,536,937	39,339,537	36,361,534	31,933,053	31,754,200
Contributions as a percentage of covered payroll	17.37%	16.73%	16.91%	18.00%	17.00%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 5,067,843	4,758,538	4,468,111	4,381,261	4,182,459
Contributions in relation to the actuarially determined contribution	<u>5,067,843</u>	<u>4,758,538</u>	<u>4,468,111</u>	<u>4,381,261</u>	<u>4,182,459</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 31,147,590	30,379,900	33,999,844	29,686,892	29,576,661
Contributions as a percentage of covered payroll	16.27%	15.66%	13.14%	14.76%	14.14%

(1) The contributions in this table also represent the contribution requirements of the System's employers as of the employers' most recent fiscal year-ends.

**SCHEDULE OF INVESTMENT RETURNS (SYSTEM)**

<u>Year-Ended:</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
2023	10.93%
2022	-11.42%
2021	19.72%
2020	12.00%
2019	16.08%
2018	-2.40%
2017	17.54%
2016	8.10%
2015	-0.87%
2014	6.68%

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY (1)**

	2024	2023	2022	2021	2020
Town's proportion of the net pension liability.....	89.51%	88.70%	88.51%	88.57%	88.44%
Town's proportionate share of the net pension liability.....	47,296,562	48,524,829	21,934,902	37,800,000	43,061,422
Town's covered payroll.....	31,393,424	29,531,326	28,162,510	28,277,707	25,365,338
Town's proportionate share of the net pension liability as a percentage of its covered payroll.....	150.66%	164.32%	77.89%	133.67%	169.76%
Plan fiduciary net position as a percentage of the total pension liability.....	76.07%	73.68%	87.56%	77.49%	73.08%
	2019	2018	2017	2016	2015
Town's proportion of the net pension liability.....	88.84%	88.71%	88.84%	88.79%	91.97%
Town's proportionate share of the net pension liability.....	48,669,502	37,800,369	48,194,445	43,027,582	36,595,224
Town's covered payroll.....	24,143,716	24,492,012	28,228,989	24,536,931	23,876,305
Town's proportionate share of the net pension liability as a percentage of its covered payroll.....	201.58%	154.34%	170.73%	175.36%	153.27%
Plan fiduciary net position as a percentage of the total pension liability.....	67.76%	73.71%	65.39%	66.35%	70.93%

(1) Amounts presented were determined as of December 31 of the previous calendar year.

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**SCHEDULE OF THE HINGHAM MUNICIPAL LIGHT PLANT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY (1)(2)**

	2023	2022	2021	2020	2019
Light Plant's proportion of the net pension liability.....	7.25%	7.42%	7.27%	7.37%	6.87%
Light Plant's proportionate share of the net pension liability.....	3,966,342	1,839,195	3,104,781	3,586,293	3,763,750
Light Plant's covered payroll.....	3,017,149	2,683,383	2,938,339	2,841,611	2,471,404
Light Plant's proportionate share of the net pension liability as a percentage of its covered payroll.....	131.46%	68.54%	105.66%	126.21%	152.29%
Plan fiduciary net position as a percentage of the total pension liability.....	73.70%	87.56%	64.21%	73.08%	67.76%
	2018	2017	2016	2015	
Light Plant's proportion of the net pension liability.....	6.97%	6.18%	6.21%	5.90%	
Light Plant's proportionate share of the net pension liability.....	2,968,051	3,353,532	3,309,805	2,349,591	
Light Plant's covered payroll.....	2,510,092	3,218,083	2,552,772	2,850,178	
Light Plant's proportionate share of the net pension liability as a percentage of its covered payroll.....	118.24%	104.21%	129.66%	82.44%	
Plan fiduciary net position as a percentage of the total pension liability.....	73.71%	65.39%	64.21%	70.93%	

- (1) Amounts presented were determined as of December 31 of the previous calendar year.  
(2) Data is being accumulated annually to present 10 years of the reported information

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**SCHEDULE OF TOWN'S CONTRIBUTIONS (1)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially Required Contribution.....	\$ 6,303,180	\$ 5,837,513	\$ 5,443,559	\$ 5,090,917	\$ 4,773,356
Contributions in Relation to the Actuarially Required Contribution.....	<u>6,303,180</u>	<u>5,837,513</u>	<u>5,443,559</u>	<u>5,090,917</u>	<u>4,773,356</u>
Contribution Deficiency (Excess).....	<u>\$ -</u>				
Town's Covered Payroll.....	37,410,393	36,322,388	33,678,151	28,994,714	28,912,589
Contributions as a Percentage of Covered Payroll.....	16.85%	16.07%	16.16%	17.56%	16.51%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Required Contribution.....	\$ 4,502,044	\$ 4,221,102	\$ 4,302,489	\$ 4,162,197	\$ 4,092,386
Contributions in Relation to the Actuarially Required Contribution.....	<u>4,502,044</u>	<u>4,221,102</u>	<u>4,302,489</u>	<u>4,162,197</u>	<u>4,092,386</u>
Contribution Deficiency (Excess).....	<u>\$ -</u>				
Town's Covered Payroll.....	28,676,186	27,869,808	\$ 30,781,761	\$ 26,803,088	\$ 26,726,483
Contributions as a Percentage of Covered Payroll.....	15.70%	15.15%	13.98%	15.53%	15.31%

(1) Amounts presented were determined as of fiscal years ended June 30

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**SCHEDULE OF HINGHAM MUNICIPAL LIGHT PLANT'S CONTRIBUTIONS (1) (2)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially Required Contribution.....	\$ 477,149	\$ 456,431	\$ 418,153	\$ 397,538	\$ 348,157
Contributions in Relation to the Actuarially Required Contribution.....	<u>477,149</u>	<u>456,431</u>	<u>418,153</u>	<u>397,538</u>	<u>348,157</u>
Contribution Deficiency (Excess).....	<u>\$ -</u>				
Light Plant's Covered Payroll.....	\$ 3,875,766	\$ 3,017,149	\$ 2,683,383	\$ 2,938,339	\$ 2,841,611
Contributions as a Percentage of Covered Payroll.....	12.31%	15.13%	15.58%	13.53%	12.25%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Actuarially Required Contribution.....	\$ 331,435	\$ 279,906	\$ 272,180	\$ 246,899	
Contributions in Relation to the Actuarially Required Contribution.....	<u>331,435</u>	<u>279,906</u>	<u>272,180</u>	<u>246,899</u>	
Contribution Deficiency (Excess).....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Light Plant's Covered Payroll.....	\$ 2,471,404	\$ 2,510,092	\$ 3,218,083	\$ 2,883,804	
Contributions as a Percentage of Covered Payroll.....	13.41%	11.15%	8.46%	8.56%	

(1) Amounts presented were determined as of December 31 of the previous calendar year

(2) Data is being accumulated annually to present 10 years of the reported information.

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**SCHEDULE OF SPECIAL FUNDING AMOUNTS OF THE NET PENSION LIABILITY  
MASSACHUSETTS TEACHERS' RETIREMENT SYSTEM (1)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Town's proportionate share of the net pension liability.....	\$ 125,844,652	\$ 127,297,878	\$ 112,689,867	\$ 139,416,472	\$ 122,006,768
Commonwealth's proportionate share of the Town's net pension liability.....	<u>125,844,652</u>	<u>127,297,878</u>	<u>112,689,867</u>	<u>139,416,472</u>	<u>122,006,768</u>
Town's net pension liability.....	<u>\$ -</u>				
Town's expense and revenue recognized for Commonwealth's support.....	\$ 11,750,132	\$ 10,471,492	\$ 9,042,893	\$ 17,219,932	\$ 14,795,438
Plan fiduciary net position as a percentage of the total pension liability.....	58.48%	57.75%	62.03%	50.67%	53.95%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportionate share of the net pension liability.....	\$ 113,568,043	\$ 108,156,852	\$ 103,636,990	\$ 91,801,693	\$ 68,975,411
Commonwealth's proportionate share of the Town's net pension liability.....	<u>113,568,043</u>	<u>108,156,852</u>	<u>103,636,990</u>	<u>91,801,693</u>	<u>68,975,411</u>
Town's net pension liability.....	<u>\$ -</u>				
Town's expense and revenue recognized for Commonwealth's support.....	\$ 11,508,477	\$ 11,288,646	\$ 10,571,652	\$ 7,445,934	\$ 4,792,053
Plan fiduciary net position as a percentage of the total pension liability.....	54.84%	54.25%	52.73%	55.38%	61.64%

(1) Amounts presented were determined as of June 30 of the prior year

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2024**

**OTHER POSTEMPLOYMENT BENEFITS PLAN SCHEDULES**

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS -  
OTHER POSTEMPLOYMENT BENEFITS PLAN (1)**

	2024	2023	2022	2021
<u>Total OPEB liability</u>				
Service cost.....	\$ 2,129,831	\$ 2,057,749	\$ 2,243,931	\$ 1,953,352
Interest.....	6,175,531	5,916,016	5,900,399	5,629,582
Changes of benefit terms.....	(4,596,394)	-	-	-
Differences between expected and actual experience.....	(1,795,311)	-	(389,100)	-
Changes of assumptions.....	5,455,668	(105,078)	(3,341,568)	4,859,228
Benefit payments.....	(3,883,752)	(4,133,694)	(3,847,987)	(3,662,794)
Net change in total OPEB liability.....	3,485,573	3,734,993	565,675	8,779,368
Total OPEB liability - beginning.....	93,380,697	89,645,704	89,080,029	80,300,661
Total OPEB liability - ending (a).....	\$ 96,866,270	\$ 93,380,697	\$ 89,645,704	\$ 89,080,029
<u>Plan fiduciary net position</u>				
Contributions - employer.....	\$ 5,197,525	\$ 5,422,867	\$ 5,115,554	\$ 4,856,950
Net investment income.....	2,405,408	1,332,098	(1,041,851)	4,842,927
Benefit payments.....	(3,883,752)	(4,133,694)	(3,847,987)	(3,662,794)
Net change in plan fiduciary net position.....	3,719,181	2,621,271	225,716	6,037,083
Plan fiduciary net position - beginning.....	26,255,174	23,633,903	23,408,187	17,371,104
Plan fiduciary net position - ending (b).....	\$ 29,974,355	\$ 26,255,174	\$ 23,633,903	\$ 23,408,187
Net OPEB liability - ending (a) - (b).....	\$ 66,891,915	\$ 67,125,523	\$ 66,011,801	\$ 65,671,842
Plan fiduciary net position as a percentage of the total OPEB liability	30.94%	28.12%	26.36%	26.28%
Covered payroll.....	\$ 80,225,703	\$ 80,594,363	\$ 76,396,343	\$ 64,181,630
Net OPEB liability as a percentage of covered payroll.....	83.38%	83.29%	86.41%	102.32%

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2024**

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS -  
OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED) (1)**

	2020	2019	2018	2017
<u>Total OPEB liability</u>				
Service cost.....	\$ 2,143,208	\$ 1,939,549	\$ 1,941,276	\$ 1,866,612
Interest.....	6,252,292	5,917,372	5,960,440	5,649,691
Changes of benefit terms.....	(798,835)	-	(8,123,482)	-
Differences between expected and actual experience.....	(15,023,382)	-	(2,678,788)	-
Changes of assumptions.....	5,333,343	2,813,121	8,454,640	-
Benefit payments.....	(3,402,521)	(3,664,459)	(3,461,484)	(3,701,124)
Net change in total OPEB liability.....	(5,495,895)	7,005,583	2,092,602	3,815,179
Total OPEB liability - beginning.....	85,796,556	78,790,973	76,698,371	72,883,192
Total OPEB liability - ending (a).....	\$ <u>80,300,661</u>	\$ <u>85,796,556</u>	\$ <u>78,790,973</u>	\$ <u>76,698,371</u>
<u>Plan fiduciary net position</u>				
Contributions - employer.....	\$ 4,555,766	\$ 4,800,944	\$ 4,275,659	\$ 4,496,187
Net investment income.....	328,048	855,163	1,027,627	1,160,271
Benefit payments.....	(3,402,521)	(3,664,459)	(3,461,484)	(3,701,124)
Net change in plan fiduciary net position.....	1,481,293	1,991,648	1,841,802	1,955,334
Plan fiduciary net position - beginning.....	15,889,811	13,898,163	12,056,361	10,101,027
Plan fiduciary net position - ending (b).....	\$ <u>17,371,104</u>	\$ <u>15,889,811</u>	\$ <u>13,898,163</u>	\$ <u>12,056,361</u>
Net OPEB liability - ending (a) - (b).....	\$ <u>62,929,557</u>	\$ <u>69,906,745</u>	\$ <u>64,892,810</u>	\$ <u>64,642,010</u>
Plan fiduciary net position as a percentage of the total OPEB liability	21.63%	18.52%	17.64%	15.72%
Covered payroll.....	\$ 67,430,655	\$ 65,275,464	\$ 62,209,592	\$ 61,312,938
Net OPEB liability as a percentage of covered payroll.....	93.32%	107.09%	104.31%	105.43%

(1) Data is being accumulated annually to present 10 years of the reported information

**TOWN OF HINGHAM, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2024**

**SCHEDULE OF TOWN CONTRIBUTIONS - OTHER POSTEMPLOYMENT BENEFITS  
PLAN (1)**

	2024	2023	2022	2021
Actuarially Required Contribution.....	\$ 5,812,767	\$ 5,677,154	\$ 5,857,683	\$ 5,578,928
Contributions in Relation to the Actuarially Required Contribution.....	5,197,525	5,422,867	5,115,554	4,856,950
Contribution Deficiency (Excess).....	<u>\$ 615,242</u>	<u>\$ 254,287</u>	<u>\$ 742,129</u>	<u>\$ 721,978</u>
Town's Covered Payroll.....	\$ 80,225,703	\$ 80,594,363	\$ 76,396,343	\$ 64,181,630
Contributions as a Percentage of Covered Payroll.....	6.48%	6.73%	6.70%	7.57%
	2020	2019	2018	2017
Actuarially Required Contribution.....	\$ 6,292,996	\$ 5,905,399	\$ 6,011,352	\$ 5,658,433
Contributions in Relation to the Actuarially Required Contribution.....	4,555,766	4,800,944	4,275,659	4,496,187
Contribution Deficiency (Excess).....	<u>\$ 1,737,230</u>	<u>\$ 1,104,455</u>	<u>\$ 1,735,693</u>	<u>\$ 1,162,246</u>
Town's Covered Payroll.....	\$ 67,430,655	\$ 65,275,464	\$ 62,209,592	\$ 61,312,938
Contributions as a Percentage of Covered Payroll.....	6.76%	7.35%	6.87%	7.33%

(1) Data is being accumulated annually to present 10 years of the reported information

**SCHEDULE OF INVESTMENT RETURNS - OTHER POSTEMPLOYMENT BENEFITS  
PLAN (1)**

Year- Ended:	Annual money-weighted rate of return, net of investment expense
2024	9.16%
2023	5.56%
2022	-4.37%
2021	27.45%
2020	2.02%
2019	6.00%
2018	8.91%
2017	11.67%

(1) Data is being accumulated annually to present 10 years of the reported information

**NOTE A - BUDGETARY - GAAP RECONCILIATION**

For budgetary financial reporting purposes, the Uniform Massachusetts Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the fiscal year ended June 30, 2024, is presented below:

*General Fund*

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>
Budgetary basis as reported on the schedule of revenues, expenditures and changes in fund balance - budget and actual.....	\$ 138,069,035	\$ 125,481,078	\$ (976,545)
<u>Adjustments and Reclassifications</u>			
Net change in recording 60-day receipts.....	492,585	-	-
Net change in recording tax refunds payable.....	(80,981)	-	-
Net change in recording other revenues and expenditures.....	(528,761)	8,635	(814,001)
To record MTRS on-behalf payments.....	11,750,132	11,750,132	-
To record encumbrances and continuing appropriations.....	-	1,814,364	-
To reclassify property and liability insurance expenditures.....	-	(1,310,909)	-
To reclassify workers' compensation activities.....	-	25,642	-
To reclassify the stabilization funds to the general fund.....	614,471	-	793,164
To record opioid settlement payments and receivables.....	-	-	(317,754)
To reclassify the municipal buildings trust funds to the general fund.....	-	1,305,063	-
To reclassify Weir River Water System tax payments.....	(706,237)	-	706,237
To reclassify the employee benefits trust funds to the general fund.....	-	63,641	-
GAAP basis as reported on the statement of revenues, expenditures and changes in fund balances.....	<u>\$ 149,610,244</u>	<u>\$ 139,137,646</u>	<u>\$ (608,899)</u>

**NOTE B – SCHEDULE OF EMPLOYER CONTRIBUTIONS – PENSION**

The following methods and assumptions from the January 1, 2022 valuation were used to determine the most recent actuarially determined contribution rates:

Methods:

Actuarial Cost Method	Entry Age Normal Cost
Asset Valuation Method	The Actuarial Value of Assets is the market value of assets as of the valuation date reduced by the sum of: <ul style="list-style-type: none"> <li>a.) 80% of gains and losses of the prior year,</li> <li>b.) 60% of gains and losses of the second prior year,</li> <li>c.) 40% of gains and losses of the third prior year and,</li> <li>d.) 20% of gains and losses of the fourth prior year.</li> </ul> <p>Investment gains and losses are determined by the excess or deficiency of the expected return over the actual return on the market value. The actuarial valuation of assets is further constrained to be not less than 80% or more than 110% of market value.</p>

Assumptions:

Salary Increases	Group 1: 4.25-6.00% per year, based on service Group 4: 4.75-7.00% per year, based on service
Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation.
Cost of Living Adjustment	3.0% annually on the first \$14,000
Mortality	Mortality rates were based on the RP-2014 Blue Collar Mortality Table with the full generational mortality improvement using Scale MP-2020. For disabled lives, the mortality rates were based on the RP-2014 Blue Collar Mortality Table set forward one year with full generational mortality improvement using Scale MP-2020.

**NOTE C – METHODS AND ASSUMPTIONS – ACTUARIALLY DETERMINED CONTRIBUTIONS – OPEB**

The following methods and assumptions from the July 1, 2023 valuation were used to determine the most recent actuarially determined contribution rates:

Methods:

Actuarial Cost Method	Entry Age Normal Cost
Asset Valuation Method	Market Value
Amortization Method	Increasing at 3.5% over 30 years on an open amortization period for partial pre-funding.

Assumptions:

Remaining Amortization Period	30 years as of July 1, 2023
Inflation Rate	2.50%
Healthcare/Medical Cost Trend Rate	8% for 2023, decreasing 0.5 percent per year to 6 percent, then grading down to an ultimate trend rate of 4 percent, utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate medical inflation rate is reached in 2075.

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# **Combining and Individual Fund Statements**

# Nonmajor Governmental Funds

## Narrative

### *Special Revenue Funds*

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The special revenue funds are grouped into the following categories:

*Town Gifts* – These funds are used to account for gifts received by the Town. These include unrestricted and restricted gifts and the expenditures relating to these gifts.

*School Gifts* – These funds are used to account for gifts received by the Town to be used specifically by the School Department.

*Town Grants* – This fund accounts for intergovernmental state grants received by the Town and related expenditures.

*School State Grants* – This fund is used to account for specific state grants received by the Town to be used by the School Department and the related expenditures.

*School Federal Grants* – This fund is used to account for specific federal grants received by the Town to be used by the School Department and the related expenditures.

*Affordable Housing Trust* – This fund is used to account for the Town’s affordable housing program.

*School Revolving* – This fund is used to account for self-supporting programs sponsored by the Town.

*Town Revolving* – This fund is used to account for activity where specific revenues are earmarked for specific purposes.

*Town Trusts* – This fund is used to account for revenues and expenditures relating to other various programs provided for the Town residents.

*Town Other* – This fund is used to account for revenues and expenditures related to other various programs provided for the Town residents.

*Preservation Projects* – This fund is used to account for revenues and expenditures related to other various programs provided for the Town preservation projects.

*Conservation* – This fund is used to account for revenues and expenditures related to other various programs provided for the Town conservation projects.

*Sewer Inflow/Infiltration* – This fund is used to account for revenues and expenditures relating to the maintenance of the sewer inflow/infiltration system of the Town.

*Sewer Maintenance* – This fund is used to account for revenues and expenditures for the sewer system.

### ***Capital Projects Funds***

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The capital projects funds are grouped into the following categories:

*Sewer* – This fund is used to account for the construction/repairs of the Town’s sewer system.

*Plymouth River School* – This fund is used to account for the planning and repair of the Plymouth River School.

*Middle School Building Project* – This fund is used to account for all activity relating to the Middle School Building project

*High School Field Improvements* – This fund is used to account for the renovations to the High School track and fields.

*The South Shore Regional Emergency Communications Center* – This fund is used to account for the operations of the regional dispatch center for the Towns of Hingham, Cohasset, Hull and Norwell.

*Recreation Drive*– This fund is used to account for recreational land acquisition and improvements.

*Other* – This fund is used to account for capital expenditures not already assigned to any other fund.

### ***Permanent Funds***

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the government’s programs and benefit the government or its citizenry. The permanent funds are grouped into the following categories:

*Conservation* – This fund is used to account for assets relating to the environmental conservation of various plots of land in the Town.

*Town*– This fund is used to account for activity relating to various maintenance and improvements to Town property.

**TOWN OF HINGHAM, MASSACHUSETTS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2024**

	<i>Special Revenue Funds</i>						
	Town Gifts	School Gifts	Town Grants	School State Grants	School Federal Grants	Affordable Housing Trust	School Revolving
<b>ASSETS</b>							
Cash and cash equivalents.....	\$ 1,214,846	\$ 177,327	\$ 779,465	\$ 1,337,404	\$ 616,901	\$ 1,634,244	\$ 5,672,461
Investments.....	29,081	-	-	-	-	-	-
Receivables, Net of Uncollectibles:							
Tax and utility liens.....	-	-	-	-	-	-	-
User fees.....	-	-	-	-	-	-	-
Intergovernmental.....	-	-	1,111,806	452,549	699,455	-	-
Opioid Settlements.....	-	-	-	-	-	-	-
Lease.....	-	-	-	-	-	2,396,482	-
Assets Held for Resale.....	-	-	-	-	-	725,259	-
<b>TOTAL ASSETS.....</b>	<b>\$ 1,243,927</b>	<b>\$ 177,327</b>	<b>\$ 1,891,271</b>	<b>\$ 1,789,953</b>	<b>\$ 1,316,356</b>	<b>\$ 4,755,985</b>	<b>\$ 5,672,461</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES:</b>							
Warrants Payable.....	\$ 9,357	\$ -	\$ 16,272	\$ 57,448	\$ 410,765	\$ 814	\$ 2,233
Advance collections - fees.....	-	-	-	-	-	-	-
Due to Other Funds.....	-	-	1,683,957	-	807,965	-	-
Short-Term Notes Payable.....	-	-	-	-	-	88,890	-
<b>TOTAL LIABILITIES.....</b>	<b>9,357</b>	<b>-</b>	<b>1,700,229</b>	<b>57,448</b>	<b>1,218,730</b>	<b>89,704</b>	<b>2,233</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Unavailable Revenue.....	-	-	-	-	-	-	-
Related to Leases.....	-	-	-	-	-	2,804,524	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,804,524</b>	<b>-</b>
<b>FUND BALANCES:</b>							
Nonspendable.....	-	-	-	-	-	-	-
Restricted.....	1,234,570	177,327	191,042	1,732,505	97,626	1,861,757	5,670,228
Unassigned.....	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES.....</b>	<b>1,234,570</b>	<b>177,327</b>	<b>191,042</b>	<b>1,732,505</b>	<b>97,626</b>	<b>1,861,757</b>	<b>5,670,228</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 1,243,927</b>	<b>\$ 177,327</b>	<b>\$ 1,891,271</b>	<b>\$ 1,789,953</b>	<b>\$ 1,316,356</b>	<b>\$ 4,755,985</b>	<b>\$ 5,672,461</b>

*Special Revenue Funds*

Town Revolving	Town Trusts	Town Other	Preservation Projects	Conservation	Sewer Inflow/Infiltration	Sewer Maintenance	Sub-total
\$ 2,625,342	\$ 154,550	\$ 4,082,616	\$ 4,834	\$ 865	\$ 707,977	\$ -	\$ 19,008,832
-	140,648	37,659	1,148,855	120,181	-	-	1,476,424
-	-	-	-	-	-	60,054	60,054
-	-	-	-	-	-	2,468,092	2,468,092
-	-	-	-	-	-	-	2,263,810
-	-	1,344,741	-	-	-	-	1,344,741
-	-	-	-	-	-	-	2,396,482
-	-	-	-	-	-	-	725,259
<u>\$ 2,625,342</u>	<u>\$ 295,198</u>	<u>\$ 5,465,016</u>	<u>\$ 1,153,689</u>	<u>\$ 121,046</u>	<u>\$ 707,977</u>	<u>\$ 2,528,146</u>	<u>\$ 29,743,694</u>
\$ 358,695	\$ -	\$ 158,286	\$ 3,835	\$ -	\$ 6,650	\$ 16,387	\$ 1,040,742
1,546,565	-	-	-	-	-	-	1,546,565
-	-	-	27,661	-	-	228,902	2,748,485
-	-	-	-	-	-	-	88,890
<u>1,905,260</u>	<u>-</u>	<u>158,286</u>	<u>31,496</u>	<u>-</u>	<u>6,650</u>	<u>245,289</u>	<u>5,424,682</u>
-	-	1,259,443	-	-	-	2,527,979	3,787,422
-	-	-	-	-	-	-	2,804,524
-	-	1,259,443	-	-	-	2,527,979	6,591,946
-	-	-	-	-	-	-	-
720,082	295,198	4,047,287	1,122,193	121,046	701,327	-	17,972,188
-	-	-	-	-	-	(245,122)	(245,122)
<u>720,082</u>	<u>295,198</u>	<u>4,047,287</u>	<u>1,122,193</u>	<u>121,046</u>	<u>701,327</u>	<u>(245,122)</u>	<u>17,727,066</u>
<u>\$ 2,625,342</u>	<u>\$ 295,198</u>	<u>\$ 5,465,016</u>	<u>\$ 1,153,689</u>	<u>\$ 121,046</u>	<u>\$ 707,977</u>	<u>\$ 2,528,146</u>	<u>\$ 29,743,694</u>

**TOWN OF HINGHAM, MASSACHUSETTS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2024**

<i>Capital Projects</i>				
ASSETS	Sewer	Plymouth River School	Middle School Building Project	High School Field Improvements
Cash and cash equivalents.....	\$ 386,629	\$ -	\$ 212,014	\$ 594
Investments.....	-	-	-	82,715
Receivables, Net of Uncollectibles:				
Tax and utility liens.....	-	-	-	-
User fees.....	-	-	-	-
Intergovernmental.....	-	-	-	-
Opioid Settlements.....	-	-	-	-
Tax liens and foreclosures.....	-	-	-	-
Assets Held for Sale.....	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$ 386,629</b>	<b>-</b>	<b>212,014</b>	<b>83,309</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
LIABILITIES:				
Warrants Payable.....	\$ 105,816	\$ -	\$ 5,335	\$ -
Advance collections - fees.....	-	-	-	-
Due to Other Funds.....	-	89,587	2,116,667	30,565
Short-Term Notes Payable.....	-	328,000	-	-
<b>TOTAL LIABILITIES.....</b>	<b>105,816</b>	<b>417,587</b>	<b>2,122,002</b>	<b>30,565</b>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue.....	-	-	-	-
Related to Leases.....	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
FUND BALANCES:				
Nonspendable.....	-	-	-	-
Restricted.....	280,813	-	-	52,744
Unassigned.....	-	(417,587)	(1,909,988)	-
<b>TOTAL FUND BALANCES.....</b>	<b>280,813</b>	<b>(417,587)</b>	<b>(1,909,988)</b>	<b>52,744</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 386,629</b>	<b>-</b>	<b>212,014</b>	<b>\$ 83,309</b>

<i>Capital Projects</i>				<i>Permanent Funds</i>			Total
South Shore Regional Communications Center	Recreation Drive	Other	Sub-total	Conservation	Town	Sub-total	Nonmajor Governmental Funds
\$ -	\$ -	\$ 2,807,378	\$ 3,406,615	\$ 666	\$ 112	\$ 778	\$ 22,416,225
-	-	-	82,715	92,726	15,654	108,380	1,667,519
-	-	-	-	-	-	-	60,054
-	-	-	-	-	-	-	2,468,092
203,934	-	-	203,934	-	-	-	2,467,744
-	-	-	-	-	-	-	1,344,741
-	-	-	-	-	-	-	2,396,482
-	-	-	-	-	-	-	725,259
<u>\$ 203,934</u>	<u>\$ -</u>	<u>\$ 2,807,378</u>	<u>\$ 3,693,264</u>	<u>\$ 93,392</u>	<u>\$ 15,766</u>	<u>\$ 109,158</u>	<u>\$ 33,546,116</u>
\$ -	\$ -	\$ 10,790	\$ 121,941	\$ -	\$ -	\$ -	\$ 1,162,683
-	-	-	-	-	-	-	1,546,565
270,719	518,857	-	3,026,395	-	-	-	5,774,880
-	2,785,000	218,720	3,331,720	-	-	-	3,420,610
<u>270,719</u>	<u>3,303,857</u>	<u>229,510</u>	<u>6,480,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,904,738</u>
-	-	-	-	-	-	-	3,787,422
-	-	-	-	-	-	-	2,804,524
-	-	-	-	-	-	-	6,591,946
-	-	-	-	20,000	15,000	35,000	35,000
-	-	2,577,868	2,911,425	73,392	766	74,158	20,957,771
(66,785)	(3,303,857)	-	(5,698,217)	-	-	-	(5,943,339)
<u>(66,785)</u>	<u>(3,303,857)</u>	<u>2,577,868</u>	<u>(2,786,792)</u>	<u>93,392</u>	<u>15,766</u>	<u>109,158</u>	<u>15,049,432</u>
<u>\$ 203,934</u>	<u>\$ -</u>	<u>\$ 2,807,378</u>	<u>\$ 3,693,264</u>	<u>\$ 93,392</u>	<u>\$ 15,766</u>	<u>\$ 109,158</u>	<u>\$ 33,546,116</u>

(concluded)

**TOWN OF HINGHAM, MASSACHUSETTS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds						
	Town Gifts	School Gifts	Town Grants	School State Grants	School Federal Grants	Affordable Housing Trust	School Revolving
<b>REVENUES</b>							
Charges for Services.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,817	\$ -
Intergovernmental .....	-	-	4,839,458	2,237,421	1,574,840	-	2,051,340
Departmental and Other.....	234,507	27,631	15,635	-	-	823,781	3,003,397
Settlement Proceeds.....	-	-	-	-	-	-	-
Contributions.....	560,940	111,581	-	-	-	-	-
Investment Income (Loss).....	1,559	-	-	-	-	29,108	-
<b>TOTAL REVENUES.....</b>	<b>797,006</b>	<b>139,212</b>	<b>4,855,093</b>	<b>2,237,421</b>	<b>1,574,840</b>	<b>1,128,706</b>	<b>5,054,737</b>
<b>EXPENDITURES</b>							
Current:							
General Government.....	602,913	-	367,029	-	-	278,597	-
Public Safety.....	25,456	-	261,875	-	54,623	-	-
Education.....	3,100	57,497	162,533	2,540,688	1,617,371	-	3,461,945
Public Works.....	-	-	1,108,639	-	-	-	-
Health and Human Services.....	53,482	-	102,680	-	-	-	-
Culture and Recreation.....	45,592	34,298	59,553	-	50,142	-	-
Debt service:							
Principal.....	-	-	-	-	-	343,766	-
Interest.....	-	-	-	-	-	48,881	-
<b>TOTAL EXPENDITURES.....</b>	<b>730,543</b>	<b>91,795</b>	<b>2,062,309</b>	<b>2,540,688</b>	<b>1,722,136</b>	<b>671,244</b>	<b>3,461,945</b>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>							
OVER (UNDER) EXPENDITURES.....	66,463	47,417	2,792,784	(303,267)	(147,296)	457,462	1,592,792
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In.....	-	-	-	-	-	735,000	-
Issuance of bonds and notes.....	-	-	-	-	-	-	-
Premium from issuance of bonds and notes.....	-	-	-	-	-	-	-
Transfers Out.....	(108,671)	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES.....</b>	<b>(108,671)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>735,000</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(42,208)</b>	<b>47,417</b>	<b>2,792,784</b>	<b>(303,267)</b>	<b>(147,296)</b>	<b>1,192,462</b>	<b>1,592,792</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>1,276,778</b>	<b>129,910</b>	<b>(2,601,742)</b>	<b>2,035,772</b>	<b>244,922</b>	<b>669,295</b>	<b>4,077,436</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 1,234,570</b>	<b>\$ 177,327</b>	<b>\$ 191,042</b>	<b>\$ 1,732,505</b>	<b>\$ 97,626</b>	<b>\$ 1,861,757</b>	<b>\$ 5,670,228</b>

**Special Revenue Funds**

Town Revolving	Town Trusts	Town Other	Preservation Projects	Conservation	Sewer Inflow/Infiltration	Sewer Maintenance	Sub-total
\$ -	\$ -	\$ 344,334	\$ -	\$ -	\$ 57,012	\$ 3,931,544	\$ 4,608,707
-	-	66,603	-	-	406,268	-	11,175,930
2,604,542	58,694	2,083,240	-	-	-	30,683	8,882,110
-	-	228,083	-	-	-	-	228,083
-	300	294,876	89,440	-	-	-	1,057,137
-	17,818	3,850	95,902	5,254	8,965	-	162,456
<u>2,604,542</u>	<u>76,812</u>	<u>3,020,986</u>	<u>185,342</u>	<u>5,254</u>	<u>472,245</u>	<u>3,962,227</u>	<u>26,114,423</u>
-	57,470	175,668	-	5,500	-	-	1,487,177
324,955	-	1,450,566	-	-	-	-	2,117,475
-	750	472,214	-	-	-	-	8,316,098
-	-	100,816	-	-	377,974	3,958,631	5,546,060
81,909	-	15,955	-	-	-	-	254,026
2,217,794	-	-	190,964	-	-	-	2,598,343
-	-	-	-	-	-	-	343,766
-	-	-	-	-	-	10,469	59,350
<u>2,624,658</u>	<u>58,220</u>	<u>2,215,219</u>	<u>190,964</u>	<u>5,500</u>	<u>377,974</u>	<u>3,969,100</u>	<u>20,722,295</u>
<u>(20,116)</u>	<u>18,592</u>	<u>805,767</u>	<u>(5,622)</u>	<u>(246)</u>	<u>94,271</u>	<u>(6,873)</u>	<u>5,392,128</u>
-	-	356,216	-	-	-	-	1,091,216
-	-	343,028	-	-	-	-	343,028
-	-	41,586	-	-	-	-	41,586
-	-	(504,009)	-	-	-	(55,300)	(667,980)
-	-	236,821	-	-	-	(55,300)	807,850
<u>(20,116)</u>	<u>18,592</u>	<u>1,042,588</u>	<u>(5,622)</u>	<u>(246)</u>	<u>94,271</u>	<u>(62,173)</u>	<u>6,199,978</u>
<u>740,198</u>	<u>276,606</u>	<u>3,004,699</u>	<u>1,127,815</u>	<u>121,292</u>	<u>607,056</u>	<u>(182,949)</u>	<u>11,527,088</u>
<u>\$ 720,082</u>	<u>\$ 295,198</u>	<u>\$ 4,047,287</u>	<u>\$ 1,122,193</u>	<u>\$ 121,046</u>	<u>\$ 701,327</u>	<u>\$ (245,122)</u>	<u>\$ 17,727,066</u>

(continued)

**TOWN OF HINGHAM, MASSACHUSETTS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2024**

	<i>Capital Projects</i>			
	Sewer	Plymouth River School	Middle School Building Project	High School Field Improvements
<b>REVENUES</b>				
Charges for Services.....	\$ -	\$ -	\$ -	\$ -
Intergovernmental .....	-	367,545	-	-
Departmental and Other.....	-	-	-	-
Settlement Proceeds.....	-	-	-	-
Contributions.....	-	-	-	-
Investment Income.....	-	-	-	3,459
<b>TOTAL REVENUES.....</b>	<b>-</b>	<b>367,545</b>	<b>-</b>	<b>3,459</b>
<b>EXPENDITURES</b>				
Current:				
General Government.....	9,423	-	-	-
Public Safety.....	906	-	-	-
Education.....	-	474,897	23,383	-
Public Works.....	74,653	-	-	-
Health and Human Services.....	-	-	-	-
Culture and Recreation.....	-	-	-	-
Debt service:				
Principal.....	-	-	-	-
Interest.....	-	-	-	-
<b>TOTAL EXPENDITURES.....</b>	<b>84,982</b>	<b>474,897</b>	<b>23,383</b>	<b>-</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(84,982)	(107,352)	(23,383)	3,459
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In.....	415,300	-	-	30,565
Issuance of bonds and notes.....	295,926	-	-	441,749
Premium from issuance of bonds and notes.....	35,874	-	-	47,281
Transfers Out.....	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>747,100</b>	<b>-</b>	<b>-</b>	<b>519,595</b>
NET CHANGE IN FUND BALANCES.....	662,118	(107,352)	(23,383)	523,054
FUND BALANCES AT BEGINNING OF YEAR.....	(381,305)	(310,235)	(1,886,605)	(470,310)
FUND BALANCES AT END OF YEAR.....	\$ 280,813	\$ (417,587)	\$ (1,909,988)	\$ 52,744

<i>Capital Projects</i>				<i>Permanent Funds</i>			Total
South Shore Regional Communications Center	Recreation Drive	Other	Sub-total	Conservation	Town	Sub-total	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,608,707
-	-	-	367,545	-	-	-	11,543,475
-	-	-	-	-	-	-	8,882,110
-	-	-	-	-	-	-	228,083
-	-	-	-	-	-	-	1,057,137
-	-	-	3,459	4,026	654	4,680	170,595
-	-	-	371,004	4,026	654	4,680	26,490,107
-	-	1,749,430	1,758,853	3,746	-	3,746	3,249,776
-	-	65,920	66,826	-	-	-	2,184,301
-	-	741,728	1,240,008	-	-	-	9,556,106
-	-	18,927	93,580	-	-	-	5,639,640
-	-	337	337	-	-	-	254,363
-	-	-	-	-	-	-	2,598,343
-	-	-	-	-	-	-	343,766
-	-	-	-	-	-	-	59,350
-	-	2,576,342	3,159,604	3,746	-	3,746	23,885,645
-	-	(2,576,342)	(2,788,600)	280	654	934	2,604,462
-	110,000	1,356,044	1,911,909	-	-	-	3,003,125
-	-	8,173,025	8,910,700	-	-	-	9,253,728
-	-	693,079	776,234	-	-	-	817,820
-	-	(30,564)	(30,564)	-	-	-	(698,544)
-	110,000	10,191,584	11,568,279	-	-	-	12,376,129
-	110,000	7,615,242	8,779,679	280	654	934	14,980,591
(66,785)	(3,413,857)	(5,037,374)	(11,566,471)	93,112	15,112	108,224	68,841
\$ (66,785)	\$ (3,303,857)	\$ 2,577,868	\$ (2,786,792)	\$ 93,392	\$ 15,766	\$ 109,158	\$ 15,049,432

(concluded)

# *Statistical Section*



Town of Hingham, Massachusetts  
Annual Comprehensive Financial Report  
For the Year Ended June 30, 2024

## *Statistical Section*

This part of the Town of Hingham's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

### Financial Trends (pages 122 – 125)

*These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.*

### Revenue Capacity (pages 126 – 134)

*These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.*

### Debt Capacity (pages 135 – 138)

*These schedules contain information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.*

### Demographic and Economic Information (pages 139 – 145)

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.*

### Operating Information (pages 146 – 149)

*These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.*

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**TOWN OF HINGHAM, MASSACHUSETTS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental Activities</b>										
Net Investment in Capital Assets.....	\$ 95,609,007	\$ 97,137,802	\$ 99,935,544	\$ 102,148,838	\$ 102,031,185	\$ 102,686,154	\$ 103,044,921	\$ 107,503,530	\$ 116,930,061	\$ 127,755,204
Restricted.....	3,725,202	3,343,337	2,431,713	14,794,270	14,857,336	15,823,008	17,208,587	14,146,777	18,806,947	24,532,053
Unrestricted.....	(5,068,321)	(3,908,332)	(9,889,395)	(64,319,708)	(64,890,540)	(66,445,567)	(58,637,581)	(53,399,820)	(58,836,797)	(39,426,301)
<b>Total Governmental Activities Net Position.....</b>	<b>\$ 94,265,888</b>	<b>\$ 96,572,807</b>	<b>\$ 92,477,862</b>	<b>\$ 52,623,400</b>	<b>\$ 51,997,981</b>	<b>\$ 52,063,595</b>	<b>\$ 61,615,927</b>	<b>\$ 68,250,487</b>	<b>\$ 76,900,211</b>	<b>\$ 112,860,956</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets.....	31,335,098	37,401,714	39,127,509	40,187,899	39,659,310	38,681,123	33,607,556	34,661,666	35,567,002	39,224,076
Restricted.....	12,651,262	12,651,262	6,959,061	8,542,548	10,571,304	12,749,509	15,746,555	19,062,875	22,629,567	27,158,028
Unrestricted.....	1,623,049	(1,700,461)	5,419,514	5,622,088	2,944,879	5,616,162	8,814,099	8,143,494	10,426,843	9,556,700
<b>Total Business-Type Activities Net Position.....</b>	<b>\$ 45,609,409</b>	<b>\$ 48,352,515</b>	<b>\$ 51,506,084</b>	<b>\$ 54,352,535</b>	<b>\$ 53,175,493</b>	<b>\$ 57,046,794</b>	<b>\$ 58,168,210</b>	<b>\$ 61,868,035</b>	<b>\$ 68,623,412</b>	<b>\$ 75,938,804</b>
<b>Primary Government</b>										
Net Investment in Capital Assets.....	126,944,105	134,539,516	139,063,053	142,336,737	141,690,495	141,367,277	136,652,477	142,165,196	152,497,063	166,979,280
Restricted.....	16,376,464	15,994,599	9,390,774	23,336,818	25,428,640	28,572,517	32,955,142	33,209,652	41,436,514	51,690,081
Unrestricted.....	(3,445,272)	(5,608,793)	(4,469,881)	(58,697,620)	(61,945,661)	(60,829,405)	(49,823,482)	(45,256,326)	(48,409,954)	(29,869,601)
<b>Total Primary Government Net Position.....</b>	<b>\$ 139,875,297</b>	<b>\$ 144,925,322</b>	<b>\$ 143,983,946</b>	<b>\$ 106,975,935</b>	<b>\$ 105,173,474</b>	<b>\$ 109,110,389</b>	<b>\$ 119,784,137</b>	<b>\$ 130,118,522</b>	<b>\$ 145,523,623</b>	<b>\$ 188,799,760</b>

The Town implemented GASB Statements #67, #68, and #71 in 2015 which required the net pension liability to be recorded for the first time. This also required the revision of the ending net position in 2014

The Town implemented GASB Statement #75 in 2018 which required the net OPEB liability to be recorded for the first time. This also required the revision of the ending net position in 2017.

The Town implemented GASB Statement #84 in 2021 which required certain activities to be reported within governmental activities for the first time. This also required the revision of the ending net position in 2020.

**TOWN OF HINGHAM, MASSACHUSETTS  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government.....	\$ 7,084,511	\$ 6,532,229	\$ 8,119,185	\$ 6,197,234	\$ 8,347,858	\$ 7,625,986	\$ 6,792,457	\$ 8,228,872	\$ 9,299,808	\$ 9,509,953
Public Safety.....	17,979,243	18,974,841	21,457,244	17,366,820	19,396,371	23,507,942	20,514,086	20,783,323	25,046,937	24,481,122
Education.....	62,771,088	69,690,936	76,810,877	76,009,002	85,061,524	89,458,820	94,267,921	95,875,462	95,891,263	99,348,251
Public Works.....	13,596,602	12,654,118	13,331,559	12,704,994	12,566,691	11,870,047	12,217,565	14,719,074	13,589,033	13,846,588
Health and Human Services.....	1,339,016	1,396,198	1,500,507	1,829,560	2,024,761	1,996,517	1,868,203	1,863,259	2,049,765	2,048,048
Culture and Recreation.....	3,700,943	4,009,169	4,646,565	4,160,669	4,451,508	4,309,915	3,261,159	4,878,666	5,743,875	5,945,560
Community Preservation.....	432,954	1,588,118	661,240	549,084	257,689	141,262	808,232	157,490	225,163	197,469
Unallocated Interest on Long Term Debt.....	2,051,283	2,427,821	1,861,076	2,189,431	3,680,035	1,644,032	1,466,365	1,403,383	2,491,750	3,698,303
<b>Total Government Activities Expenses.....</b>	<b>108,955,640</b>	<b>117,273,430</b>	<b>128,388,253</b>	<b>121,006,794</b>	<b>135,786,437</b>	<b>140,554,521</b>	<b>141,195,988</b>	<b>141,709,529</b>	<b>154,337,594</b>	<b>159,075,294</b>
<b>Business-Type Activities:</b>										
Country Club.....	2,250,244	2,723,430	2,209,167	1,886,961	2,198,404	1,690,567	1,512,412	1,879,216	2,136,523	2,262,719
Hingham Municipal Lighting Plant.....	28,318,206	27,691,721	26,271,581	24,609,627	28,882,502	27,117,384	29,430,458	29,517,890	30,115,650	29,497,012
Weir River Water System.....	-	-	-	-	-	-	10,507,231	11,013,804	10,976,144	11,988,580
<b>Total Business-Type Activities Expenses.....</b>	<b>30,568,450</b>	<b>30,415,151</b>	<b>28,480,748</b>	<b>26,496,588</b>	<b>31,080,906</b>	<b>28,807,951</b>	<b>41,450,101</b>	<b>42,410,910</b>	<b>43,228,317</b>	<b>43,748,311</b>
<b>Total Primary Government Expenses.....</b>	<b>\$ 139,524,090</b>	<b>\$ 147,688,581</b>	<b>\$ 156,869,001</b>	<b>\$ 147,503,382</b>	<b>\$ 166,867,343</b>	<b>\$ 169,362,472</b>	<b>\$ 182,646,089</b>	<b>\$ 184,120,439</b>	<b>\$ 197,565,911</b>	<b>\$ 202,823,605</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
General Government Charges for Services.....	\$ 2,474,151	\$ 2,150,106	\$ 2,285,997	\$ 4,474,945	\$ 2,909,771	\$ 1,512,074	\$ 1,711,531	\$ 2,675,931	\$ 1,745,243	\$ 2,465,948
Public Safety Charges for Services.....	1,472,816	2,248,458	1,989,220	2,062,676	2,261,458	3,055,945	4,604,379	5,013,661	5,694,017	5,993,700
Education Charges for Services.....	2,786,563	3,412,475	3,338,218	3,504,692	3,588,348	2,926,326	3,140,668	3,179,948	3,428,643	3,808,011
Public Works Charges for Services.....	2,796,747	2,870,934	3,100,188	4,035,312	3,575,433	3,809,066	4,532,366	4,396,051	4,322,307	4,365,371
Human Services Charges for Services.....	229,334	237,767	256,830	254,179	292,285	252,366	203,359	236,708	292,635	285,445
Culture and Recreation Charges for Services.....	1,043,489	1,207,250	1,334,366	1,484,054	1,543,514	1,412,242	693,615	1,459,088	2,078,890	2,373,061
Operating Grants and Contributions.....	17,624,819	20,838,882	23,053,214	24,332,438	25,860,645	29,877,473	35,219,104	26,266,600	32,693,321	31,071,011
Capital Grants and Contributions.....	2,221,806	1,173,057	328,187	323,792	683,715	1,601,460	859,926	1,930,707	3,609,402	17,300,463
<b>Total Government Activities Program Revenues.....</b>	<b>30,649,725</b>	<b>34,138,929</b>	<b>35,686,220</b>	<b>40,472,088</b>	<b>40,715,169</b>	<b>44,446,952</b>	<b>48,138,548</b>	<b>45,158,694</b>	<b>53,864,458</b>	<b>67,663,010</b>
<b>Business-Type Activities:</b>										
Country Club Charges for Services.....	1,928,182	1,981,411	1,857,554	1,821,105	1,834,776	1,640,933	2,010,126	2,134,108	2,280,090	2,329,660
Hingham Municipal Lighting Plant Charges for Services.....	31,468,866	31,359,635	30,112,554	27,527,844	28,683,612	30,913,393	30,716,849	31,178,901	33,602,472	33,386,345
Weir River Water System Charges for Services.....	-	-	-	-	-	-	12,349,903	13,948,723	14,510,070	14,501,807
Grants and Contributions - Country Club.....	-	-	-	95,150	63,505	-	-	-	-	-
<b>Total Business-Type Activities Program Revenues.....</b>	<b>33,397,048</b>	<b>33,341,046</b>	<b>31,969,608</b>	<b>29,444,099</b>	<b>30,581,893</b>	<b>32,554,326</b>	<b>45,076,878</b>	<b>47,261,732</b>	<b>50,392,551</b>	<b>50,217,812</b>
<b>Total Primary Government Program Revenues.....</b>	<b>\$ 64,046,773</b>	<b>\$ 67,479,975</b>	<b>\$ 67,655,828</b>	<b>\$ 69,916,187</b>	<b>\$ 71,297,062</b>	<b>\$ 77,001,278</b>	<b>\$ 93,215,426</b>	<b>\$ 92,420,426</b>	<b>\$ 104,257,009</b>	<b>\$ 117,880,822</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities.....	\$ (78,305,915)	\$ (83,134,501)	\$ (92,702,033)	\$ (80,534,706)	\$ (95,071,268)	\$ (96,107,569)	\$ (93,057,440)	\$ (96,550,835)	\$ (100,473,136)	\$ (91,412,284)
Business-Type Activities.....	2,828,598	2,925,895	3,488,860	2,947,511	(499,013)	3,746,375	3,626,777	4,850,822	7,164,234	6,469,501
<b>Total Primary Government Net Expense.....</b>	<b>\$ (75,477,317)</b>	<b>\$ (80,208,606)</b>	<b>\$ (89,213,173)</b>	<b>\$ (77,587,195)</b>	<b>\$ (95,570,281)</b>	<b>\$ (92,361,194)</b>	<b>\$ (89,430,663)</b>	<b>\$ (91,700,013)</b>	<b>\$ (93,308,902)</b>	<b>\$ (84,942,783)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Taxes.....	\$ 79,846,398	\$ 82,859,668	\$ 85,705,687	\$ 87,478,598	\$ 90,407,391	\$ 92,759,293	\$ 96,060,525	\$ 99,203,986	\$ 102,223,979	\$ 116,319,669
Unrestricted Grants and Contributions.....	1,685,759	1,722,571	1,766,163	1,869,845	1,925,830	1,925,956	1,801,214	2,073,864	2,092,684	2,145,292
Penalties and Interest on Taxes.....	269,223	339,622	331,201	319,948	453,914	265,089	428,063	554,787	387,812	404,788
Investment Earnings.....	117,884	272,598	394,533	758,447	1,325,436	929,707	292,581	95,765	3,290,561	7,292,598
Miscellaneous.....	1,000	2,247	2,180	-	-	-	-	-	-	-
Gain on Sale of Capital Assets.....	-	-	-	-	-	-	-	46,500	-	-
Transfers, Net.....	327,000	244,714	407,324	320,586	333,278	293,138	2,709,552	1,210,493	1,127,824	1,210,682
<b>Total Governmental Activities.....</b>	<b>82,247,264</b>	<b>85,441,420</b>	<b>88,607,088</b>	<b>90,747,424</b>	<b>94,445,849</b>	<b>96,173,183</b>	<b>101,291,935</b>	<b>103,185,395</b>	<b>109,122,860</b>	<b>127,373,029</b>
<b>Business-Type Activities:</b>										
Investment Earnings.....	64,325	61,925	72,033	112,694	285,333	418,064	207,191	59,496	718,967	2,056,573
Transfers, Net.....	(327,000)	(244,714)	(407,324)	(320,586)	(333,278)	(293,138)	(2,709,552)	(1,210,493)	(1,127,824)	(1,210,682)
<b>Total Business-Type Activities.....</b>	<b>(262,675)</b>	<b>(182,789)</b>	<b>(335,291)</b>	<b>(207,892)</b>	<b>(47,945)</b>	<b>124,926</b>	<b>(2,502,361)</b>	<b>(1,150,997)</b>	<b>(408,857)</b>	<b>845,891</b>
<b>Total Primary Government.....</b>	<b>\$ 81,984,589</b>	<b>\$ 85,258,631</b>	<b>\$ 88,271,797</b>	<b>\$ 90,539,532</b>	<b>\$ 94,397,904</b>	<b>\$ 96,298,109</b>	<b>\$ 98,789,574</b>	<b>\$ 102,034,398</b>	<b>\$ 108,714,003</b>	<b>\$ 128,218,920</b>
<b>Changes in Net Position</b>										
Governmental Activities.....	\$ 3,941,349	\$ 2,306,919	\$ (4,094,945)	\$ 10,212,718	\$ (625,419)	\$ 65,614	\$ 8,234,495	\$ 6,634,560	\$ 8,649,724	\$ 35,960,745
Business-Type Activities.....	2,565,923	2,743,106	3,153,569	2,739,619	(546,958)	3,871,301	1,124,416	3,699,825	6,755,377	7,315,392
<b>Total Primary Government.....</b>	<b>\$ 6,507,272</b>	<b>\$ 5,050,025</b>	<b>\$ (941,376)</b>	<b>\$ 12,952,337</b>	<b>\$ (1,172,377)</b>	<b>\$ 3,936,915</b>	<b>\$ 9,358,911</b>	<b>\$ 10,334,385</b>	<b>\$ 15,405,101</b>	<b>\$ 43,276,137</b>

**TOWN OF HINGHAM, MASSACHUSETTS  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

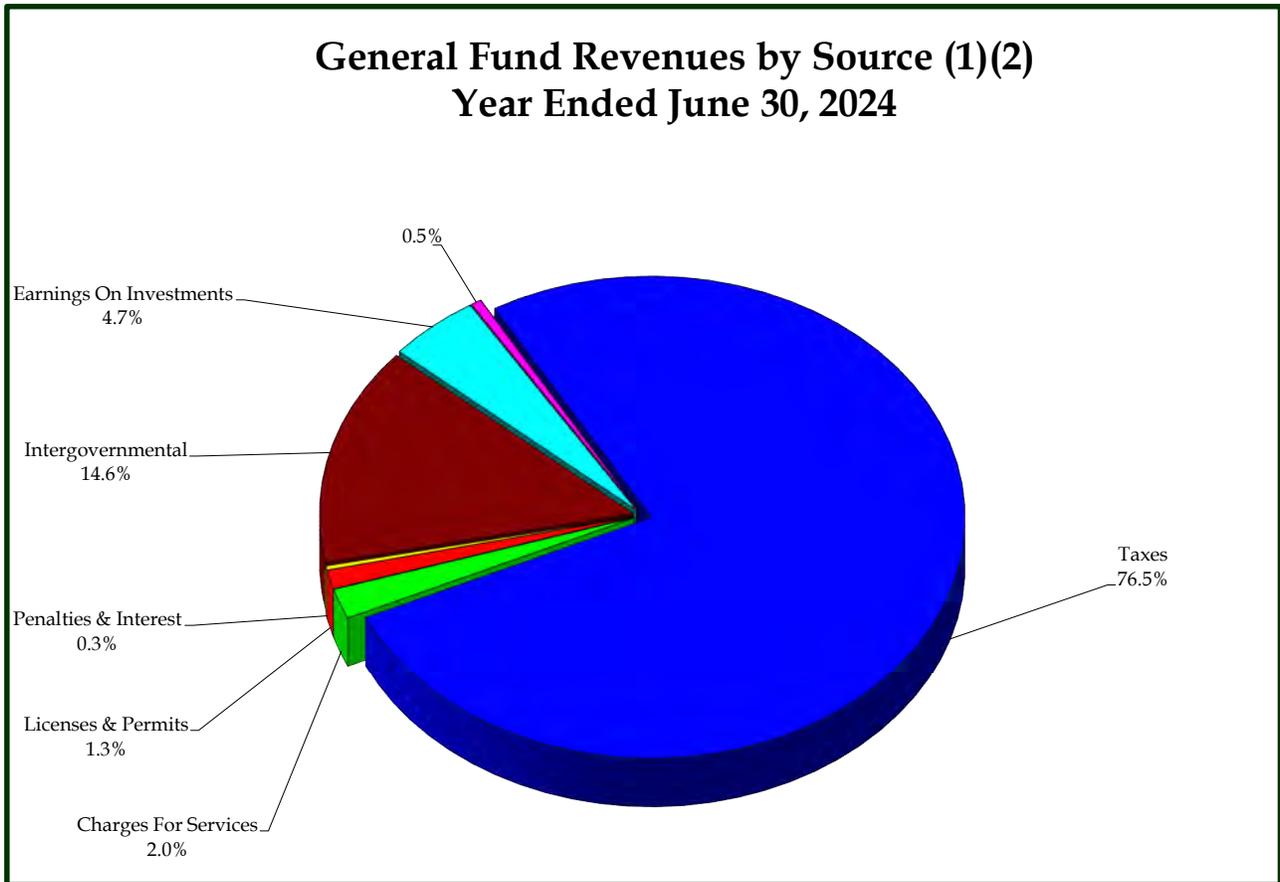
	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted.....	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ -	\$ -	\$ 317,754	\$ -
Committed.....	1,428,425	519,030	1,759,764	1,990,081	1,090,038	1,288,878	8,896,397	8,193,912	9,265,897	13,136,550
Assigned.....	3,488,503	4,230,263	2,811,447	1,166,574	1,812,812	1,596,370	1,995,459	2,468,604	2,622,531	3,899,967
Unassigned.....	25,203,869	25,503,897	26,739,817	31,251,431	34,344,988	38,053,829	36,904,851	37,869,575	37,644,553	42,677,917
Total General Fund.....	<u>\$ 31,370,797</u>	<u>\$ 31,503,190</u>	<u>\$ 32,561,028</u>	<u>\$ 35,658,086</u>	<u>\$ 38,497,838</u>	<u>\$ 42,189,077</u>	<u>\$ 47,796,707</u>	<u>\$ 48,532,091</u>	<u>\$ 49,850,735</u>	<u>\$ 59,714,434</u>
All Other Governmental Funds										
Nonspendable.....	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Restricted.....	10,996,682	12,052,931	11,168,990	13,194,383	13,697,199	12,515,748	15,145,879	15,243,166	14,709,787	23,760,297
Unassigned.....	(4,958,748)	(5,077,510)	(9,685,531)	(8,984,458)	(9,460,031)	(10,793,376)	(16,978,426)	(18,293,977)	(26,892,070)	(42,571,860)
Total All Other Governmental Funds.....	<u>\$ 6,072,934</u>	<u>\$ 7,010,421</u>	<u>\$ 1,518,459</u>	<u>\$ 4,244,925</u>	<u>\$ 4,272,168</u>	<u>\$ 1,757,372</u>	<u>\$ (1,797,547)</u>	<u>\$ (3,015,811)</u>	<u>\$ (12,147,283)</u>	<u>\$ (18,776,563)</u>

**TOWN OF HINGHAM, MASSACHUSETTS  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues:</b>										
Taxes.....	\$ 79,020,413	\$ 82,231,703	\$ 85,123,935	\$ 87,014,453	\$ 90,839,802	\$ 92,526,812	\$ 96,438,534	\$ 100,246,324	\$ 102,598,955	\$ 116,346,750
Intergovernmental.....	23,392,379	24,474,784	27,276,871	28,303,338	29,660,217	34,079,834	38,396,236	29,749,070	36,005,817	49,603,584
Charges for Services.....	4,744,135	4,314,600	4,786,987	7,910,927	5,277,858	5,304,390	6,184,770	7,579,235	7,476,720	7,612,410
Investment Income.....	117,884	272,598	394,533	758,447	1,325,436	929,707	292,581	95,765	3,290,561	7,292,598
Other Revenues.....	7,292,384	8,650,185	8,656,192	8,709,344	9,126,885	8,140,315	7,014,647	10,052,393	11,114,119	12,865,766
<b>Total Revenue.....</b>	<b>114,567,195</b>	<b>119,943,870</b>	<b>126,238,518</b>	<b>132,696,509</b>	<b>136,230,198</b>	<b>140,981,058</b>	<b>148,326,768</b>	<b>147,722,787</b>	<b>160,486,172</b>	<b>193,721,108</b>
<b>Expenditures:</b>										
General Government.....	5,345,171	5,556,583	5,713,417	5,947,655	6,644,336	5,986,539	11,823,835	7,088,687	8,667,928	9,142,588
Public Safety.....	14,392,868	13,705,450	14,511,026	13,777,552	16,306,021	18,527,066	17,128,006	20,183,589	21,996,393	43,302,762
Education.....	53,375,067	52,495,567	54,109,031	56,756,056	59,351,780	61,988,018	64,581,588	69,892,934	86,421,886	133,505,047
Public Works.....	12,053,075	10,676,352	10,871,547	10,731,046	11,002,294	9,762,675	10,529,078	13,253,356	11,426,696	12,045,491
Health and Human Services.....	1,018,277	1,019,261	1,048,858	1,029,712	1,107,488	1,054,513	1,025,309	1,132,559	1,129,552	1,159,278
Culture and Recreation.....	2,980,834	3,057,891	4,492,109	3,432,054	3,768,973	4,462,334	2,831,449	4,253,308	4,817,783	5,304,156
Pension Benefits.....	3,845,487	3,881,034	4,030,938	4,221,102	4,502,044	4,773,356	5,090,917	5,443,559	5,837,513	6,303,180
Group Health Insurance.....	8,338,761	8,224,135	9,163,823	8,377,982	8,229,272	8,387,489	8,924,254	9,571,734	9,962,886	10,012,079
Community Preservation.....	922,202	1,790,296	5,695,980	549,084	257,689	185,807	829,744	424,991	422,070	415,607
Other.....	1,380,342	1,451,744	1,497,397	1,538,948	1,631,459	1,726,325	2,137,878	2,097,613	2,203,240	2,292,757
Intergovernmental.....	4,792,053	7,445,934	10,571,652	11,288,646	11,508,477	14,795,438	17,219,932	9,042,893	10,471,492	11,750,132
Debt Service.....										
Principal.....	4,985,065	7,077,307	7,060,083	6,896,582	6,676,334	6,165,922	6,131,345	5,181,906	4,410,948	4,435,826
Interest.....	2,193,598	2,737,150	2,391,922	2,737,281	2,715,345	2,282,271	2,048,111	1,895,331	1,658,437	4,047,117
<b>Total Expenditures.....</b>	<b>115,622,800</b>	<b>119,118,704</b>	<b>131,157,783</b>	<b>127,283,700</b>	<b>133,701,512</b>	<b>140,097,753</b>	<b>150,301,446</b>	<b>149,462,660</b>	<b>169,426,824</b>	<b>243,716,020</b>
Excess of Revenues Over (Under) Expenditures.....	(1,055,605)	825,166	(4,919,265)	5,412,809	2,528,686	883,305	(1,974,678)	(1,739,873)	(8,940,652)	(49,994,912)
<b>Other Financing Sources (Uses)</b>										
Issuance of Bonds and Notes.....	38,952,298	-	-	-	-	-	-	-	-	48,844,044
Premium from Issuance of Bonds.....	2,415,918	2,760,752	77,817	90,129	5,031	-	-	-	-	3,174,605
Issuance of Refunding Bonds.....	-	19,688,046	-	-	-	-	-	-	-	-
Payments to Refunding Bonds Escrow Agent.....	-	(22,448,798)	-	-	-	-	-	-	-	-
Sale of Capital Assets.....	-	-	-	-	-	-	-	46,500	-	-
Transfers In.....	888,500	2,402,625	594,999	1,228,011	1,882,256	1,326,389	3,765,198	4,751,580	9,213,375	4,607,815
Transfers Out.....	(561,500)	(2,157,911)	(187,675)	(907,425)	(1,548,978)	(1,033,251)	(1,055,646)	(3,541,087)	(8,085,551)	(3,397,133)
<b>Total Other Financing Sources (Uses).....</b>	<b>41,695,216</b>	<b>244,714</b>	<b>485,141</b>	<b>410,715</b>	<b>338,309</b>	<b>293,138</b>	<b>2,709,552</b>	<b>1,256,993</b>	<b>1,127,824</b>	<b>53,229,331</b>
<b>Net Change in Fund Balance.....</b>	<b>\$ 40,639,611</b>	<b>\$ 1,069,880</b>	<b>\$ (4,434,124)</b>	<b>\$ 5,823,524</b>	<b>\$ 2,866,995</b>	<b>\$ 1,176,443</b>	<b>\$ 734,874</b>	<b>\$ (482,880)</b>	<b>\$ (7,812,828)</b>	<b>\$ 3,234,419</b>
Debt Service as a Percentage of Noncapital Expenditures.....	6.64%	8.49%	7.67%	7.70%	7.27%	6.19%	5.77%	4.91%	4.06%	5.35%

**TOWN OF HINGHAM, MASSACHUSETTS  
GENERAL FUND REVENUES BY SOURCE  
LAST TEN YEARS (1)(2)**

Year Ended June 30,	Taxes (3)	Charges For Services	Licenses & Permits	Inter-Governmental (4)	Penalties & Interest	Earnings On Investments	Misc.	Total
2015	\$ 78,751	\$ 2,133	\$ 1,364	\$ 15,087	\$ 269	\$ 94	\$ 234	\$ 97,932
2016	\$ 81,892	\$ 2,201	\$ 1,377	\$ 17,821	\$ 340	\$ 165	\$ 272	\$ 104,068
2017	\$ 84,790	\$ 2,339	\$ 1,634	\$ 21,483	\$ 331	\$ 328	\$ 203	\$ 111,108
2018	\$ 85,652	\$ 3,253	\$ 3,026	\$ 22,197	\$ 320	\$ 757	\$ 252	\$ 115,457
2019	\$ 89,304	\$ 2,825	\$ 1,172	\$ 22,898	\$ 454	\$ 1,206	\$ 183	\$ 118,042
2020	\$ 91,152	\$ 3,184	\$ 972	\$ 26,454	\$ 265	\$ 885	\$ 174	\$ 123,086
2021	\$ 94,824	\$ 2,261	\$ 1,282	\$ 28,749	\$ 428	\$ 129	\$ 1,001	\$ 128,674
2022	\$ 98,470	\$ 3,363	\$ 1,527	\$ 19,608	\$ 555	\$ 155	\$ 963	\$ 124,641
2023	\$ 100,938	\$ 2,859	\$ 1,811	\$ 20,959	\$ 388	\$ 3,229	\$ 1,141	\$ 131,325
2024	\$ 114,567	\$ 3,004	\$ 1,881	\$ 21,909	\$ 405	\$ 7,108	\$ 817	\$ 149,691



(1) All amounts in thousands (000's).

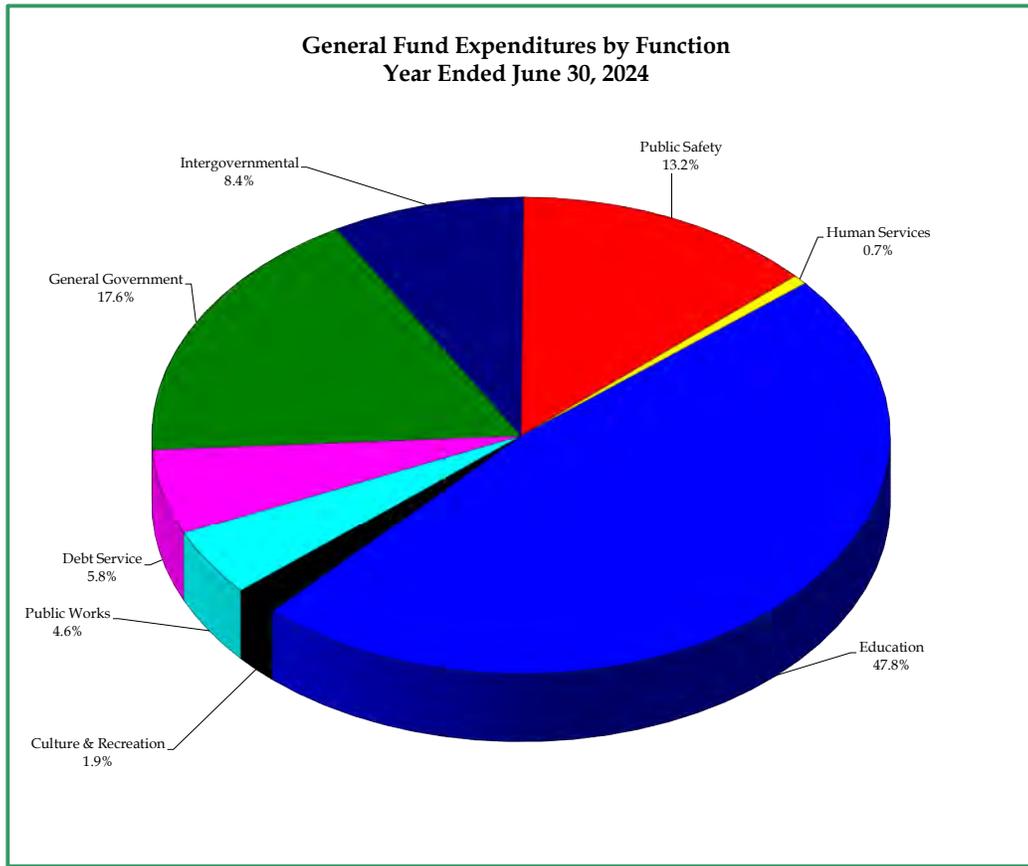
(2) Excluding transfers in.

(3) Includes real estate, personal property, motor vehicle and other taxes.

(4) Intergovernmental revenues primarily represent state funding for School operations, Teacher's pensions and the Town's share in State Lottery proceeds.

**TOWN OF HINGHAM, MASSACHUSETTS  
GENERAL FUND EXPENDITURES BY FUNCTION  
LAST TEN YEARS (1)**

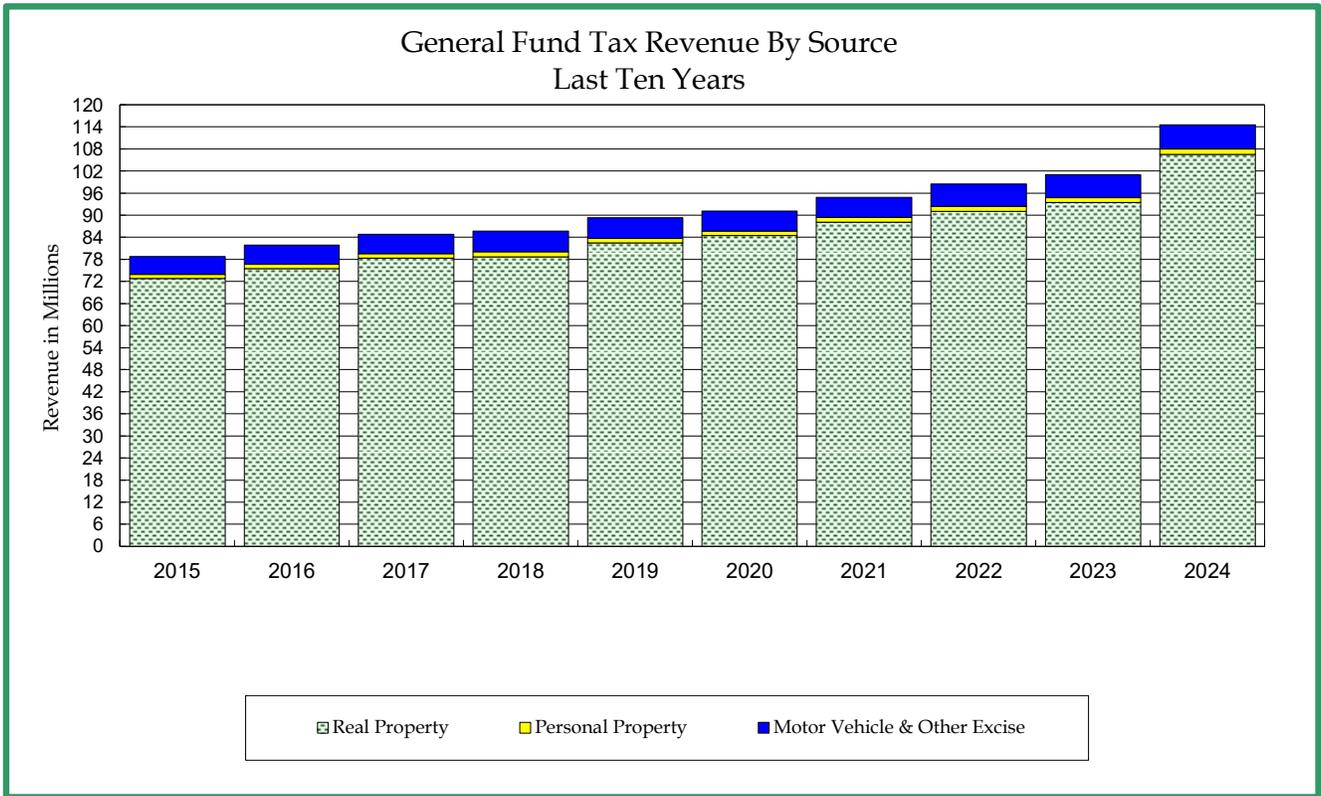
Year Ended June 30,	General Government(2)	Public Safety	Public Education	Public Works	Human Services	Culture & Recreation(3)	Inter-Governmental(4)	Debt Services	Total
2015	\$ 18,092	\$ 13,089	\$ 44,028	\$ 6,893	\$ 882	\$ 1,813	\$ 4,792	\$ 6,625	\$ 96,214
2016	\$ 17,892	\$ 12,667	\$ 46,147	\$ 5,987	\$ 876	\$ 1,782	\$ 7,446	\$ 9,814	\$ 102,611
2017	\$ 19,186	\$ 13,221	\$ 48,471	\$ 5,837	\$ 890	\$ 2,939	\$ 10,572	\$ 9,452	\$ 110,568
2018	\$ 18,916	\$ 13,226	\$ 50,509	\$ 6,349	\$ 856	\$ 1,896	\$ 11,289	\$ 9,140	\$ 112,181
2019	\$ 19,063	\$ 13,681	\$ 52,709	\$ 6,300	\$ 879	\$ 1,942	\$ 11,508	\$ 8,704	\$ 114,786
2020	\$ 19,688	\$ 13,939	\$ 54,866	\$ 5,088	\$ 856	\$ 2,043	\$ 14,795	\$ 7,867	\$ 119,142
2021	\$ 21,222	\$ 13,533	\$ 57,150	\$ 5,816	\$ 844	\$ 1,866	\$ 17,220	\$ 7,637	\$ 125,288
2022	\$ 22,010	\$ 15,256	\$ 59,265	\$ 6,698	\$ 899	\$ 2,650	\$ 9,043	\$ 6,582	\$ 122,403
2023	\$ 23,826	\$ 17,525	\$ 62,792	\$ 5,823	\$ 888	\$ 2,627	\$ 10,472	\$ 5,596	\$ 129,549
2024	\$ 24,501	\$ 18,387	\$ 66,460	\$ 6,406	\$ 905	\$ 2,706	\$ 11,750	\$ 8,023	\$ 139,138



(1) All amounts in thousands (000's).  
(2) Includes employee benefits and miscellaneous.  
(3) Includes General Fund expenditures for Library component unit.  
(4) Intergovernmental expenditures consist of the gross-up for State funded Teacher's pensions.

**TOWN OF HINGHAM, MASSACHUSETTS  
GENERAL FUND TAX REVENUES BY SOURCE  
LAST TEN YEARS**

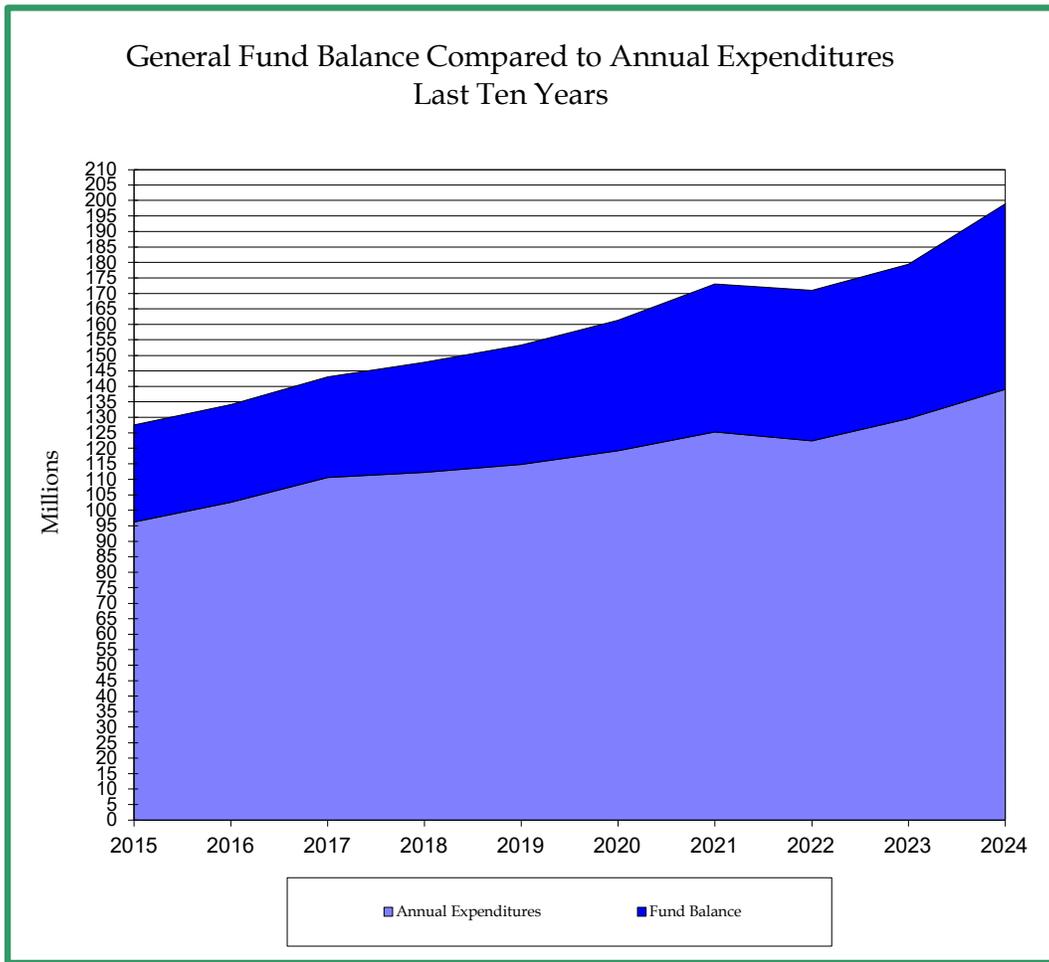
Year Ended June 30,	Real Property	Personal Property	Motor Vehicle & Other Excise	Total
2015	\$ 72,738,279	\$ 1,205,826	\$ 4,807,085	\$ 78,751,190
2016	\$ 75,459,842	\$ 1,229,702	\$ 5,202,537	\$ 81,892,081
2017	\$ 78,275,722	\$ 1,237,879	\$ 5,279,133	\$ 84,792,734
2018	\$ 78,627,515	\$ 1,430,760	\$ 5,593,856	\$ 85,652,131
2019	\$ 82,447,069	\$ 1,221,790	\$ 5,635,154	\$ 89,304,013
2020	\$ 84,469,830	\$ 1,226,938	\$ 5,455,193	\$ 91,151,961
2021	\$ 88,129,304	\$ 1,306,288	\$ 5,388,434	\$ 94,824,026
2022	\$ 91,071,611	\$ 1,402,596	\$ 5,996,145	\$ 98,470,352
2023	\$ 93,488,382	\$ 1,277,241	\$ 6,172,141	\$ 100,937,764
2024	\$ 106,499,967	\$ 1,464,749	\$ 6,602,040	\$ 114,566,756



Source: Audited financial statements, Town Accountant's records.

**TOWN OF HINGHAM, MASSACHUSETTS  
GENERAL FUND FUND BALANCE COMPARED TO ANNUAL EXPENDITURES  
LAST TEN YEARS**

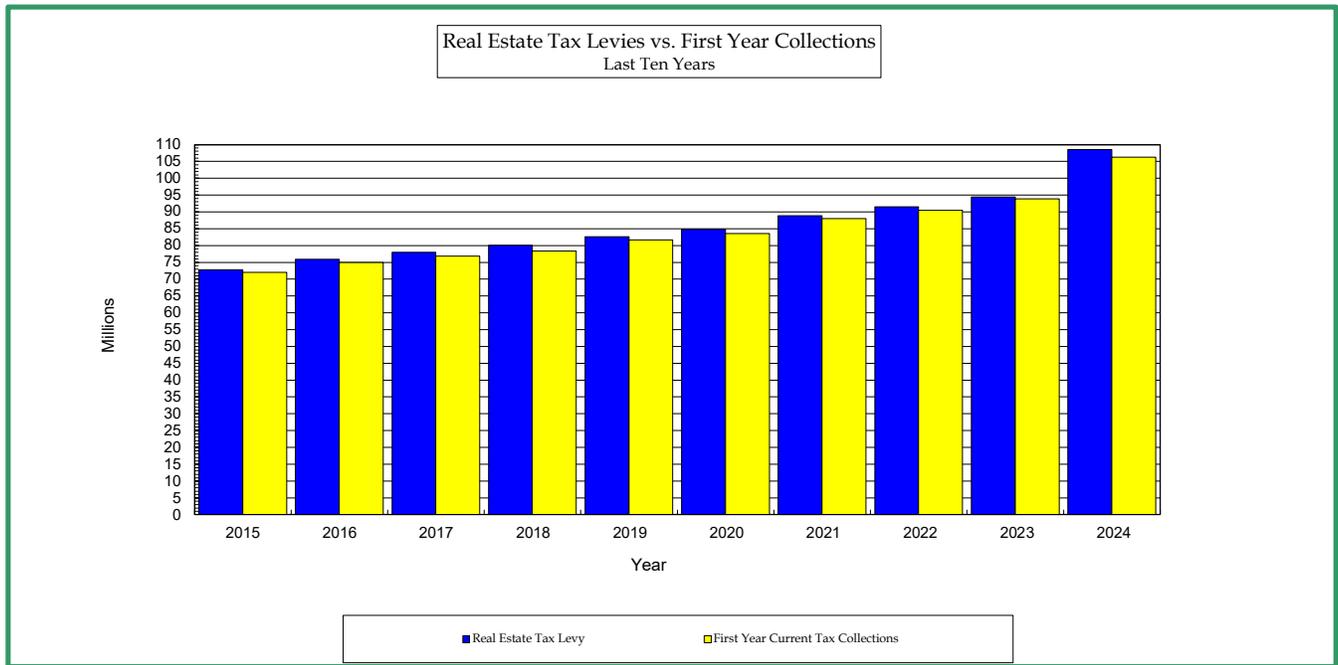
Year Ended June 30,	Fund Balance	Annual Expenditures	Balance as % of Expenditures
2015	\$ 31,370,797	\$ 96,214,249	32.61%
2016	\$ 31,503,190	\$ 102,610,743	30.70%
2017	\$ 32,561,028	\$ 110,535,572	30.70%
2018	\$ 35,658,086	\$ 112,180,550	31.79%
2019	\$ 38,497,838	\$ 114,785,674	33.54%
2020	\$ 42,189,077	\$ 119,142,820	35.41%
2021	\$ 47,796,707	\$ 125,287,939	38.15%
2022	\$ 48,532,091	\$ 122,403,395	39.65%
2023	\$ 49,850,735	\$ 129,547,595	38.48%
2024	\$ 59,795,415	\$ 139,137,646	42.98%



Source: Audited financial statements, Town Accountant's records.

**TOWN OF HINGHAM, MASSACHUSETTS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

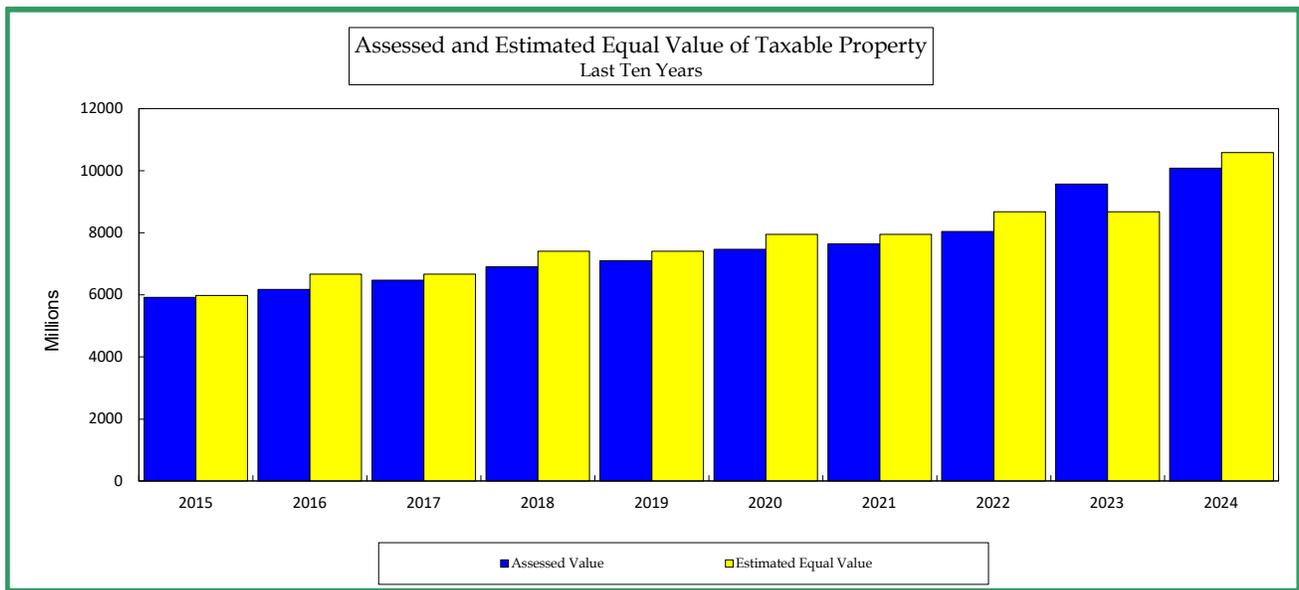
Year Ended June 30,	Real Estate Tax Levy (1)	First Year Current Tax Collections (2)	Percent of Levy Collected	Delinquent Levy Tax Collections	Total Tax Collections To Date	Percent of Levy Collected
2015	\$ 72,761,462	\$ 72,051,714	99.0%	\$ 641,471	\$ 72,693,185	99.9%
2016	\$ 75,896,635	\$ 74,959,517	98.8%	\$ 511,765	\$ 75,471,282	99.4%
2017	\$ 77,962,344	\$ 76,868,786	98.6%	\$ 281,382	\$ 77,150,168	99.0%
2018	\$ 80,037,341	\$ 78,404,487	98.0%	\$ 289,777	\$ 78,694,264	98.3%
2019	\$ 82,596,842	\$ 81,633,312	98.8%	\$ 369,212	\$ 82,002,524	99.3%
2020	\$ 84,845,859	\$ 83,596,919	98.5%	\$ 816,500	\$ 84,413,419	99.5%
2021	\$ 88,860,041	\$ 88,016,467	99.1%	\$ 759,263	\$ 88,775,730	99.9%
2022	\$ 91,578,413	\$ 90,442,318	98.8%	\$ 990,709	\$ 91,433,027	99.8%
2023	\$ 94,426,891	\$ 93,870,613	99.4%	\$ 969,746	\$ 94,840,359	100.4%
2024	\$ 108,541,417	\$ 106,296,274	97.9%	\$ -	\$ 106,296,274	97.9%



Source: Audited financial statements, Treasurer/Collector's records.  
 (1) Real Estate Tax Levy net of allowance for abatements and refunds.  
 (2) The "First Year Current Tax Collections" is the collection of the current year's taxes during the first fiscal year.

**TOWN OF HINGHAM, MASSACHUSETTS  
 ASSESSED VALUE AND ESTIMATED EQUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS**

Year Ended June 30,	Assessed Value (1)	Estimated Equal Value (2)	As Of	Assessed Value to Estimated Equal Value	Total Direct Rate
2015	\$ 5,919,438,780	\$ 5,981,636,700	01/01/2014	99.0%	\$ 12.53
2016	\$ 6,175,354,200	\$ 6,668,867,000	01/01/2016	92.6%	\$ 12.49
2017	\$ 6,465,789,910	\$ 6,668,867,000	01/01/2016	97.0%	\$ 12.25
2018	\$ 6,900,020,290	\$ 7,407,974,100	01/01/2018	93.1%	\$ 11.77
2019	\$ 7,097,584,950	\$ 7,407,974,100	01/01/2018	95.8%	\$ 11.81
2020	\$ 7,462,620,230	\$ 7,942,260,800	01/01/2020	94.0%	\$ 11.53
2021	\$ 7,641,780,240	\$ 7,942,260,800	01/01/2020	96.2%	\$ 11.80
2022	\$ 8,043,904,450	\$ 8,672,525,700	01/01/2022	92.8%	\$ 11.56
2023	\$ 9,570,758,730	\$ 8,672,525,700	01/01/2022	110.4%	\$ 10.00
2024	\$ 10,082,158,260	\$ 10,581,543,600	01/01/2024	95.3%	\$ 10.85

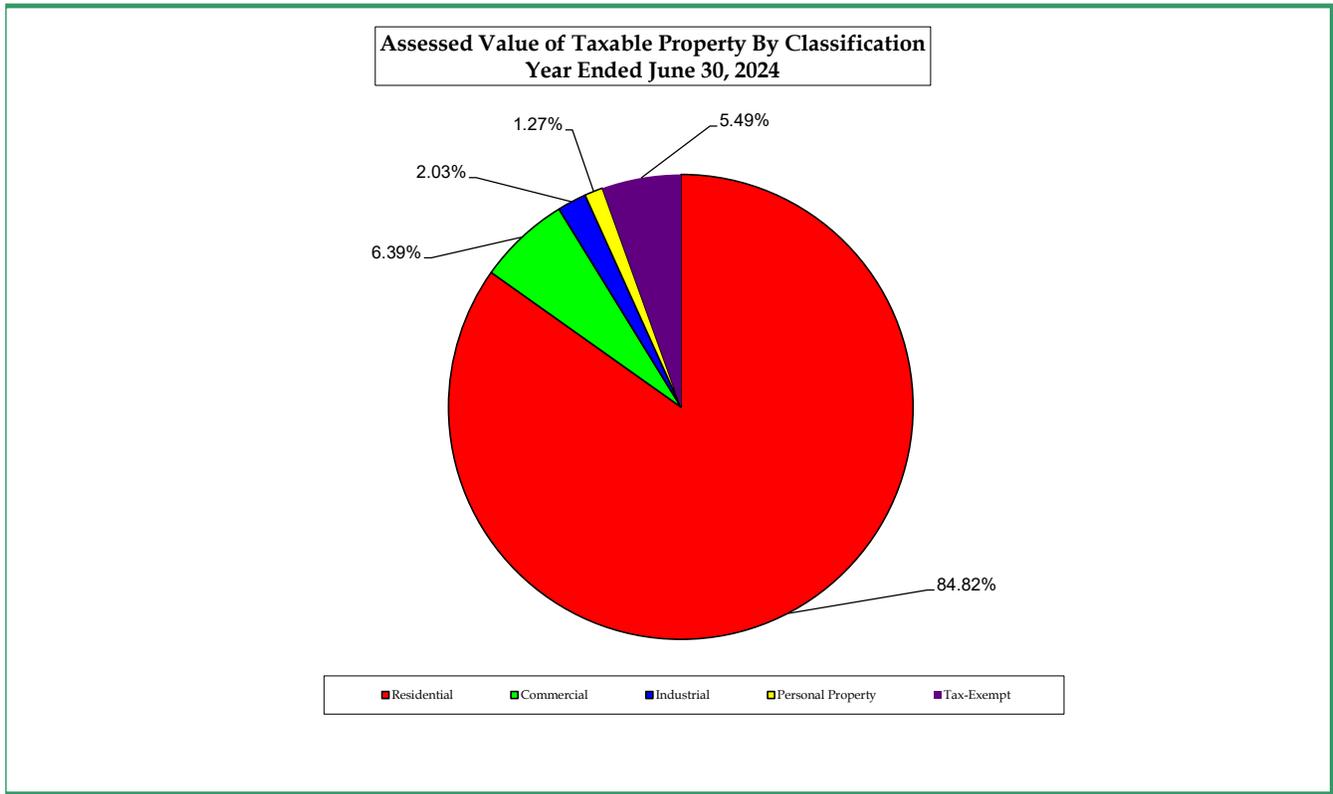


Source: Assessors Department, Town of Hingham

- (1) Assessed valuations are determined annually as of January 1 and used for the year beginning on the next July 1. Taxable property in this chart refers only to real estate.
- (2) The Commissioner of Revenue makes a determination of the fair cash value of the taxable property in each municipality in order to determine appropriate relative values for the purpose of certain distributions to and assessments upon cities and towns. This is known as "equalized value".

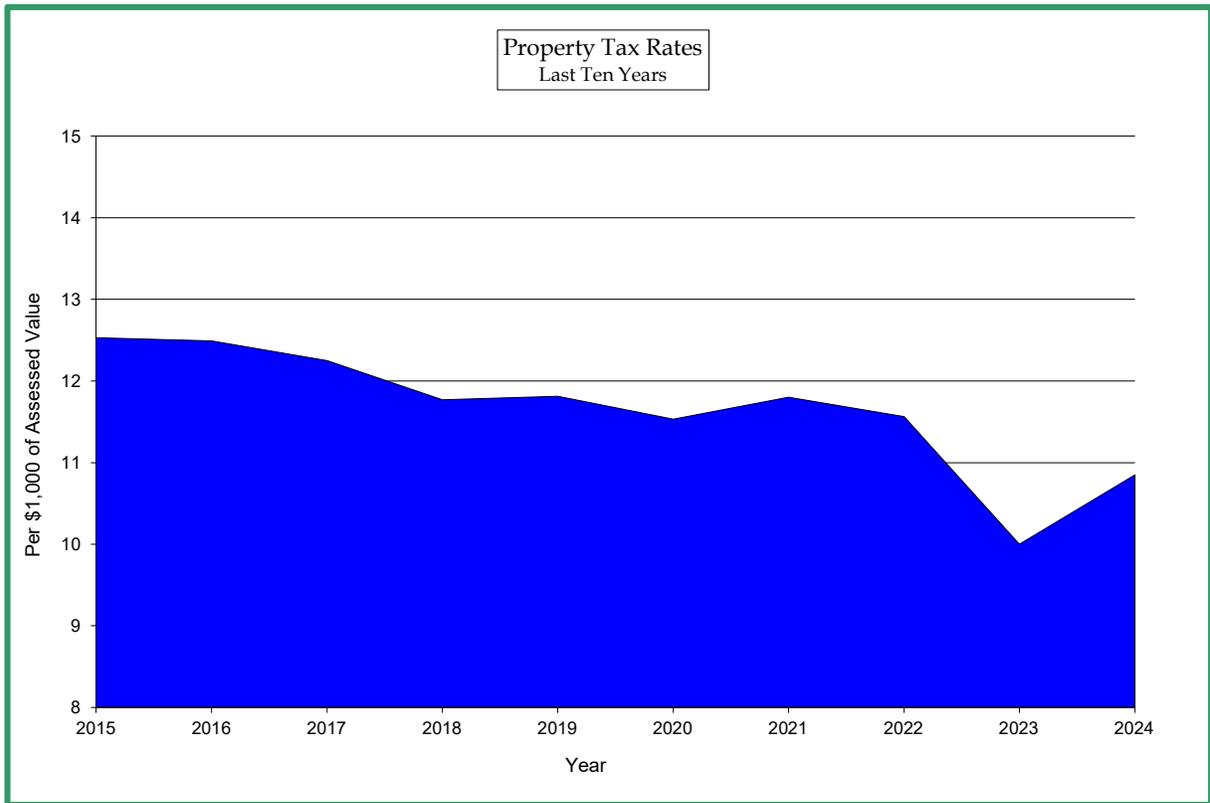
**TOWN OF HINGHAM, MASSACHUSETTS  
 ASSESSED VALUE OF TAXABLE PROPERTY BY CLASSIFICATION  
 LAST TEN YEARS (1)**

Year Ended June 30, (2)	Residential Valuation	Commercial Valuation	Industrial Valuation	Personal Property Valuation	Less: Tax-Exempt Property	Total Valuation
2015	\$ 5,163,772,860	\$ 487,558,500	\$ 171,610,500	\$ 96,496,920	\$ 408,561,100	\$ 5,510,877,680
2016	\$ 5,411,453,260	\$ 495,113,900	\$ 170,024,500	\$ 98,762,540	\$ 408,537,000	\$ 5,766,817,200
2017	\$ 5,665,777,460	\$ 521,896,100	\$ 176,387,600	\$ 101,728,750	\$ 424,892,600	\$ 6,040,897,310
2018	\$ 6,086,543,946	\$ 539,513,614	\$ 171,822,200	\$ 102,140,530	\$ 482,690,100	\$ 6,417,330,190
2019	\$ 6,289,130,546	\$ 535,949,214	\$ 168,725,700	\$ 103,779,490	\$ 483,240,800	\$ 6,614,344,150
2020	\$ 6,652,412,754	\$ 533,509,206	\$ 168,948,850	\$ 107,749,420	\$ 481,010,400	\$ 6,981,609,830
2021	\$ 6,790,348,860	\$ 554,522,700	\$ 185,302,100	\$ 111,607,580	\$ 492,554,000	\$ 7,149,227,240
2022	\$ 7,182,410,232	\$ 555,213,428	\$ 183,705,300	\$ 122,575,490	\$ 500,483,500	\$ 7,543,420,950
2023	\$ 8,544,117,822	\$ 682,409,908	\$ 216,161,400	\$ 128,069,600	\$ 582,293,900	\$ 8,988,464,830
2024	\$ 9,048,855,688	\$ 681,762,242	\$ 216,053,600	\$ 135,486,730	\$ 585,670,600	\$ 9,496,487,660
10 yr. average	\$ 6,683,482,343	\$ 558,744,881	\$ 182,874,175	\$ 110,839,705	\$ 484,993,400	\$ 7,050,947,704



**TOWN OF HINGHAM, MASSACHUSETTS  
PROPERTY TAX RATES  
PER \$1,000 OF ASSESSED VALUE  
LAST TEN YEARS**

Year Ended June 30,		Residential		Commercial (1)		Industrial (1)		Personal
2015	\$	12.53	\$	12.53	\$	12.53	\$	12.53
2016	\$	12.49	\$	12.49	\$	12.49	\$	12.49
2017	\$	12.25	\$	12.25	\$	12.25	\$	12.25
2018	\$	11.77	\$	11.77	\$	11.77	\$	11.77
2019	\$	11.81	\$	11.81	\$	11.81	\$	11.81
2020	\$	11.53	\$	11.53	\$	11.53	\$	11.53
2021	\$	11.80	\$	11.80	\$	11.80	\$	11.80
2022	\$	11.56	\$	11.56	\$	11.56	\$	11.56
2023	\$	10.00	\$	10.00	\$	10.00	\$	10.00
2024	\$	10.85	\$	10.85	\$	10.85	\$	10.85

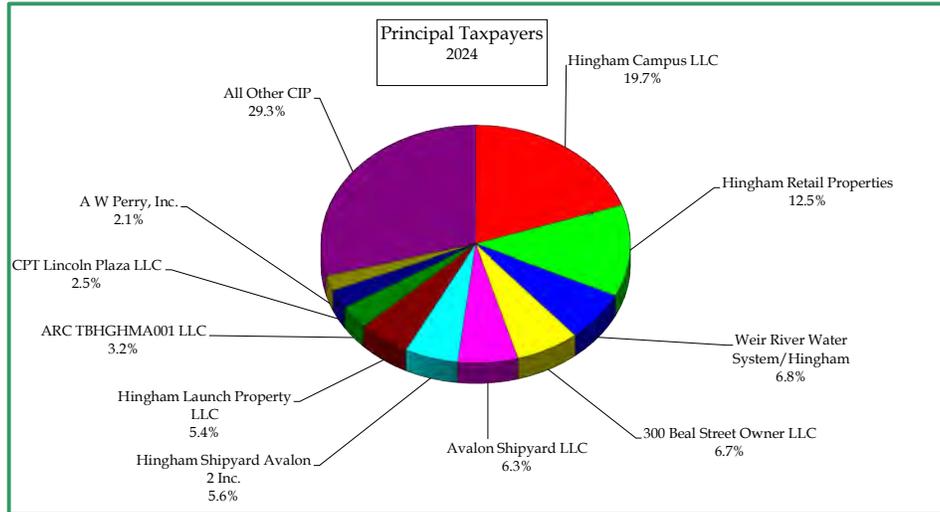


SOURCE: Assessor's Department, Town of Hingham

(1) Towns in Massachusetts are permitted to charge a higher rate for commercial and industrial properties; however, the Town of Hingham has always maintained a single rate structure.

**TOWN OF HINGHAM, MASSACHUSETTS  
PRINCIPAL TAXPAYERS (1)  
CURRENT YEAR AND NINE YEARS AGO**

Name	Nature of Business	2024				2015	
		Assessed Valuation	Rank	Percentage of CIP(2)	Percentage of Total Tax Levy(3)	Assessed Valuation	Rank
Hingham Campus LLC	Housing	\$203,598,800	1	19.7%	2.0%	\$154,928,200	1
Hingham Retail Properties	Mall	\$128,656,700	2	12.5%	1.3%	\$104,123,100	2
Weir River Water System/Hingham	Utilities	\$69,863,800	3	6.8%	0.7%		
300 Beal Street Owner LLC	Apartments	\$69,012,400	4	6.7%	0.7%		
Avalon Shipyard LLC	Apartments	\$64,721,100	5	6.3%	0.6%	\$43,900,000	4
Hingham Shipyard Avalon 2 Inc.	Office/Manufacturing	\$57,794,500	6	5.6%	0.6%		
Hingham Launch Property LLC	Land Comm. & Ind. Bldg.	\$55,446,200	7	5.4%	0.5%		
ARC TBHGHMA001 LLC	Apartments	\$33,352,200	8	3.2%	0.3%		
CPT Lincoln Plaza LLC	Retail	\$26,348,100	9	2.5%	0.3%		
A W Perry, Inc.	Land & Building	\$21,810,500	10	2.1%	0.2%	\$14,847,700	10
Samuels & Assoc. Hingham	Commercial					\$45,899,000	3
Talbots	Retail					\$26,812,900	5
Aquarion Water Company of Massachusetts	Utilities					\$20,812,900	6
Perry Rockland LLC	Land & Buildings					\$17,471,900	7
Curtlo LLC	Mall					\$16,546,300	8
John J Flatley	Land & Building					\$16,431,900	9
		<u>\$730,604,300</u>		<u>70.7%</u>	<u>7.2%</u>	<u>\$461,773,900</u>	



(1) SOURCE: Assessor's Department, Town of Hingham  
(2) Total Commercial, Industrial & Personal Property (CIP) valuation \$1,033,302,572.  
(3) Total valuation of all property \$10,082,125,260.

**TOWN OF HINGHAM, MASSACHUSETTS  
RATIOS OF OUTSTANDING DEBT AND GENERAL BONDED DEBT  
LAST TEN FISCAL YEARS**

Year Ended June 30,	Governmental Activities							
	Population	Personal Income	Assessed Value	General Obligation Bonds	Financed Purchases	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2015	22,368	\$ 1,288,709,952	\$ 5,919,438,780	\$ 82,841,960	\$ -	\$ 3,704	6.43%	1.40%
2016	23,132	\$ 1,332,727,048	\$ 6,175,354,200	\$ 80,904,795	\$ -	\$ 3,498	6.07%	1.31%
2017	23,055	\$ 1,328,290,770	\$ 6,465,789,910	\$ 73,130,465	\$ -	\$ 3,172	5.51%	1.13%
2018	23,488	\$ 1,353,237,632	\$ 6,900,020,290	\$ 60,976,034	\$ 1,396,695	\$ 2,596	4.51%	0.88%
2019	23,058	\$ 1,377,738,558	\$ 7,097,584,950	\$ 58,270,867	\$ 1,192,473	\$ 2,527	4.23%	0.82%
2020	23,303	\$ 1,824,648,203	\$ 7,462,620,230	\$ 51,530,674	\$ 983,456	\$ 2,211	2.82%	0.69%
2021	24,256	\$ 2,353,351,968	\$ 7,641,781,240	\$ 44,873,899	\$ 769,530	\$ 1,850	1.91%	0.59%
2022	24,311	\$ 2,944,013,478	\$ 8,043,904,450	\$ 40,240,234	\$ 1,609,500	\$ 1,655	1.37%	0.50%
2023	24,077	\$ 4,159,735,136	\$ 9,570,758,730	\$ 35,621,482	\$ 1,385,768	\$ 1,479	0.86%	0.37%
2024	24,281	\$ 4,135,685,606	\$ 10,082,158,260	\$ 83,047,527	\$ 1,157,606	\$ 3,420	2.01%	0.82%

Year Ended June 30,	Business-type Activities (1)		Total Primary Government			
	General Obligation Bonds	Financed Purchases	Total Debt Outstanding	Net General Bonded Debt Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2015	\$ 846,418	\$ 42,938	\$ 83,731,316	\$ 3,741	6.49%	1.41%
2016	\$ 635,516	\$ -	\$ 81,540,311	\$ 3,525	6.12%	1.32%
2017	\$ 427,662	\$ -	\$ 73,558,127	\$ 3,191	5.54%	1.14%
2018	\$ 214,808	\$ -	\$ 62,587,537	\$ 2,605	4.52%	0.89%
2019	\$ -	\$ -	\$ 59,463,340	\$ 2,527	4.23%	0.82%
2020	\$ -	\$ -	\$ 52,514,130	\$ 2,211	2.82%	0.69%
2021	\$ 119,987,337	\$ -	\$ 165,630,766	\$ 6,797	7.01%	2.16%
2022	\$ 117,498,636	\$ -	\$ 159,348,370	\$ 6,488	5.36%	1.96%
2023	\$ 114,613,719	\$ -	\$ 151,620,969	\$ 6,240	3.61%	1.57%
2024	\$ 117,092,876	\$ -	\$ 201,298,009	\$ 8,243	4.84%	1.99%

(1) South Shore Country Club and Weir River Water System  
Source: Audited Financial Statements, U.S. Census

**TOWN OF HINGHAM, MASSACHUSETTS  
COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS (1),(2)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Equalized value established January 1 by Comm. of Massachusetts.....	\$ <u>5,981,636</u>	\$ <u>6,668,867</u>	\$ <u>6,668,867</u>	\$ <u>7,407,974</u>	\$ <u>7,407,974</u>	\$ <u>7,942,260</u>	\$ <u>7,942,260</u>	\$ <u>8,672,526</u>	\$ <u>8,672,526</u>	\$ <u>10,581,544</u>
Debt limit.....	\$ 299,082	\$ 333,443	\$ 333,443	\$ 370,399	\$ 370,399	\$ 397,113	\$ 397,113	\$ 433,626	\$ 433,626	\$ 529,077
Less:										
Total net debt applicable to limit.....	\$ <u>87,303</u>	\$ <u>81,540</u>	\$ <u>75,154</u>	\$ <u>67,180</u>	\$ <u>59,463</u>	\$ <u>52,514</u>	\$ <u>42,002</u>	\$ <u>37,846</u>	\$ <u>33,658</u>	\$ <u>78,295</u>
Legal debt margin.....	\$ <u>211,779</u>	\$ <u>251,903</u>	\$ <u>258,289</u>	\$ <u>303,219</u>	\$ <u>310,936</u>	\$ <u>344,599</u>	\$ <u>355,111</u>	\$ <u>395,780</u>	\$ <u>399,968</u>	\$ <u>450,782</u>
Total net debt applicable to the limit as a percentage of debt limit.....	29.19%	24.45%	22.54%	18.14%	16.05%	13.22%	10.58%	8.73%	7.76%	14.80%

(Dollar amounts in thousands)

(1) Massachusetts General Laws, Chapter 44, Section 10 states that a town shall not authorize indebtedness to an amount exceeding five percent (5%) of the town's equalized valuation as determined by the Commissioner of Revenue. As of June 30, 2024 the most recent valuation was as of Jan 1, 2024. A town may; however, borrow up to ten percent (10%) of such equalized valuation with the approval of the Emergency Finance Board established under Chapter 49 of the Acts of 1993.

(2) The Town of Hingham does not have a debt service fund.

**TOWN OF HINGHAM, MASSACHUSETTS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2024**

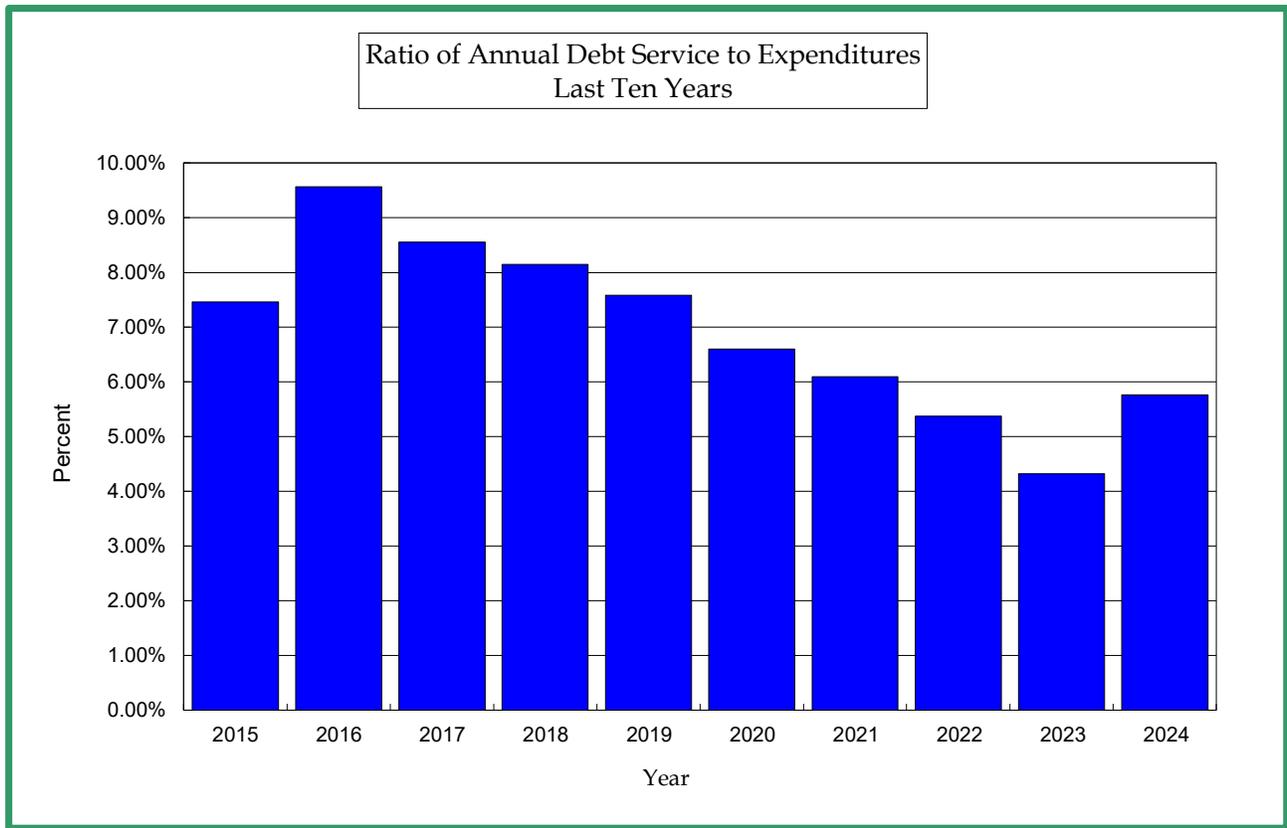
	<u>Outstanding Long Term Debt</u>	<u>Hingham's Estimated Share (1)</u>	<u>Estimated Share of Overlapping Debt</u>
MWRA Overlapping Debt (2)..... \$	2,640,386,000	0.3810%	\$ <u>10,059,978</u>
Town Direct Debt.....	84,205,133	N/A	84,205,133
Town Direct and Overlapping Debt.....			\$ <u><u>94,265,111</u></u>

(1) Estimated share based upon operating expenses.

(2) Source: Massachusetts Water Resources Authority (MWRA). Sewer debt only as of June 30, 2024. The MWRA provides water and sewer services to its member towns. Hingham is not a member of the MWRA water division as Hingham receives water from a private company.

**TOWN OF HINGHAM, MASSACHUSETTS**  
**RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT TO TOTAL GENERAL FUND**  
**EXPENDITURES**  
**LAST TEN FISCAL YEARS**

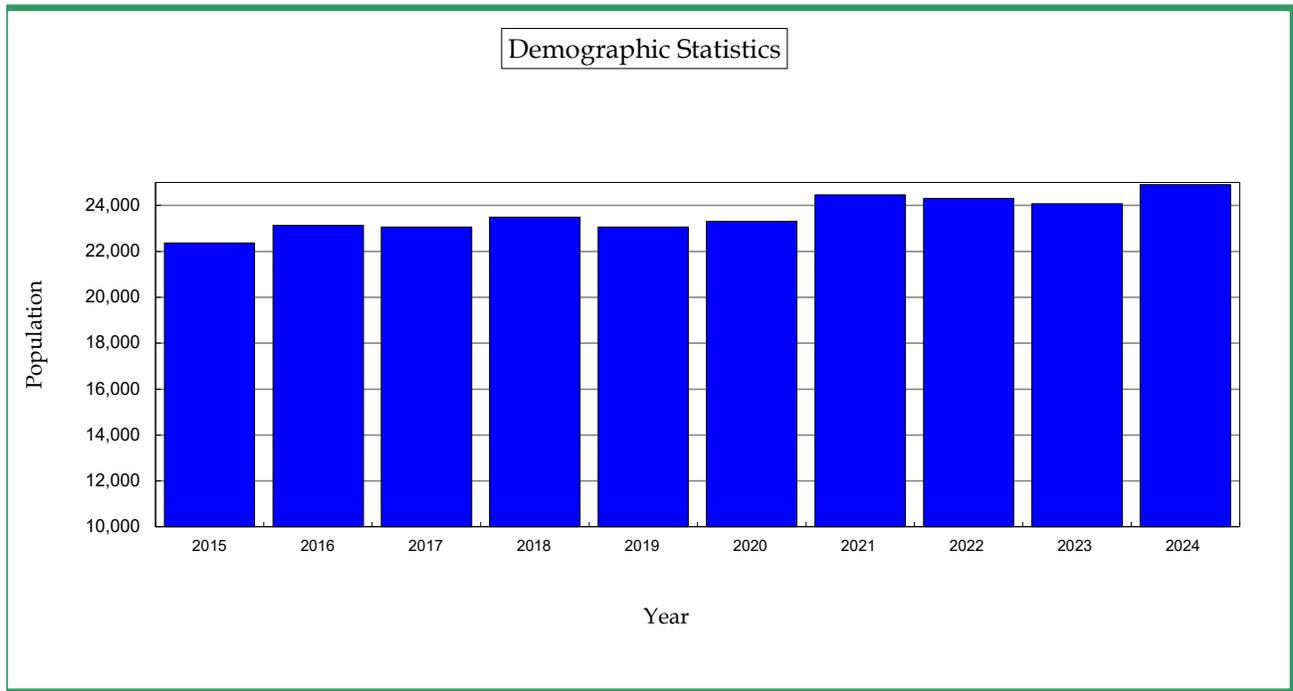
Year Ended Ended June 30,	Annual Debt Service	Total General Fund Expenditures	Ratio of Annual Debt Service to Expenditures
2015	\$ 7,178,663	\$ 96,214,249	7.5%
2016	\$ 9,814,457	\$ 102,610,743	9.6%
2017	\$ 9,452,005	\$ 110,535,572	8.6%
2018	\$ 9,139,747	\$ 112,180,550	8.1%
2019	\$ 8,703,763	\$ 114,785,674	7.6%
2020	\$ 7,867,091	\$ 119,142,820	6.6%
2021	\$ 7,636,695	\$ 125,287,939	6.1%
2022	\$ 6,582,971	\$ 122,403,395	5.4%
2023	\$ 5,596,311	\$ 129,547,595	4.3%
2024	\$ 8,023,118	\$ 139,137,646	5.8%



Source: Audited financial statements, Town Accountant's records.

**TOWN OF HINGHAM, MASSACHUSETTS  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS**

Year	Town of Hingham Population (1)	Plymouth County Population (2)	Commonwealth of Massachusetts Population (2)
2015	22,368	507,022	6,745,408
2016	23,132	510,393	6,794,422
2017	23,055	513,565	6,811,779
2018	23,488	529,193	6,925,129
2019	23,058	518,122	6,902,149
2020	23,303	521,202	6,892,503
2021	24,456	530,819	7,029,917
2022	24,311	533,003	6,984,723
2023	24,077	533,069	6,981,974
2024	24,903	535,308	7,001,399

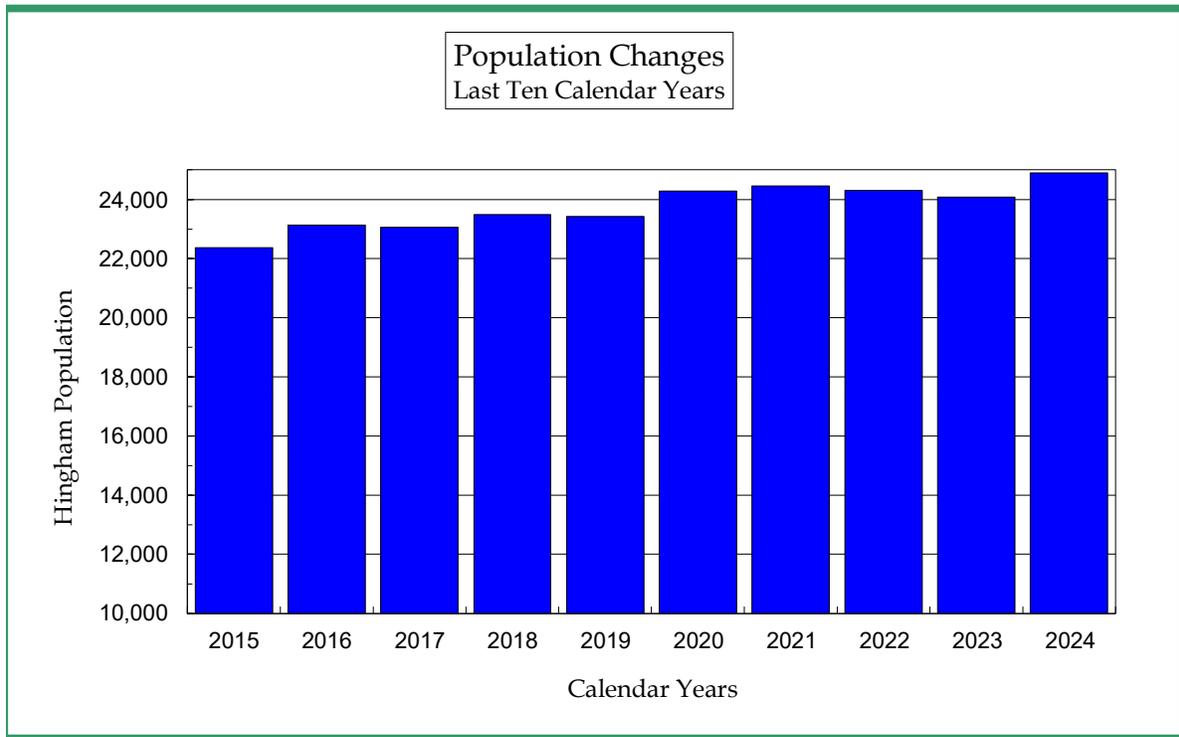


(1) Source: Hingham Town Clerk's Office.

(2) Source: US Department of Commerce, Bureau of the Census

**TOWN OF HINGHAM, MASSACHUSETTS  
POPULATION CHANGES  
LAST TEN CALENDAR YEARS**

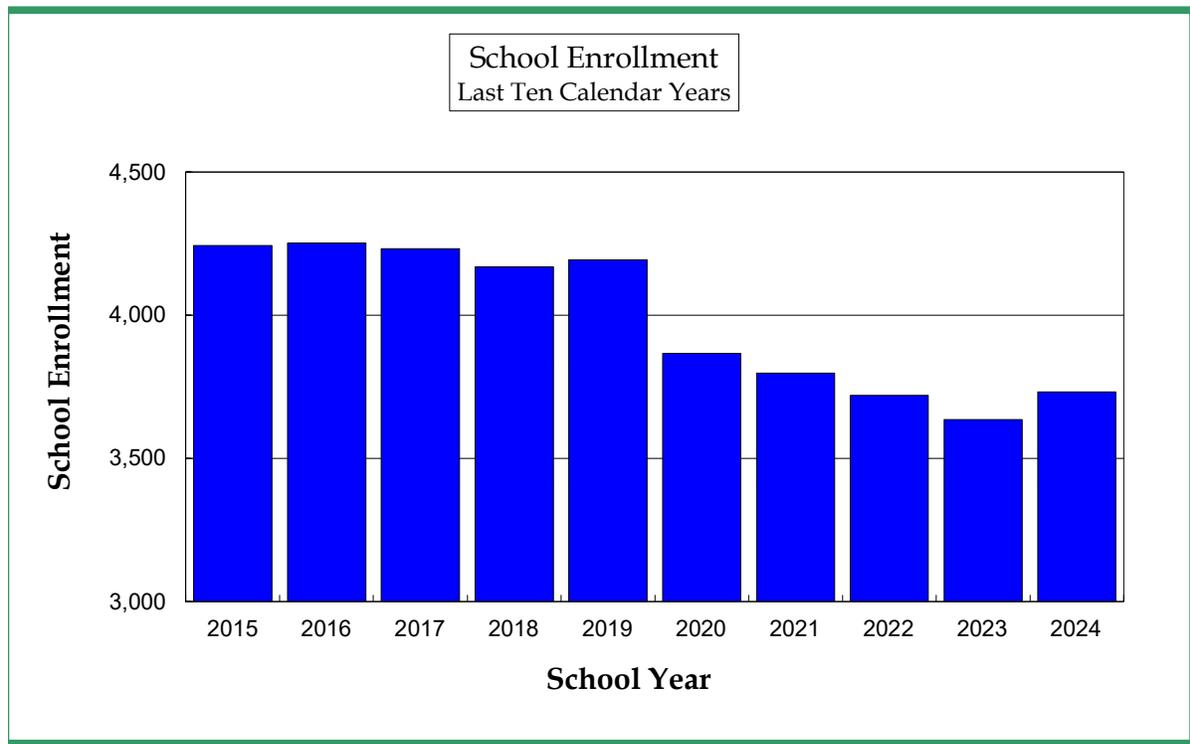
Year	Population	Increase (Decrease)
2015	22,368	(83)
2016	23,132	764
2017	23,055	(77)
2018	23,488	433
2019	23,426	(62)
2020	24,287	861
2021	24,456	169
2022	24,311	(145)
2023	24,077	(234)
2024	24,903	826



Source: Annual census data provided by the Town Clerk, Town of Hingham

**TOWN OF HINGHAM, MASSACHUSETTS  
SCHOOL ENROLLMENT STATISTICS  
LAST TEN YEARS**

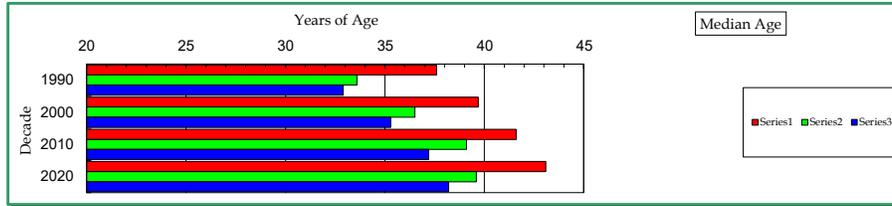
School Year	School Enrollment	Increase (Decrease)
2015	4,244	0
2016	4,252	8
2017	4,233	(19)
2018	4,169	(64)
2019	4,194	25
2020	3,867	(327)
2021	3,798	(69)
2022	3,720	(78)
2023	3,635	(85)
2024	3,732	97



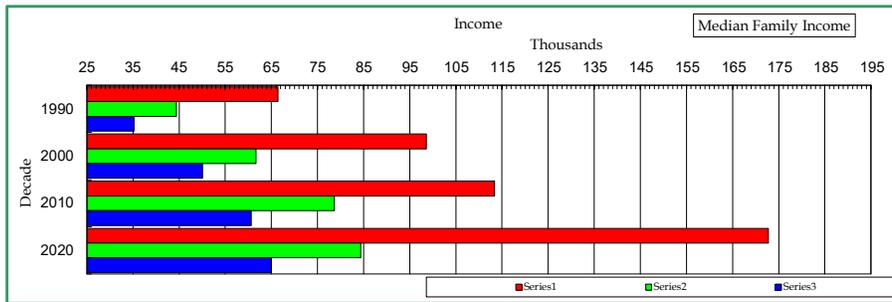
Source: Hingham's School Business Administration Office (K-12) In-district

**TOWN OF HINGHAM, MASSACHUSETTS  
MEDIAN AGE, MEDIAN FAMILY INCOME, AND PER CAPITA INCOME**

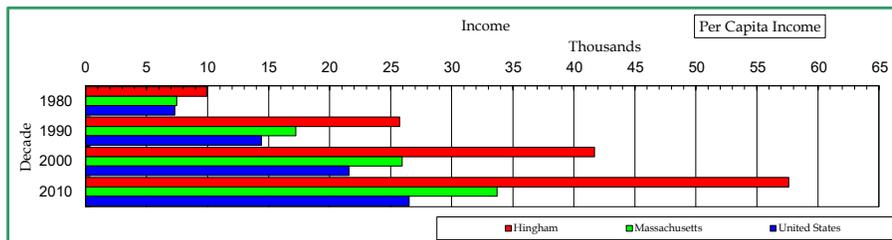
Median Age	Hingham	Massachusetts	United States
1990	37.6	33.6	32.9
2000	39.7	36.5	35.3
2010	41.6	39.1	37.2
2020	43.1	39.6	38.2



Median Family Income	Hingham	Massachusetts	United States
1990	\$ 66,386	\$ 44,367	\$ 35,225
2000	\$ 98,598	\$ 61,664	\$ 50,046
2010	\$ 113,412	\$ 78,653	\$ 60,609
2020	\$ 172,768	\$ 84,385	\$ 64,994



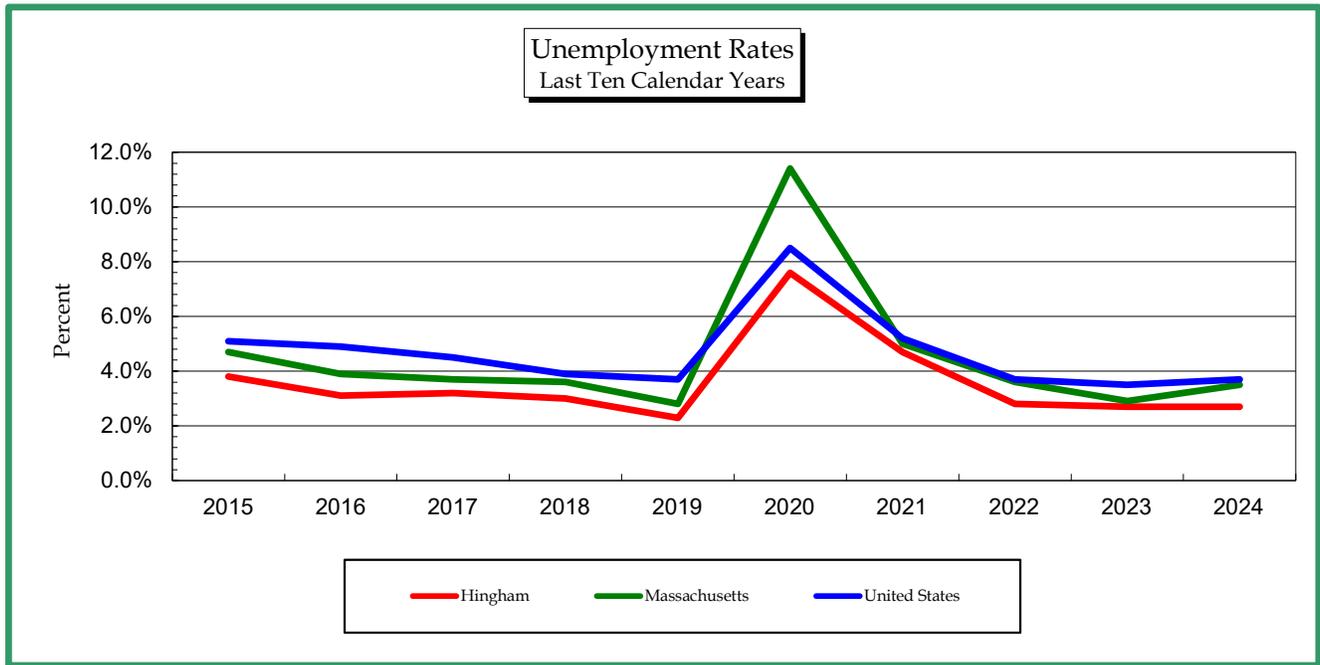
Per Capita Income	Hingham	Massachusetts	United States
1990	\$ 25,726	\$ 17,224	\$ 14,420
2000	\$ 41,703	\$ 25,952	\$ 21,587
2010	\$ 57,614	\$ 33,704	\$ 26,505
2020	\$ 89,073	\$ 45,555	\$ 35,384



Source: Federal Bureau of the Census.

**TOWN OF HINGHAM, MASSACHUSETTS  
UNEMPLOYMENT RATES  
LAST TEN CALENDAR YEARS**

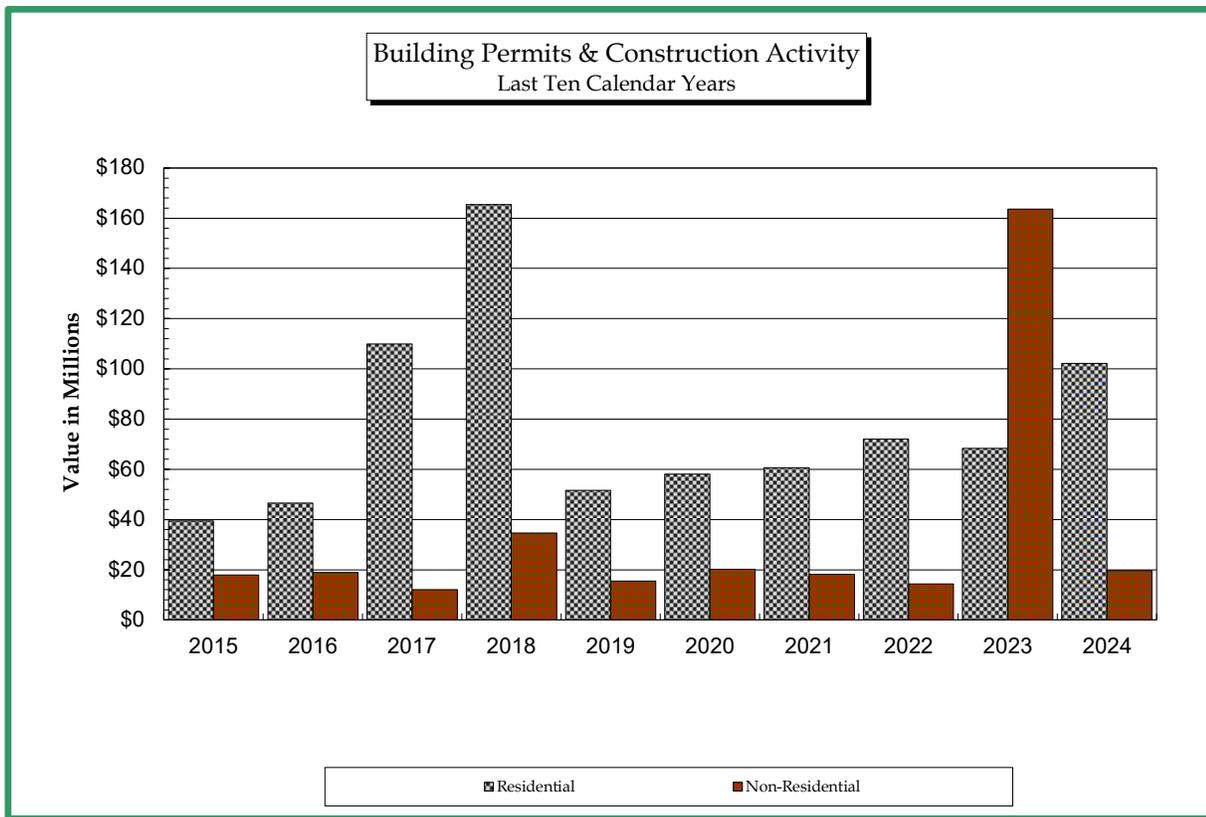
Year	Hingham (1)	Massachusetts (1)	United States (1)
2015	3.8%	4.7%	5.1%
2016	3.1%	3.9%	4.9%
2017	3.2%	3.7%	4.5%
2018	3.0%	3.6%	3.9%
2019	2.3%	2.8%	3.7%
2020	7.6%	11.4%	8.5%
2021	4.7%	5.0%	5.2%
2022	2.8%	3.6%	3.7%
2023	2.7%	2.9%	3.5%
2024	2.7%	3.5%	3.7%



(1) Source: Massachusetts Division of Employment and Training  
(As of August in each year)

**TOWN OF HINGHAM, MASSACHUSETTS  
BUILDING PERMITS AND CONSTRUCTION ACTIVITY  
LAST TEN FISCAL YEARS**

Year	Residential		Non-Residential		Total
	Number	Value	Number	Value	
2015	862	\$ 39,402,588	295	\$ 17,860,008	\$ 57,262,596
2016	1057	\$ 46,649,068	301	\$ 18,911,509	\$ 65,560,577
2017	931	\$ 109,928,064 (1)	263	\$ 12,102,620	\$ 122,030,684
2018	1045	\$ 165,415,589	275	\$ 34,716,235	\$ 200,131,824
2019	1050	\$ 51,589,368	285	\$ 15,527,843	\$ 67,117,211
2020	960	\$ 58,134,892	200	\$ 20,135,601	\$ 78,270,493
2021	893	\$ 60,687,392	186	\$ 18,128,485	\$ 78,815,877
2022	792	\$ 72,067,248	187	\$ 14,336,041	\$ 86,403,289
2023	744	\$ 68,381,799	141	\$ 163,585,027	\$ 231,966,826
2024	1002	\$ 102,147,106	169	\$ 19,667,562	\$ 121,814,668



Source: Building Inspector, Town of Hingham. Includes additions and alterations.

(1) The increase in Residential Values in 2017 relates to new construction and additions, and to Phase III of the Linden Ponds Retirement Community.

**TOWN OF HINGHAM, MASSACHUSETTS  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

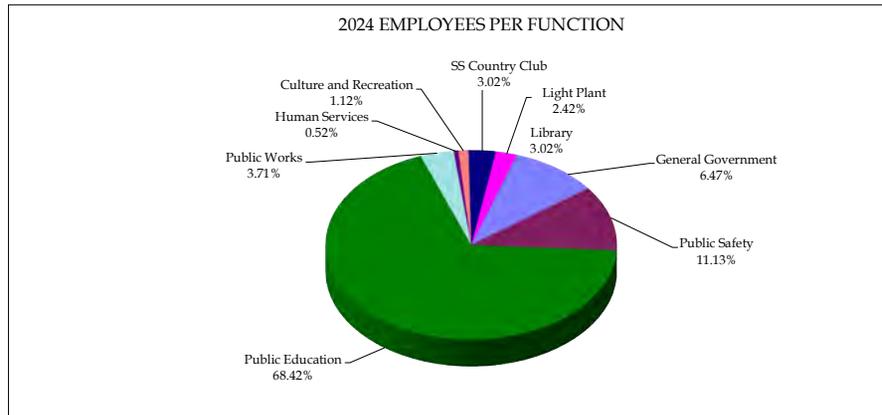
<b>2024</b>				
<b>Employer</b>	<b>Business</b>	<b>Employees</b>	<b>Rank</b>	<b>% of Total Employment</b>
Blue Cross/Blue Shield	Health Care	1,494	1	12.85%
Town of Hingham	Government	1,040	2	8.92%
Linden Ponds	Health Care	760	3	6.52%
Serono Laboratories	Bio-Technology	450	4	3.86%
Talbots	Retail Clothing	410	5	3.52%
Whole Foods	Retail	221	6	1.90%
Russ Electric	Manufacturing	203	7	1.74%
Harbor House	Health Care	181	8	1.55%
Stop & Shop	Retail	179	9	1.53%
Eat Well	Restaurant	175	10	1.50%
		<u>5,113</u>		<u>43.89%</u>

<b>2015</b>				
<b>Employer</b>	<b>Business</b>	<b>Employees</b>	<b>Rank</b>	<b>% of Total Employment</b>
Blue Cross/Blue Shield	Health Care	1,245	1	11.30%
Town of Hingham	Government	963	2	8.74%
Linden Ponds	Health Care	750	3	6.81%
Talbots	Retail Clothing	475	4	4.31%
Serono Laboratories	Bio-Technology	420	5	3.81%
Russ Electric	Manufacturing	230	6	2.09%
Whole Foods	Retail	208	7	1.89%
Harbor House	Health Care	192	8	1.74%
Stop & Shop	Retail	185	9	1.68%
Eat Well	Restaurant	170	10	1.54%
		<u>4,838</u>		<u>43.91%</u>

Source: Mass Department of Labor and Workforce Development  
Town of Hingham Accounting Office

**TOWN OF HINGHAM, MASSACHUSETTS  
NUMBER OF EMPLOYEES PER FUNCTION OF GOVERNMENT  
LAST TEN FISCAL YEARS**

Function	2024		2023		2022		2021		2020		2019		2018		2017		2016		2015			
	# of Employees	% of Total Employees	# of Employees	% of Total Employees	# of Employees	% of Total Employees	# of Employees	% of Total Employees	# of Employees	% of Total Employees	# of Employees	% of Total Employees	# of Employees	% of Total Employees	# of Employees	% of Total Employees	# of Employees	% of Total Employees	# of Employees	% of Total Employees		
<b>Governmental Activities</b>																						
General Government	75	6.47%	40	3.45%	43	3.71%	41	3.54%	42	3.62%	40	3.85%	47	4.61%	51	5.18%	50	5.05%	49	5.09%		
Public Safety	129	11.13%	121	10.44%	113	9.75%	124	10.70%	113	9.75%	116	11.15%	112	10.99%	114	11.57%	117	11.81%	111	11.53%		
Public Education	793	68.42%	747	64.45%	733	63.24%	700	60.40%	694	59.88%	673	64.71%	666	65.36%	658	66.80%	660	66.60%	635	65.94%		
Public Works	43	3.71%	44	3.80%	45	3.88%	40	3.45%	43	3.71%	47	4.52%	45	4.42%	50	5.08%	49	4.94%	49	5.09%		
Human Services	6	0.52%	12	1.04%	12	1.04%	13	1.12%	16	1.38%	16	1.54%	13	1.28%	14	1.42%	14	1.41%	15	1.56%		
Culture and Recreation	13	1.12%	6	0.52%	5	0.43%	6	0.52%	11	0.95%	14	1.35%	17	1.67%	20	2.03%	20	2.02%	24	2.49%		
<b>Business-Type Activities</b>																						
SS Country Club	35	3.02%	12	1.04%	12	1.04%	12	1.04%	15	1.29%	18	1.73%	16	1.57%	15	1.52%	14	1.41%	14	1.45%		
Light Plant	28	2.42%	28	2.42%	29	2.50%	26	2.24%	28	2.42%	29	2.79%	27	2.65%	26	2.64%	28	2.83%	28	2.91%		
Weir River Water System	2	0.17%	1	0.09%	1	0.09%	1	0.09%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%		
<b>Component Unit</b>																						
Library	35	3.02%	29	2.50%	26	2.24%	30	2.59%	30	2.59%	31	2.98%	35	3.43%	37	3.76%	39	3.94%	38	3.95%		
<b>TOTAL EMPLOYEES</b>	<b>1159</b>	<b>100.00%</b>	<b>1040</b>	<b>89.73%</b>	<b>1019</b>	<b>87.92%</b>	<b>993</b>	<b>85.68%</b>	<b>992</b>	<b>85.59%</b>	<b>984</b>	<b>94.62%</b>	<b>978</b>	<b>95.98%</b>	<b>985</b>	<b>100.00%</b>	<b>991</b>	<b>100.00%</b>	<b>963</b>	<b>100.00%</b>		



Source: Various Town Departments.  
Does not include seasonal employees

**TOWN OF HINGHAM, MASSACHUSETTS  
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS**

<b><u>Function/Program</u></b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
General Government										
Number of Buildings	4	4	4	5	5	5	5	5	5	5
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Fire Station										
Number of Stations	3	3	3	3	3	3	3	3	3	3
Public Education										
Number of elementary schools	4	4	4	4	4	4	4	4	4	4
Number of middle schools	1	1	1	1	1	1	1	1	1	1
Number of high schools	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets to maintain (approx. miles)	140	140	140	140	140	140	140	140	140	140
Sidewalks to maintain (approx. miles)	60	60	60	60	60	60	60	60	60	60
Tree & Park Division										
Tree Plantings	48	73	86	81	61	29	0	18	3	10
Tree Removals	185	217	249	378	357	247	193	167	131	156
Weir River Water System										
Water Treatment Plant	0	0	0	0	0	0	1	1	1	1
Water Mains (approx. miles)	0	0	0	0	0	0	190	190	190	200
Municipal Fire Hydrants	0	0	0	0	0	0	900	900	950	1,034
Human Services										
Senior Center Facility	1	1	1	1	1	1	1	1	1	1
Cultural and Recreation										
Number of libraries	1	1	1	1	1	1	1	1	1	1
Parks (acreage)	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Playgrounds	8	8	8	8	8	8	8	8	8	8
Public beaches	1	1	1	1	1	1	1	1	1	1
Tennis courts (individual)	25	25	25	25	25	25	25	25	25	25
Basketball courts (inside & outside)	15	15	15	15	15	15	15	15	15	15
Athletic Fields	32	32	32	32	32	32	32	32	32	32
Country Club	1	1	1	1	1	1	1	1	1	1

**TOWN OF HINGHAM, MASSACHUSETTS  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS**

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government									
Town Clerk									
Population	22,368	23,132	23,055	23,055	23,426	24,287	24,384	24,903	23,314
Houses, including condominiums	7,249	7,448	7,476	7,473	7,555	7,523	7,586	7,572	7,604
Registered voters, Annual Town Election	16,768	16,768	16,897	16,897	17,936	18,933	18,861	19,642	19,421
Births	222	220	206	197	196	197	236	242	223
Marriages	84	78	74	67	71	82	92	75	58
Deaths	491	448	493	496	482	489	475	517	582
Community Planning									
Building Permits issued	1,312	1,217	1,201	1,398	1,242	1,218	1,378	1,196	1,271
Police									
Emergency responses	24,374	23,857	20,796	22,582	26,031	26,564	30,000	27,323	28,121
Motor vehicle accidents	839	855	813	1,066	1,097	499	361	386	353
Parking tickets issued	243	152	411	220	283	117	222	229	206
Fire									
Emergency responses	4,332	4,372	4,389	4,487	4,616	4,268	4,993	5,372	5,382
Public Works									
Recycling/tons	2,197	2,085	2,470	2,052	2,019	2,315	1,303	1,540	1,339
Return bottle program:									
Donated cans	348,490	368,060	410,960	407,000	474,000	545,600	739,200	686,500	580,800
Donated bottles	53,530	54,810	56,560	58,800	56,700	65,100	88,200	82,100	69,300
Snow & Ice									
Inches of snow	113	54	74	57	34	39	44	54	10
Snowplowing operations	20	8	9	7	7	4	6	11	1
Sanding operations	45	30	29	23	23	18	27	28	8
Council on Aging									
Van trips	4,569	4,907	4,631	5,749	1,806	585	1,382	825	792
Volunteers	157	141	139	136	114	47	43	62	62
Total Volunteer hours	10,086	10,075	9,731	9,699	3,805	932	1,406	3,613	4,410
Health									
Permits issued	2,065	2,283	1,988	1,987	2,128	2,221	2,223	2,026	2,226
Library									
Number of patrons	230,269	247,000	254,000	246,827	252,000	N/A	N/A	99,511	127,857
Check-out items	356,524	350,000	334,000	322,609	327,000	68,395	160,508	324,857	352,448
Card holders	12,343	12,000	12,000	12,000	12,700	12,700	12,700	12,700	9,181
Program attendance	17,000	16,800	18,700	19,343	20,000	6,019	6,243	4,507	8,291
Public Education									
Public school enrollment	4,244	4,252	4,233	4,169	4,194	3,884	3,865	3,811	3,707
Professional staff	369	369	366	382	391	393	409	421	384
Support staff	308	305	283	307	297	301	306	341	409
Recreation									
Total program revenue	\$ 958,867	\$ 1,071,443	\$ 1,231,971	\$ 1,378,715	\$ 1,439,640	\$ 1,344,129	\$ 672,258	\$ 1,347,622	\$ 2,220,008
Veteran Services									
Total Veteran's benefits	\$ 225,947	\$ 206,310	\$ 191,969	\$ 193,471	\$ 193,471	\$ 148,600	\$ 157,904	\$ 142,116	\$ 125,222
Retirement									
Total membership	1,128	1,172	1,199	1,236	1,236	1,267	1,330	1,386	1,422

Source: Annual Town Reports, Town Departments  
2024 data is not yet available: 2019 Council on Aging's numbers are from July-Dec. 2019.

**TOWN OF HINGHAM, MASSACHUSETTS  
FREE CASH AND STABILIZATION FUND BALANCES  
LAST TEN FISCAL YEARS**

Year	Free Cash	Stabilization Fund
FY2024.....	\$ N/A	\$ 2,003,180
FY2023.....	\$ 28,315,179	\$ 2,197,987
FY2022.....	\$ 26,792,809	\$ 2,167,013
FY2021.....	\$ 27,852,523	\$ 2,338,809
FY2020.....	\$ 24,607,647	\$ 2,513,004
FY2019.....	\$ 26,384,668	\$ 2,769,998
FY2018.....	\$ 25,089,020	\$ 3,322,579
FY2017.....	\$ 19,293,902	\$ 3,894,342
FY2016.....	\$ 17,641,268	\$ 2,339,996
FY2015.....	\$ 18,172,013	\$ 2,171,733

Source: Town Records  
N/A: FY2024 Free Cash not yet available