

NOTICE OF SALE AND PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 15, 2026

BOOK-ENTRY ONLY

RATINGS: See "Ratings" herein

In the opinion of Troutman Pepper Locke LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Notes will not be included in computing the alternative minimum taxable income of individuals. However, interest on the Notes will be included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Under existing law, interest on the Notes is exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes. See "Tax Exemption" herein. The Notes will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

TOWN OF HINGHAM, MASSACHUSETTS

\$43,755,653 General Obligation Bond Anticipation Notes (the "Notes")

Dated: February 12, 2026

Due: February 12, 2027

Rate:**

Yield:**

The Notes will be dated February 12, 2026 and will bear interest from that date until their maturity date on February 12, 2027, at an annual rate as specified by the successful bidder for the Notes. The Notes will be issued in fully registered form without coupons, and, when issued, will be registered in the name of Cede & Co., nominee of The Depository Trust Company ("DTC") in New York, New York, unless the issuance of a fully registered note certificate is requested by the successful bidder for all of the Notes in accordance with the Official Notice of Sale relating to the Notes, and the issuance of such certificate is approved by the Town. Purchases of the Notes will be made in book-entry form, in the denomination of \$5,000 or an integral multiple thereof, except for one necessary odd denomination in the amount of \$5,653. (See "Book-Entry Only System" herein.)

A successful bidder for all of the Notes may request that the Notes be issued in the form of one fully registered physical certificate, rather than in book-entry form through the facilities of DTC. The successful bidder seeking the issuance of the Notes in this manner shall bear any and all costs of any re-registration or transfer of Notes from time to time. Any bidder seeking to have the Notes issued in the form of a fully registered physical certificate, rather than in book-entry form, shall indicate this preference to the Town at the time of the submission of the winning bid. The Town reserves the right to decline any request to issue the Notes in non-book entry form if it should determine, in its sole discretion, that issuing the Notes in this manner is not in its best interests. U.S. Bank Trust Company, National Association, Boston, Massachusetts, will act as Paying Agent for the Notes.

The Notes are not subject to redemption prior to maturity.

THE NOTES ARE BEING OFFERED FOR SALE AT 11:00 AM (EASTERN TIME), ON WEDNESDAY, JANUARY 28, 2026, AT CAPITAL MARKETS ADVISORS, LLC, 11 GRACE AVENUE SUITE 308, GREAT NECK, NEW YORK VIA FAX, PHONE OR ELECTRONIC BIDS. REFERENCE IS MADE TO THE NOTICE OF SALE DATED JANUARY 15, 2026 FOR THE CONDITIONS OF SUCH SALE.

The Notes are offered for delivery when, as and if issued by the Town and received by the winning bidder(s), subject to the approving opinion of Troutman Pepper Locke LLP, Boston, Massachusetts, Bond Counsel, and to certain other conditions referred to herein and in the Official Notice of Sale. Capital Markets Advisors, LLC has acted as Municipal Advisor to the Town with respect to the Notes. It is expected that the Notes in definitive form will be delivered to DTC in New York, New York, or its custodial agent, or to the registered owner if a fully registered Note certificate is requested by the winning bidder for all of the Notes and approved by the Town, on or about February 12, 2026, against payment in Federal Reserve Funds.

* Will be set forth in the final Official Statement described herein.

Dated: January __, 2026

This Official Statement is not to be construed as a contract or agreement between the Town of Hingham, Massachusetts and the purchasers or holders of any of the Notes. The information set forth herein has been obtained from the Town and from other sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the Notes described herein shall, under any circumstances, create any implication that there has been no change in the affairs of the Town of Hingham, Massachusetts since the date hereof.

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The scope of engagement of Bond Counsel does not extend to passing upon or assuming responsibility for accuracy or adequacy of any statements made in this Official Statement other than matters expressly set forth as their opinion and they make no representation that they have independently verified the same.

NOTE ISSUE SUMMARY

TOWN OF HINGHAM, MASSACHUSETTS

\$43,755,653

General Obligation Bond Anticipation Notes

The information in this Note Issue Summary is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.

DATE OF SALE: Wednesday, January 28, 2026

LOCATION OF SALE: The offices of Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York 11021, fax (516) 487-2575 and telephone (516) 274-4502.

ISSUER: Town of Hingham, Massachusetts

NOTE ISSUE: \$43,755,653 General Obligation Bond Anticipation Notes (the “Notes”).

DATED DATE: The Notes will be dated as of their date of delivery.

NOTE MATURITY DATE: The Notes will mature on February 12, 2027.

AUTHORIZATION AND PURPOSE OF THE NOTES: The proceeds from the sale of the Notes, together with \$620,562 in available funds, will be used to (i) redeem a portion of \$37,661,683 bond anticipation notes originally issued to finance various projects described herein and (ii) provide original financing for certain capital purposes under the provisions of Chapter 44 of the Massachusetts General Laws. (See “Authorization and Purpose of the Notes” herein.)

NOTE REDEMPTION: The Notes are not subject to redemption prior to maturity.

SECURITY FOR THE NOTES: The Notes are valid general obligations of the Town, and, to the extent not paid from other sources, the Notes are payable from taxes which may be levied upon all taxable property within the territorial limits of the Town, and taxable by it, without limitation as to rate or amount except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the Town has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws (Proposition 2 ½), and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the Town has not voted to exempt from that limit.

RATINGS: The Town currently has underlying, uninsured credit ratings from Moody’s Investors Service (“Moody’s”), S&P Global Ratings, and Fitch Ratings (“Fitch”) of Aaa/AAA/AAA, respectively. The Town has applied to S&P for ratings on the Notes. Such application is pending at this time. The Town did not apply to Moody’s or Fitch for a rating on the Notes (see “Ratings” herein).

BASIS OF AWARD: The Notes will be awarded based on Lowest Net Interest Cost (“NIC”) as of the dated date.

TAX EXEMPTION: In the opinion of Troutman Pepper Locke LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Notes will not be included in computing the alternative minimum taxable income of individuals. However, interest on the Notes will be included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Under existing law, interest on the Notes is exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes. See “Tax Exemption” herein. The Notes will not be designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

SIGNIFICANT EVENTS DISCLOSURE WITH RESPECT TO THE NOTES: Refer to “Disclosure of Significant Events with Respect to the Notes” herein.

BANK QUALIFICATION: The Town will not designate the Notes as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

PAYING AGENT: U.S. Bank Trust Company, National Association, Boston, Massachusetts

LEGAL OPINION: Troutman Pepper Locke LLP, Boston, Massachusetts will act as Bond Counsel.

DELIVERY AND PAYMENT: It is expected that delivery of the Notes in book-entry form will be made to The Depository Trust Company or its custodial agent, or to the registered owner if a fully registered Note certificate is requested by the winning bidder for all of the Notes and approved by the Town, on or about February 12, 2026. Delivery of the Notes will be made against payments in Federal Reserve Funds.

TOWN OFFICIAL: For more information concerning the Town and the Official Statement contact Lori-Ann Magner, Town Treasurer/Collector, (781) 741-1408 or Ann MacNaughton, Town Accountant, (781) 741-1470.

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OFFICIAL STATEMENT

TOWN OF HINGHAM MASSACHUSETTS

\$43,755,653 General Obligation Bond Anticipation Notes

This Official Statement is provided for the purpose of presenting certain information relating to the Town of Hingham, Massachusetts (the “Town”) in connection with the issuance and sale of \$43,755,653 General Obligation Bond Anticipation Notes (the “Notes”). The information contained herein has been furnished by the Town, except information specifically attributed to another government agency or official.

The Notes are being offered for sale at public bidding on Wednesday, January 28, 2026. A Notice of Sale dated January 15, 2026 has been furnished to prospective bidders. Reference is hereby made to the Notice of Sale for the terms and conditions of the bidding.

THE NOTES

Description of the Notes

The Notes will be dated February 12, 2026 and principal of and interest on the Notes will be payable by U.S. Bank Trust Company, National Association, Boston, Massachusetts, or its successor, as Paying Agent, on February 12, 2027. The Notes will be issued by means of a book-entry system evidencing ownership of the Notes in denominations of \$5,000, or integral multiples thereof, except for a necessary odd denomination of \$5,653, with transfers of ownership affected on the records of DTC and its participants pursuant to the rules and procedures adopted by the DTC, unless the delivery of a fully registered note certificate is requested by the winning bidder for all of the Notes and the issuance of such certificate is approved by the Town. See “Book-Entry Only System” herein. Interest on the Notes will be computed based on a 30-day month and a 360-day year at the rate or rates determined upon their sale in accordance with the Notice of Sale dated January 15, 2026.

Authorization and Purpose of the Notes

The Notes are being issued pursuant to Chapters 44 and 70B of the Massachusetts General Laws and various votes of the Town as described below. Proceeds from the sale of the Notes, together with \$620,562 in available funds, will be used to redeem a portion of the \$37,661,683 outstanding bond anticipation notes of the Town maturing on February 13, 2026 (the balance to be paid with additional revenue funds of the Town and a portion of the proceeds of a separate issue of bonds) and provide original financing for certain purposes as described below. Proceeds of the Notes may be transferred or re-appropriated to other capital projects to the extent projects are completed or abandoned and such proceeds remain unspent.

<u>Authorization Date</u>	<u>Amount Authorized</u>	<u>Purpose</u>	<u>G.L. Borrowing Authority</u>	<u>Notes Outstanding*</u>	<u>Principal Paydown</u>	<u>New Money</u>	<u>Amount in this Issue of Notes</u>
10/27/2008	\$7,000,000	Lincoln School Apartments Acquisition	Ch. 44, Sec. 7(1)	\$ 77,779	\$ 11,111	\$0	\$ 66,668
04/22/2013	3,750,000	Land Acquisition – Recreation Park Dr.	Ch. 44 Sec. 7(1)	2,638,421	146,579	0	2,491,842
04/25/2017	590,000	Road Construction/ Seawalls	Ch. 44 Sec. 7(1)	196,848	21,872	0	174,976

* Due February 13, 2026, to be paid from a portion of the proceeds of the Notes and revenue funds, as noted in the Principal Paydown column above.

Authorization Date	Amount Authorized	Purpose	G.L. Borrowing Authority	Notes Outstanding*	Principal Paydown	New Money	Amount in this Issue of Notes
4/30/2022	\$ 3,993,600	Plymouth River School Windows	Ch. 70B	\$ 328,000	\$ 41,000	\$ 799,912	\$ 1,086,912
4/30/2022	5,400,000	Weir River Water System	Ch 44 Sec 8	5,400,000	150,000	0	5,250,000
11/1/2022	113,335,749 ⁽¹⁾	Foster Elementary School New Construction	Ch. 44 Ch. 70B	16,685,255	0	0	16,685,255
4/24/2024	21,005,000	Weir River Water System	Ch 44 Sec 8	3,800,000	0	6,200,000	10,000,000
4/24/2024	13,000,000	Route 3A Sewer Construction	Ch 44 Sec 7	0	0	4,000,000	4,000,000
4/28/2025	3,000,000	Water Capital Projects	Ch 44 Sec 7	0	0	3,000,000	3,000,000
4/28/2025	3,310,000	HS Roof Replacement Feasibility Study	Ch 44 Sec 7	<u>0</u>	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
Total:				<u>\$29,126,303</u>	<u>\$370,562</u>	<u>\$14,999,912</u>	<u>\$43,755,653</u>

* Due February 13, 2026, to be paid from a portion of the proceeds of the Notes and revenue funds, as noted in the Principal Paydown column above.

(1) The Town voted to exclude debt service on this authorization from the limitations of Proposition 2½, so called.

The Town anticipates that the Notes will be retired at maturity from proceeds from the sale of the long-term bonds in anticipation of which the Notes are issued, proceeds from the sale of renewal bond anticipation notes and other available funds of the Town, or a combination of such sources. The ability of the Town to retire the Notes from the proceeds of the sale of either renewal notes or long-term bonds will be dependent on the marketability of such notes or long-term bonds under market conditions prevailing at the time they are offered for sale, which are subject to change due to factors beyond the control of the Town.

Redemption

The Notes will not be subject to redemption prior to maturity.

Book-Entry Only System

This section shall only apply to Notes issued in book-entry form through the facilities of The Depository Trust Company (“DTC”), New York, NY.

DTC will act as securities depository for the Notes. The Notes will be issued in fully-registered form registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Notes, each in the aggregate principal amount of such maturity, and each certificate will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers

and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities held by it; DTC’s records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to securities held by it unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town or the Paying Agent held by it as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on securities held by DTC will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the issuer of securities held by DTC, on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participants and not of DTC or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to securities held by it at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered to Beneficial Owners.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

DTC Practices

The Town can make no assurance that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Notes will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

Opinion of Bond Counsel

A copy of the legal opinion of the firm of Troutman Pepper Locke LLP of Boston, Massachusetts, will be furnished to the respective successful bidders on the Notes (see Appendix E). The opinion will be dated and given on and will speak only as of the date of original delivery of the Notes to the respective successful bidders.

The scope of engagement of Bond Counsel does not extend to passing upon or assuming responsibility for the accuracy or adequacy of any statements made in this Official Statement other than matters expressly set forth as their opinion and they make no representation that they have independently verified the same.

Tax Exemption

In the opinion of Troutman Pepper Locke LLP, Bond Counsel to the Town, (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Bond Counsel is of the further opinion that interest on the Notes will not be included in computing the alternative minimum taxable income of Noteholders who are individuals. However, interest on the Notes will be included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on the Notes. The Notes will not be designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. Failure to comply with these requirements may result in interest on the Notes being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Notes. The Town has covenanted to comply with such requirements to ensure that interest on the Notes will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these requirements.

Bond Counsel is also of the opinion that, under existing law, interest on the Notes is exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Notes. Prospective Noteholders should be aware, however, that the Notes are included in the measure of Massachusetts estate and inheritance taxes, and the Notes and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel expresses no opinion as to the taxability of the Notes or the income therefrom or any other tax consequences arising with respect to the Notes under the laws of any state other than Massachusetts.

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is either the reasonably expected initial offering price to the public or the first price at which a substantial amount of such maturity of the Notes is sold to the public, as applicable. The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Noteholders should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of purchasers who do not purchase such Notes in the original offering to the public at the reasonably expected initial offering price or, if applicable, the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Notes, or, in some cases, at the earlier redemption date of such Notes (“Premium Notes”), will be treated as having

amortizable note premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable note premium in the case of obligations, such as the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, a Noteholder's basis in a Premium Note will be reduced by the amount of amortizable note premium properly allocable to such Noteholder. Holders of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable note premium in their particular circumstances.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Notes may otherwise affect the federal or state tax liability of a Noteholder. Among other possible consequences of ownership or disposition of, or the accrual or receipt of interest on, the Notes, the Code requires recipients of certain social security and certain railroad retirement benefits to take into account receipts or accruals of interest on the Notes in determining the portion of such benefits that are included in gross income. The nature and extent of all such other tax consequences will depend upon the particular tax status of the Noteholder or the Noteholder's other items of income, deduction, or exclusion. Bond Counsel expresses no opinion regarding any such other tax consequences, and Noteholders should consult with their own tax advisors with respect to such consequences.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the Massachusetts legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Notes will not have an adverse effect on the tax status of interest on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

Additionally, Noteholders should be aware that future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Notes for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Notes may be affected and the ability of Noteholders to sell their Notes in the secondary market may be reduced. The Notes are not subject to special mandatory redemption, and the interest rate on the Notes is not subject to adjustment, in the event of any such change in the tax treatment of interest on the Notes.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Security and Remedies

Full Faith and Credit. General obligation bonds and notes of a Massachusetts city or town constitute a pledge of its full faith and credit. Payment is not limited to a particular fund or revenue source. Except for "qualified bonds" as described below (see "*Serial Bonds and Notes*" under "Types of Obligations" herein) and setoffs of state distributions as described below (see "*State Distributions*" under "TOWN FINANCES" herein), no provision is made by the Massachusetts statutes for priorities among bonds and notes and other general obligations, although the use of certain moneys may be restricted.

Tax Levy. The Massachusetts statutes direct the municipal assessors to include annually in the tax levy for the next fiscal year "all debt and interest charges matured and maturing during the next fiscal year and not otherwise provided for [and] all amounts necessary to satisfy final judgments". Specific provision is also made for including in the next tax levy payments of rebate amounts not otherwise provided for and payment of notes in anticipation of federal or state aid, if the aid is no longer forthcoming.

The total amount of a tax levy is limited by statute. However, the voters in each municipality may vote to exclude from the limitation any amounts required to pay debt service on indebtedness incurred before November 4, 1980. Local voters may also vote to exempt specific subsequent bond issues from the limitation. (See "Property Tax Limitations" under "PROPERTY TAXATION" herein.) In addition, obligations incurred before November 4, 1980 may be constitutionally entitled to payment from taxes in excess of the statutory limit.

No Lien. Except for taxes on the increased value of certain property in designated development districts which may be pledged for the payment of debt service on bonds issued to finance economic development projects within such districts, no provision is made

for a lien on any portion of the tax levy or any other moneys to secure particular bonds or notes or bonds and notes generally (or judgments on bonds or notes) in priority to other claims. Provision is made, however, for borrowing to pay judgments, subject to the General Debt Limit. (See “Debt Limits” below.) Upon certification by the city solicitor or town counsel that no appeal can or will be taken, or as otherwise required by a municipality’s charter, ordinances, or by-laws, judgments may also be paid from available funds without appropriation and included in the next tax levy unless other provision is made. Any such payments shall be reported to the city or town’s assessors by the city or town’s auditor or accountant (or other officer having similar duties). The assessors shall include amounts of such payments in the aggregate appropriations assessed in the determination of the next subsequent annual tax rate.

Court Proceedings. Massachusetts cities and towns are subject to suit on their general obligation bonds and notes and courts of competent jurisdiction have power in appropriate proceedings to order payment of a judgment on the bonds or notes from lawfully available funds or, if necessary, to order the city or town to take lawful action to obtain the required money, including the raising of it in the next annual tax levy, within the limits prescribed by law. (See “Property Tax Limitations” under “PROPERTY TAXATION” herein.) In exercising their discretion as to whether to enter such an order, the courts could take into account all relevant factors including the current operating needs of the city or town and the availability and adequacy of other remedies. The Massachusetts Supreme Judicial Court has stated in the past that a judgment against a municipality can be enforced by the taking and sale of the property of any inhabitant. However, there has been no judicial determination as to whether this remedy is constitutional under current due process and equal protection standards.

Restricted Funds. Massachusetts statutes also provide that certain water, gas and electric, community antenna television system, telecommunications, sewer, parking meter and passenger ferry fee, community preservation and affordable housing receipts may be used only for water, gas and electric, community antenna television system, telecommunications, sewer, parking, mitigation of ferry service impacts, community preservation and affordable housing purposes, respectively; accordingly, moneys derived from these sources may be unavailable to pay general obligation bonds and notes issued for other purposes. A city or town that accepts certain other statutory provisions may establish an enterprise fund for a utility, health care, solid waste, recreational or transportation facility and for police or fire services; under those provisions any surplus in the fund is restricted to use for capital expenditures or reduction of user charges for such activity. In addition, subject to certain limits, a city or town may annually authorize the establishment of one or more revolving funds in connection with use of certain revenues for programs that produce those revenues; interest earned on a revolving fund is treated as general fund revenue. A city or town may also establish an energy revolving loan fund to provide loans to owners of privately held property in the city or town for certain energy conservation and renewable energy projects and may borrow to establish such fund. The loan repayments and interest earned on the investment of amounts in the fund shall be credited to the fund. Also, the annual allowance for depreciation of a gas and electric plant or a community antenna television and telecommunications system is restricted to use for plant or system renewals and improvements, for nuclear decommissioning costs, and costs of contractual commitments, or, with the approval of the State Department of Telecommunications and Energy, to pay debt incurred for plant or system reconstruction or renewals. Revenue bonds and notes issued in anticipation of them may be secured by a prior lien on specific revenues. Receipts from industrial users in connection with industrial revenue financings are also not available for general municipal purposes.

State Distributions. State grants and distributions may in some circumstances be unavailable to pay general obligation bonds and notes of a city or town in that the State Treasurer is empowered to deduct from such grants and distributions the amount of any debt service paid on “qualified bonds” (See “Serial Bonds and Notes” under “Types of Obligations” herein) and any other sums due and payable by the city or town to The Commonwealth of Massachusetts (the “Commonwealth”) or certain other public entities, including any unpaid assessments for costs of any public transportation authority (such as the Massachusetts Bay Transportation Authority or a regional transit authority) of which it is a member, for costs of the Massachusetts Water Resources Authority if the city or town is within the territory served by the Authority, for any debt service due on obligations issued to the Massachusetts School Building Authority, or for charges necessary to meet obligations under the Commonwealth’s Clean Water and Drinking Water Revolving Loan Programs, including such charges imposed by another local governmental unit that provides wastewater collection or treatment services or drinking water services to the city or town.

If a city or town is (or is likely to be) unable to pay principal or interest on its bonds or notes when due, it is required to notify the State Commissioner of Revenue. The Commissioner shall in turn, after verifying the inability, certify the inability to the State Treasurer. The State Treasurer shall pay the due or overdue amount to the paying agent for the bonds or notes, in trust, within three days after the certification or one business day prior to the due date (whichever is later). This payment is limited, however, to the estimated amount otherwise distributable by the Commonwealth to the city or town during the remainder of the fiscal year (after the deductions mentioned in the foregoing paragraph). If for any reason any portion of the certified sum has not been paid at the end of the fiscal year, the State Treasurer shall pay it as soon as practicable in the next fiscal year to the extent of the estimated distributions for that fiscal year. The sums so paid shall be charged (with interest and administrative costs) against the distributions to the city or town.

The foregoing does not constitute a pledge of the faith and credit of the Commonwealth. The Commonwealth has not agreed to maintain existing levels of state distributions, and the direction to use estimated distributions to pay debt service may be subject to repeal by future legislation. Moreover, adoption of the annual appropriation act has sometimes been delayed beyond the beginning of the fiscal year and estimated distributions which are subject to appropriation may be unavailable to pay local debt service until they are appropriated.

Bankruptcy. Enforcement of a claim for payment of principal or interest on general obligation bonds or notes would be subject to the applicable provisions of federal bankruptcy laws and to the provisions of other statutes, if any, hereafter enacted by the Congress or the State legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Massachusetts municipalities are not generally authorized by the Massachusetts General Laws to file a petition for bankruptcy under federal bankruptcy laws. In cases involving significant financial difficulties faced by a single city, town or regional school district, however, the Commonwealth has enacted special legislation to permit the appointment of a fiscal overseer, finance control board or, in the most extreme cases, a state receiver. In a limited number of these situations, such special legislation has also authorized the filing of federal bankruptcy proceedings, with the prior approval of the Commonwealth. In each case where such authority was granted, it expired at the termination of the Commonwealth's oversight of the financially distressed city, town or regional school district. To date, no such filings had been approved or made.

Ratings

The Town has applied to S&P Global Ratings ("S&P") for ratings on the Notes. Such application is pending at this time. The Town did not apply to Moody's Investors Service ("Moody's") or Fitch Ratings ("Fitch") for a rating on the Notes.

On August 22, 2025, Moody's affirmed the Town's underlying credit rating of "Aaa" with a stable outlook. On January 23, 2025, S&P affirmed the Town's underlying credit rating of "AAA" with a stable outlook. On April 23, 2024, Fitch Ratings affirmed the Town's underlying credit rating of "AAA" and its Issuer Default Rating at "AAA" with a stable outlook.

Any explanation of the significance of any rating should be obtained from the rating agency at the following addresses: Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007; S&P Global Ratings, 55 Water Street, New York, New York 10041; Fitch Ratings, 33 Whitehall Street, New York, New York 10004. Generally, a rating agency bases its rating on information and materials furnished to it and on investigations, studies, and assumptions of its own. There is no assurance that an underlying rating will continue for any given period of time or that a rating will not be revised downward or withdrawn entirely by a rating agency if, in its judgment, circumstances so warrant. A downward revision or withdrawal of an underlying rating could have an adverse effect on the market price of the Notes, as well as any outstanding bonds.

Municipal Advisor

The Town has retained Capital Markets Advisors, LLC, New York and Great Neck, New York, as Municipal Advisor (the "Municipal Advisor") in connection with the issuance of the Notes. In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement, and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the Town to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Notes.

Requests for information concerning the Town should be addressed to the Town Treasurer/Collector, Lori-Ann Magner, c/o Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York 11021 (516) 570-0340.

Disclosure of Significant Events

In order to assist underwriters in complying with the requirements of paragraph (b)(5)(i)(C) of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule") applicable to municipal securities having a stated maturity of 18 months or less, the Town will covenant for the benefit of the owners of the Notes to file with the Municipal Securities Rulemaking Board (the "MSRB"), notices of the occurrence of any of the following events with respect to the Notes within ten business days of such occurrence: (a) principal and interest payment delinquencies; (b) non-payment related defaults, if material; (c) unscheduled draws on debt service reserves reflecting financial difficulties; (d) unscheduled draws on credit enhancements reflecting financial difficulties; (e) substitution of credit or liquidity providers, or their failure to perform; (f) adverse tax

opinions, the issuance by the Internal Revenue Service of proposed or final determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (g) modifications to rights of owners of the Notes, if material; (h) bond calls, if material, and tender offers; (i) defeasances; (j) release, substitution or sale of property securing the repayment of the Notes, if material; (k) ratings changes on the Notes; (l) bankruptcy, insolvency, receivership or similar event of the Town; (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (n) appointment of a successor or additional trustee or the change of name of a trustee, if material; (o) incurrence of a financial obligation of the Town and any other obligated person (within the meaning of the Rule), if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town and any other obligated person, any of which affect the registered owners, including beneficial owners, of the Notes, if material; and (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town and any other obligated person, any of which reflect financial difficulties. The covenant will be included in a Significant Events Disclosure Certificate to be executed by the signers of the Notes and incorporated by reference in the Notes, the proposed form of which is provided in Appendix F.

Other than the Town, there are no obligated persons with respect to the Notes within the meaning of the Rule. The sole remedy available to the owners of the Notes for the failure of the Town to comply with any provision of the applicable certificates shall be an action for specific performance of the Town's obligations under the applicable certificate and not for money damages; no other person shall have any right to enforce any provision of the applicable certificates.

The Town has previously undertaken in disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide annual reports and significant events notices pursuant to the Rule. In the past five years, the Town believes that it has complied, in all material respects, with its previous undertakings to provide annual reports or notices of significant events in accordance with the Rule, except as described below.

Compliance History

On May 11, 2022, the Town issued its \$21,392,931 General Obligation Bond Anticipation Notes, which were purchased by Bank of America, N.A. The Town failed to timely file an event notice in connection with the incurrence of such financial obligation. On August 16, 2022, the Town filed the notice of the incurrence of the financial obligation as well as the notice of failure to timely file.

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APPENDIX A

THE TOWN

THE TOWN

General

The Town of Hingham, Massachusetts (the “Town”), was incorporated in 1635, and is located in Plymouth County, about 15 miles south of Boston. The Town is bordered on the north mostly by the Atlantic Ocean, but also by the Town of Hull. It is bordered on the south by the Towns of Norwell and Rockland, to the east by the Towns of Cohasset and Scituate, and on the west by the Town of Weymouth. Hingham has a population of 24,414 (Federal Bureau of the Census, July 1, 2024 estimate) and occupies a land area of 22.5 square miles. The Town is governed by an open Town Meeting, and Town affairs are administered by a three-person Select Board and an appointed Town Administrator.

The Town’s history is reflected in its many antique houses, including “Old Ordinary” on Lincoln Street, which now houses the Hingham Historical Society Museum. Derby Academy, founded in 1784, is the oldest co-educational school in the country and Hingham’s Old Ship Church is the oldest church structure in the country in continuous use as a place of worship. Hingham has created six historic districts which help the Town maintain its unique character.

The following is a list of principal Town officials. The terms of each elected official usually expire on the first Saturday in May of their respective expiration year.

<u>Principal Town Officials</u>			
	<u>Name</u>	<u>Manner of Selection</u>	<u>Term Expires</u>
Select Board, Chair	William Ramsey	Elected	2026
Select Board	Liz Klein	Elected	2027
Select Board	Julie Strehle	Elected	2028
Town Administrator	Thomas Mayo	Appointed	Indefinite
Asst. Town Administrator/Finance	Katherine Dugan	Appointed	Indefinite
Asst. Town Administrator/Operations	Arthur Robert	Appointed	Indefinite
Town Accountant	Ann MacNaughton	Appointed	Indefinite
Treasurer/Collector	Lori-Ann Magner	Appointed	Indefinite
Town Clerk	Carol Falvey	Elected	2027

Source: Office of the Select Board.

Municipal Services

The Town provides general governmental services within its boundaries including police and fire protection, public education, public library, street maintenance, transfer station, recreation, and a municipal golf course (the South Shore Country Club). The Massachusetts Water Resources Authority (“MWRA”) and the Town of Hull through their wastewater treatment facilities provide wastewater treatment services to approximately 30% of the households in the Town. The Hingham Municipal Lighting Plant, a self-supporting enterprise, provides electric power to the Town. In 2020, the Town purchased its water system from Aquarion Water Company, a private firm, and renamed it the Weir River Water System. The Hingham Housing Authority maintains housing for elderly and disabled residents. Through its Affordable Housing Trust, the Town owns and manages the Lincoln School Apartments, a 60-unit affordable housing complex. The principal services provided by Plymouth County are court facilities, a jail and house of corrections, and registry of deeds.

Education

The Town’s public school facilities include four elementary schools (grades K-5), one junior high school (grades 6-8), and one senior high school (grades 9-12).

The table below shows the trend in public school enrollments for the following school years (2023-2026), and enrollment projections for the 2027 school year.

	<u>Public School Enrollments</u> ⁽¹⁾					
	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027¹⁾</u>	<u>Capacity</u>
Elementary (K-5)	1,787	1,716	1,689	1,681	1,682	2,140
Junior High (6-8)	871	846	800	818	831	1,020
Senior High (9-12)	<u>1,187</u>	<u>1,170</u>	<u>1,062</u>	<u>1,021</u>	<u>1,015</u>	<u>1,150</u>
Total	<u>3,845</u>	<u>3,732</u>	<u>3,637</u>	<u>3,520</u>	<u>3,528</u>	<u>4,310</u>

(1) All numbers are as of October 1 of the school year, except for the 2027 school year, which is projected.

Source: Office of the Superintendent of Schools and Massachusetts Department of Education.

Industry and Commerce

Hingham is a suburb of Boston and is primarily a residential community. The following table sets forth the Town's largest employers.

<u>Largest Employers – 2025</u>		
<u>Company</u>	<u>Nature of Business</u>	<u>Approximate Number of Current Employees</u>
Blue Cross Blue Shield	Health Care	1,494
Town of Hingham	Government	1,081
Linden Ponds	Health Care	760
Serono Labs	Bio-Technology	450
Talbots	Retail Clothing	410
Whole Foods	Retail	221
Russ Electric	Manufacturing	203
Harbor House	Health Care	181
Stop & Shop	Retail	179
Eat Well	Restaurant	175

Source: Mass Executive Office of Labor and Workforce Development.

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Unemployment

According to data furnished by the Massachusetts Department of Employment and Training for the month ending August 30, 2025, the Town had an average labor force of 11,871, of which 4.3% were unemployed as compared to 4.8% for the State and 4.3% for the United States. The following table sets forth the Town's average labor force and unemployment rates for calendar years 2020 through 2025, and the unemployment rates for the Commonwealth of Massachusetts and the United States for the same period.

Unemployment Rates

<u>Year</u>	<u>Town of Hingham</u>		<u>Massachusetts</u>	<u>United States</u>
	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>Unemployment Rate</u>	<u>Unemployment Rate</u>
2025 ⁽¹⁾	11,871	4.3%	4.8%	4.3%
2024	12,161	3.4	3.8	4.1
2023	11,868	2.5	2.6	3.8
2022	11,827	2.8	3.7	3.5
2021	11,856	4.1	4.6	3.9
2020	11,023	5.8	7.1	6.7

(1) As of August 30, 2025.

Source: Massachusetts Executive Office of Labor and Workforce Development.

Building Permits

The following table sets forth the number of building permits issued and the estimated dollar value of new construction and alterations for fiscal years 2020 through 2024. The estimated dollar values are builders' estimates and are generally considered to be conservative. Permits filed and estimated valuations are shown for both private construction and Town projects.

Building Permits

<u>Fiscal Year</u>	<u>Residential</u>		<u>Non-Residential</u>		<u>Total</u>
	<u>No.</u>	<u>Value</u>	<u>No.</u>	<u>Value</u>	<u>Value</u>
2025	983	\$105,246,776	94	\$23,798,064	\$129,044,840
2024	1002	102,147,106	169	19,667,582	121,814,668
2023 ⁽¹⁾	744	68,381,799	141	163,585,027	231,966,826
2022	792	72,067,248	187	14,336,041	86,403,289
2021	893	60,687,392	186	18,128,485	78,815,877
2020	960	58,134,892	200	20,135,601	78,270,493

(1) Increase in non-residential building permits is due to Foster School, Public Safety Facility, Storage Facility and Linden Ponds projects.

Source: Building Department.

Transportation

The principal highways serving the Town are State Routes 3, 3A, and 228. Bus service within the Town and to neighboring communities is provided by the MBTA. Plymouth and Brockton Bus Lines regularly provide direct bus service to Boston. The MBTA regularly provides commuter rail service to Boston via the Greenbush line, with two stations for parking and boarding in Hingham.

The Hingham-Boston Commuter Boat, operated by private concerns under contract with the MBTA, provides daily ferry service to Boston.

The Town is within a 40-minute driving distance of Boston's Logan International Airport as well as to the municipal airport facilities in Norwood, Marshfield, and Middleborough.

Income Levels and Population

The following table shows the calendar year population trends from the past four federal census reports.

<u>Population Trends</u>			
<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>
19,821	19,882	22,157	24,284

Source: Federal Bureau of the Census and Town Clerk's Office.

The following table compares federal census figures for the Town, the Commonwealth, and the United States.

	<u>Hingham</u>	<u>Massachusetts</u>	<u>United States</u>
Median Age:			
2023 ⁽¹⁾	46.0	40.3	39.2
2020	43.1	39.6	38.2
2010	41.6	39.1	37.2
2000	39.7	36.5	35.3
1990	37.6	33.6	32.9
Median Family Income:			
2023 ⁽¹⁾	\$170,326	\$99,858	\$77,719
2020	147,520	84,385	64,994
2010	113,412	78,653	60,609
2000	98,598	61,664	50,046
1990	66,386	44,367	35,225
Per Capita Income:			
2023 ⁽¹⁾	\$97,682	\$55,897	\$43,313
2020	80,251	45,555	35,384
2010	57,614	33,704	26,505
2000	41,703	25,952	21,587
1990	25,726	17,224	14,420

(1) US Census Bureau - American Community Survey, 1 year estimate

Source: Federal Bureau of the Census.

PROPERTY TAXATION

Tax Levy Computation

The principal revenue source of the Town is the tax on real and personal property. The amount to be levied in each year is the amount appropriated or required by law to be raised for municipal expenditures less estimated receipts from other sources and less appropriations voted from available funds. The total amount levied is subject to certain limits prescribed by law; for a description of those limits, see "Property Tax Limitation" below. As to the inclusion of debt service and final judgments, see "Security and Remedies" above.

The estimated receipts for a fiscal year from other sources may not exceed the actual receipts during the preceding fiscal year from the same sources unless approved by the State Commissioner of Revenue. Except for special funds the use of which is otherwise provided for by law, the deduction for appropriations voted from available funds for a

fiscal year cannot exceed the “free cash” as of the beginning of the prior fiscal year as certified by the State Director of Accounts plus up to nine months’ collections and receipts on account of earlier years’ taxes after that date. Subject to certain adjustments, free cash is surplus revenue less uncollected overdue property taxes from earlier years.

Although an allowance is made in the tax levy for abatements (see “Overlay” below) no reserve is generally provided for uncollectible real property taxes. Since some of the levy is inevitably not collected, this creates a cash deficiency which may or may not be offset by other items (see “Taxation to Meet Deficits” below).

The following table illustrates the details of the calculation of the tax levies for the last four fiscal years and the amounts set forth in the current fiscal year:

	<u>Tax Levy Computation</u>				
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Total Appropriations ⁽¹⁾	\$137,823,284	\$143,627,332	\$161,458,403	\$167,132,298	\$180,095,203
Additions:					
State and County Assessments	1,193,509	1,209,365	1,170,095	1,173,673	1,301,170
Overlay Reserve	703,409	861,814	850,000	522,372	600,000
Other Additions	<u>49,531</u>	<u>46,677</u>	<u>58,368</u>	<u>118,725</u>	<u>65,564</u>
Total Additions	<u>\$1,946,449</u>	<u>\$2,117,856</u>	<u>\$2,078,463</u>	<u>\$1,814,770</u>	<u>\$1,966,734</u>
Gross Amount to be Raised	<u>\$139,769,733</u>	<u>\$145,745,188</u>	<u>\$163,536,866</u>	<u>\$168,947,068</u>	<u>\$182,061,937</u>
Deductions:					
Local Estimated Receipts:					
Local	13,050,326	14,623,730	15,570,570	16,408,400	17,267,841
Enterprise	14,307,373	14,869,457	16,909,253	16,802,584	16,814,023
Community Preservation Fund	1,581,413	1,764,703	1,589,642	1,757,705	2,307,819
State Aid ⁽²⁾ :					
Current Year	10,139,491	10,475,993	10,699,148	11,162,931	11,854,170
Available Funds ⁽³⁾ :					
Free Cash	6,759,009	6,879,882	8,404,000	4,500,000	7,895,905
Other	<u>944,586</u>	<u>1,423,836</u>	<u>972,836</u>	<u>2,387,989</u>	<u>6,416,912</u>
Total Deductions	<u>\$46,782,198</u>	<u>\$50,037,601</u>	<u>\$54,145,449</u>	<u>\$53,019,609</u>	<u>\$62,556,670</u>
Net Amount to be Raised	<u>\$92,987,535</u>	<u>\$95,707,587</u>	<u>\$109,391,417</u>	<u>\$115,927,459</u>	<u>\$119,505,267</u>

(1) Includes annual appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting the tax rate.

(2) Estimated by the State Department of Revenue and required by law to be used in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold (generally quarterly) payments pending receipt of State and County assessments.

(3) Transfers from available funds, including “Free Cash” (see “Free Cash” herein), generally made as an offset to a particular appropriation item.

Source: Tax Rate Recapitulation for each year.

Assessed Valuations and Tax Levies

Tax Rate and Valuation Property is classified for the purpose of taxation according to its use. The legislature has in substance created four classes of taxable property: (1) residential real property, (2) open space land, (3) commercial, and (4) industrial. Within limits, cities and towns are given the option of determining the share of the annual levy to be borne by each of the three categories. The share required to be borne by residential real property is at least 50% of its share of the total taxable valuation; the effective rate for open space must be at least 75% of the effective rate for residential real property; and the share of commercial, industrial, and personal property must not exceed 175% of their

share of the total valuation. A city or town may also exempt up to 35% of the valuation of residential real property (where used as the taxpayer's principal residence) and up to 10% of the valuation of commercial property (where occupied by certain small businesses). Property may not be classified in a city or town until the State Commissioner of Revenue certifies that all property in the city or town has been assessed at its fair cash value. Such certification must take place every five years, or pursuant to a revised schedule as may be issued by the Commissioner.

Related statutes provide that certain agricultural or horticultural land (assessed at the value it has for these purposes), and recreational land (assessed on the basis of its use at a maximum of 25% of its fair cash value) are all to be taxed at the rate applicable to commercial property.

The table below sets forth the trend in the Town's assessed valuations, tax rates, tax levies, and tax levies per capita.

Trends in Assessed Valuation, Tax Rates and Levies

<u>Fiscal Year</u>	<u>Real Estate Valuation</u>	<u>Personal Property Valuation</u>	<u>Total Assessed Valuation</u>	<u>Tax Rate Per \$1,000 Assessed Valuation</u>	<u>Gross Tax Levy</u>	<u>Tax Levy Per Capita</u>
2026	\$11,271,349,230	\$142,716,420	\$11,414,065,650	\$10.47	\$119,505,267	\$4,921
2025	10,555,613,830	138,801,220	10,694,451,050	10.69	114,323,297	4,748
2024	9,946,671,530	135,486,730	10,082,158,260	10.85	109,391,417	4,543
2023	9,442,689,130	128,069,600	9,570,758,730	10.00	95,707,587	3,937
2022	7,921,328,960	122,575,490	8,043,904,450	11.56	92,987,535	3,802

Source: Tax Rate Recapitulation.

The following is a breakdown of the Town's fiscal 2025 and 2026 real estate valuation by type of property.

Real Estate Valuation

	2025		2026	
	<u>Assessed Valuation</u>	<u>% of Total</u>	<u>Assessed Valuation</u>	<u>% of Total</u>
Residential	\$9,650,800,712	91.43%	\$10,305,274,570	91.43%
Commercial	686,806,718	6.51	695,193,660	6.17
Industrial	218,006,400	2.07	270,881,000	2.40
Total Real Estate	<u>\$10,555,613,830</u>	<u>100.00%</u>	<u>\$11,271,349,230</u>	<u>100.00%</u>

Source: Tax Rate Recapitulation.

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Largest Taxpayers

The following table is a list of the largest taxpayers in the Town based upon taxes assessed for fiscal year 2026, all of whom are current in their tax payments.

Largest Taxpayers

<u>Name</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Valuation ⁽¹⁾</u>
Hingham Campus LLC	Housing	\$216,678,800	1.9%
Hingham Retail Properties LLC	Mall/Restaurants	128,830,200	1.1
Avalon Shipyard LLC	Apartments	68,172,200	0.6
300 Beal Street Owner LLC	Apartments	67,965,600	0.6
WRWS/Town of Hingham	Utility	65,172,000	0.6
Hingham Shipyard Avalon 2 Inc.	Apartments	56,917,100	0.5
Hingham Launch Property LLC	Retail	55,209,900	0.5
Arc TBHGHMA001 LLC	Office Manufacturing	34,056,200	0.3
A W Perry LLC	Medical Office Building	26,673,800	0.2
Babar LLC TT	Retail	<u>26,325,300</u>	<u>0.2</u>
		<u>\$746,001,100</u>	<u>6.5%</u>

(1) Total 2026 Assessed Valuation of \$11,414,065,650.

Source: Assessing Department.

State Equalized Valuation

In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biennially makes a determination of the fair cash value of the taxable property in each municipality as of January 1 of even-numbered years. This is known as the “equalized value”.

The following table sets forth the trend in state equalized valuations of the Town.

State Equalized Valuation

<u>January 1</u>	<u>State Equalized Valuation</u>
2024	10,581,543,600
2022	8,672,525,700
2020	7,942,260,800
2018	7,407,974,100
2016	6,668,867,000
2014	5,981,636,700
2012	5,984,621,300
2010	6,257,344,000

Source: Massachusetts Department of Revenue.

Local assessed valuations are determined annually as of January 1 and used for the fiscal year beginning on the next July 1. The Town’s most recent professional revaluation was completed for use in setting the 2024 fiscal year’s tax rate and levy.

Overlay

The Town is authorized by law to increase each tax levy by an amount approved as reasonable by the Commissioner of Revenue for an “overlay” to provide for tax abatements. If abatements are granted in excess of the applicable overlay reserve, the resultant “overlay deficit” is required to be added to the next tax levy. Abatements are granted where exempt real or personal property has been assessed or where taxable real or personal property has been overvalued or disproportionately valued. The assessors may also abate uncollectible personal property taxes. They may abate real and personal property taxes on broad grounds (including inability to pay) with the approval of the State Commissioner of Revenue.

The following table sets forth the amount of the overlay reserve for the last five fiscal years and actual abatements and exemptions granted during the fiscal year against each levy. But uncollected real property taxes are ordinarily not written off until they become municipal “tax titles” by purchase at the public sale or by taking at which time the tax is written off in full by reserving the amount of the tax and charging the surplus.

Overlay Reserve and Abatements

Fiscal Year	Net Levy ⁽¹⁾	Overlay Reserve		Abatements Granted ⁽²⁾
		Dollar Amount	As a % of Net Levy	
2025	\$113,769,587	\$553,710	0.49%	\$504,280
2024	108,541,417	850,000	0.78	447,345
2023	94,845,773	861,814	0.91	439,241 ⁽³⁾
2022	92,284,126	703,409	0.76	204,680 ⁽³⁾
2021	89,791,443	381,576	0.42	184,462
2020	85,692,219	351,792	0.41	191,777

(1) Net of overlay.

(2) As of November 30, 2025.

(3) In Fiscal Year 2022 and 2023, the Overlay Reserve amount was increased to cover additional property tax exemptions for seniors authorized under Chapter 381 of the Acts of 2020, known as the Town of Hingham’s Senior Means-Tested Tax Exemption program.

Source: Assessing Department.

Tax Collections

Property tax bills are payable quarterly on August 1, November 1, February 1, and May 1 of each fiscal year. Interest accrues on delinquent taxes currently at the rate of 14% per annum retroactive to the due date. Real property (land and buildings) is subject to a lien for the taxes assessed upon it (subject to any paramount federal lien and subject to bankruptcy and insolvency laws). If the property has not been transferred, an unenforced lien expires on the fourth December 31 after the end of the fiscal year to which the tax relates. If the property has not been transferred by the fourth December 31, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of a legal impediment. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws). In the case of real property, this personal liability is effectively extinguished by sale or taking of the property as described below.

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The table below compares the Town's net tax collections with its net (gross tax levy less overlay reserve for abatement) tax levies for the most recent fiscal years.

Tax Levy and Collections

Fiscal Year	Gross Tax Levy ⁽¹⁾	Overlay Reserve for Abatements	Net Tax Levy ⁽²⁾	Collections During Fiscal Year Payable ⁽³⁾		Collections Through December 31, 2025 ⁽⁴⁾	
				Dollar Amount	% of Net Levy	Dollar Amount	% of Net Levy
2026	\$119,505,272	\$600,000	\$118,905,272	N/A	N/A	\$63,033,033	53.01%
2025	113,554,308	553,710	113,000,598	111,293,799	98.49	113,287,555	99.77
2024	109,390,764	850,000	108,540,764	107,311,260	98.87	109,017,882	99.66
2023	95,707,587	861,814	94,845,773	94,334,911	99.46	95,656,299	99.95
2022	92,987,535	703,409	92,284,126	91,838,678	99.52	92,976,302	99.99
2021	90,173,019	381,576	89,791,443	88,674,074	98.76	90,117,202	99.94

(1) Includes Real Estate and Personal Property tax; revised and omitted bills.

(2) Net after deduction of overlay reserve for abatements.

(3, 4) Actual collections net of refunds. Does not include proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.

Source: Office of the Treasurer/Collector.

Lien. Real property (land and buildings) is subject to a lien for the taxes assessed upon it, subject to any paramount federal lien and subject to bankruptcy and insolvency laws. (In addition, real property is subject to a lien for certain unpaid municipal charges or fees.) If the property has been transferred, an unenforced lien expires on the fourth December 31 after the end of the fiscal year to which the tax relates. If the property has not been transferred by the fourth December 31, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of a legal impediment.

Personal Liability. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws.) In the case of real property, this personal liability is effectively extinguished by sale or taking of the property as described below.

Sale of Tax Receivables. Cities and towns are authorized to sell delinquent property tax receivables by public sale or auction, either individually or in bulk.

Tax Titles and Possessions

Massachusetts law permits a municipality either to sell by public sale (at which the municipality may become the purchaser) or to take real property for non-payment of taxes. In either case the property owner can redeem the property by paying the unpaid taxes, with interest and other charges, but if the right of redemption is not exercised within six months (which may be extended an additional year in the case of certain installment payments), it can be foreclosed by petition to the Land Court.

Upon such foreclosure, a tax title purchased or taken by the municipality becomes a "tax possession" and may be held and disposed of in the same manner as other land held for municipal tax titles by purchase at the public sale or by taking, at which time the tax is written off in full by reserving the amount of tax and charging surplus.

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The table below sets forth the amount of tax titles and possessions outstanding at the end of the following years. Due to COVID-19, new tax liens were not added in calendar 2020. Tax liens for 2019 and 2020 were taken June 2021.

<u>Fiscal Year</u>	<u>Total Tax Titles and Possessions</u>
2026 ⁽¹⁾	\$1,522,595
2025	1,345,848
2024	1,195,065
2023	1,195,065
2022	1,162,845
2021	1,235,766

(1) As of November 30, 2025.

Source: Office of the Treasurer/Collector.

Taxation to Meet Deficits

As noted elsewhere (see “Overlay” above) overlay deficits (tax abatements in excess of the overlay included in the tax levy to cover abatements) are required to be added to the next tax levy. It is generally understood that revenue deficits (those resulting from non-property tax revenues being less than anticipated) are also required to be added to the next tax levy, at least to the extent not covered by surplus revenues.

Amounts lawfully expended since the prior tax levy and not included therein are also required to be included in the annual tax levy. The circumstances under which this can arise are limited since municipal departments are generally prohibited from incurring liabilities in excess of appropriations except for emergencies, mandated items, contracts in aid of housing and renewal projects and other long-term contracts. In addition, certain established salaries such as civil service must legally be paid for work actually performed, whether or not covered by appropriations.

All revenue and overlay deficits in existence at the time tax rates have been set have been provided for as required by Massachusetts law during the relevant period.

Cities and towns are authorized to appropriate sums, and thus to levy taxes, subject to any overall limits on tax levies, to cover deficits arising from other causes such as “free cash” deficits arising from a failure to collect taxes. This is not generally understood, however, and it has not been the practice to levy taxes to cover free cash deficits. Except to the extent that free cash deficits have been reduced or eliminated by subsequent collections of uncollected taxes (including sales of tax titles and tax possessions), lapsed appropriations, non-property tax revenues in excess of estimates, other miscellaneous items or funding loans authorized by special act, they remain in existence.

Property Tax Limitations

Chapter 59, Section 21C of the Massachusetts General Laws, commonly known as “Proposition 2½”, imposes two separate limits on the annual tax levy of a city or town.

The primary limitation is that the tax levy cannot exceed 2½% of the full and fair cash value. If a city or town exceeds the primary limitation, it must reduce its tax levy by at least 15% annually until it is in compliance, provided that the reduction can be reduced in any year to not less than 7½% by majority vote of the voters, or to less than 7½% by majority vote of the voters, or to less than 7½% by two-thirds vote of the voters.

For cities and towns at or below the primary limit, a secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding fiscal year as determined by the State Commissioner of Revenue by more than 2½%, subject to exceptions for property added to the tax rolls or property which has had an increase, other than as part of a general revaluation, in its assessed valuation over the prior year’s valuation.

This “growth” limit on the tax levy may be exceeded in any year by a majority vote of the voters, but an increase in the secondary or growth limit under this procedure does not permit a tax levy in excess of the primary limitation, since the two limitations apply independently. A \$7,890,467 operational override passed at both Town Meeting and at the

Town Election in April 2023. The override went into effect as of July 1, 2023. The override funded critical capacity to school and municipal services and provided revenue to accommodate the service costs which have outpaced revenue growth permitted under Proposition 2½. The Town has passed a total of five operational overrides since Proposition 2½ went into effect.

The applicable tax limits may also be reduced in any year by a majority vote of the voters.

The State Commissioner of Revenue may adjust any tax limit “to counterbalance the effects of extraordinary, non-recurring events which occurred during the base year”.

The statute further provides that the voters may exclude from the taxes subject to the tax limits and from the calculation of the maximum tax levy (a) the amount required to pay debt service on bonds and notes issued before November 4, 1980, if the exclusion is approved by a majority vote of the voter, and (b) the amount required to pay debt service on any specific subsequent issue for which similar approval is obtained. Even with voter approval, the holders of the obligations for which unlimited taxes may be assessed do not have a statutory priority or security interest in the portion of the tax levy attributable to such obligations. It should be noted that Massachusetts General Laws Chapter 44, Section 20 requires that the taxes excluded from the levy limit to pay debt service on any such bonds and notes be calculated based on the true interest cost of the issue.

Voters may also exclude from the Proposition 2½ limits the amount required to pay specified capital outlay expenditures. In addition, the city council of a city, with the approval of the mayor if required, or the board of selectmen of the town council of a town may vote to exclude from Proposition 2½ limits taxes raised in lieu of sewer or water charges to pay debt service on bonds or notes issued by the municipality (or by an independent authority, commission or district) for water sewer purposes, provided that the municipality’s sewer or water charges are reduced accordingly.

In addition, the statute limits the annual increase in the total assessments on cities and towns by any county, district, authority, the Commonwealth or any other governmental entity (except regional school districts, the MWRA and certain districts for which special legislation provides otherwise) to the sum of (a) 2½% of the prior year’s assessments and (b) “any increases in costs, charges or fees for services customarily provided locally or for services subscribed to at local option”. Regional water districts, regional sewerage districts and regional veteran districts may exceed these limitations under statutory procedures requiring a two-thirds vote of the district’s governing body and either approval of the local appropriating authorities (by two-thirds vote in districts with more than two members or by majority vote in two-member districts) or approval of the registered voters in a local election (in the case of two-member districts). Under the statute any State law to take effect on or after January 1, 1981 imposing a direct service or cost obligation on a city or town will become effective only if accepted or voluntarily funded by the city or town or if State funding is provided. Similarly, State rules or regulations imposing additional costs on a city or town or laws granting or increasing local tax exemptions are to take effect only if adequate State appropriations are provided. These statutory provisions do not apply to costs resulting from judicial decisions.

The Town has passed a total of five operational overrides since Proposition 2½ went into effect. Hingham voters approved the most recent operational override for FY24 in the amount of \$7,890,467 as mentioned above. In addition, the Town has passed a total of 13 debt exclusions since Proposition 2½ went into effect. Most recently, voters approved a \$113 million debt exclusion for a new elementary school and a \$47 million debt exclusion for a new public safety facility in November 2022. The new Foster Elementary School opened in January 2025 and the Public Safety Facility opened in August 2025.

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The following table sets forth the Town's tax levies and levy limits under Proposition 2½ for the last five fiscal years:

Levy Limits and Tax Levies

<u>Fiscal Year</u>	<u>Local Assessed Valuation</u>	<u>Primary Levy limit</u>	<u>Secondary Levy Limit</u>	<u>Actual Tax Levy</u>	<u>Excess Secondary Limit</u>
2026	\$11,414,065,650	\$285,351,641	\$119,605,543	\$119,505,267	\$100,276
2025	10,694,415,050	267,360,376	114,428,009	114,323,297	104,712
2024	10,082,158,260	252,053,957	109,457,773	109,391,417	66,356
2023	9,570,758,730	239,268,968	92,921,345	95,707,587	213,758
2022	8,043,904,450	201,097,611	93,170,255	92,987,535	182,720

Source: Assessing Department.

Pledged Taxes

Taxes on the increased value of certain property in designated development districts may be pledged for the payment of costs of economic development projects within such districts and may therefore be unavailable for other municipal purposes. (See "Tax Increment Financing for Development Districts" below.)

Initiative Petitions

Various proposals have been made in recent years for Legislative amendments to the Massachusetts Constitution to impose limits on state and local taxes. To be adopted, such amendments must be approved by two successive legislatures and then by the voters at the State election.

Education Reform

State legislation known as the Education Reform Act of 1993, as amended, imposes certain minimum expenditure requirements on municipalities with respect to funding for education and related programs, and may affect the level of state aid to be received for education. The requirements are determined on the basis of formulae affected by various measures of wealth and income, enrollments, prior levels of local spending and state aid, and other factors. For fiscal years 2017 through 2025, inclusive, the Town met, and for fiscal 2026 expects to meet, the minimum required local contribution.

TOWN FINANCES

Budget and Appropriations Process

The annual appropriations of the Town are ordinarily made at the Annual Town Meeting each spring. This year's Annual Town Meeting will be held on Monday, April 27, 2026. Appropriations may also be voted at special town meetings. The Town has a 15-member Advisory Committee which submits reports and recommendations on proposed expenditures at town meetings.

The school budget is limited to the total amount appropriated by the Town Meeting, but the School Committee retains full power to allocate the funds appropriated, subject to the requirements of the Education Reform Act.

Town Meeting does not vote general operating appropriations for the Hingham Municipal Lighting Plant, but rather authorizes this self-supporting enterprise to make expenditures from receipts. The expenditures are made under the direction of the Hingham Municipal Light Board. (See "Hingham Municipal Lighting Plant" herein.)

State and county assessments, abatements in excess of overlays, principal and interest not otherwise provided for, and final judgments are included in the tax levy whether or not included in the budget. Revenues are not required to be set forth in the budget but estimated non-tax revenues are taken into account by the assessors in fixing the tax levy. (See "PROPERTY TAXATION" herein.)

The following table sets forth the trend in operating budgets for fiscal years 2022 through 20256 as voted at Town Meeting. The budgets reflect neither revenues nor state and county assessments and other mandatory items. Also, not reflected are expenditures authorized for non-recurring (generally capital) purposes under special warrant articles or transfers occurring subsequent to the Annual Town Meeting.

Budget Comparison

<u>Appropriations by Department/Category</u>	<u>Fiscal 2022</u>	<u>Fiscal 2023</u>	<u>Fiscal 2024</u>	<u>Fiscal 2025</u>	<u>Fiscal 2026</u>
General Government	\$ 5,583,533	\$ 6,182,813	\$ 6,341,144	\$ 6,969,792	\$ 7,104,312
Public Safety	15,000,168	17,682,418	18,822,297	19,321,917	19,936,420
Health and Human Services	988,174	1,038,806	1,339,499	1,130,829	1,054,599
Public Works	10,427,156	10,534,321	12,006,611	12,210,767	11,097,631
Schools	62,810,611	62,710,374	66,969,572	70,925,339	72,007,204
Culture and Recreation	2,563,671	2,816,048	2,831,703	2,946,045	3,408,642
Unclassified	1,028,087	1,114,464	1,225,910	1,700,527	1,870,580
Country Club (Enterprise Fund)	1,891,180	1,988,015	2,754,998	2,775,026	2,377,493
Weir River Water System (Enterprise Fund)	12,416,193	12,881,442	14,154,255	14,027,558	14,436,530
Debt Service	<u>5,707,376</u>	<u>5,835,331</u>	<u>8,783,729</u>	<u>11,357,273</u>	<u>13,695,055</u>
Total	<u>\$118,416,149</u>	<u>\$122,784,032</u>	<u>\$135,229,718</u>	<u>\$143,365,073</u>	<u>\$146,988,466</u>

Source: Adopted Budgets of the Town.

Revenues

Property Taxes: Property taxes are the major source of revenue for the Town. The total amount levied is subject to certain limits prescribed by law, for a description of those limits see “PROPERTY TAXATION – Property Tax Limitation” herein. In fiscal 2025, property taxes totaled \$114,323,297 or 74% of General Fund Revenues.

State Aid: The Town’s state aid entitlement is based upon a number of different formulas, and while said formulas might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid but actual payments may vary from the estimate. In fiscal 2025, distributions from the state to the Town’s general fund totaled \$11,788,606 or 7.73% of General Fund Revenues. The Town anticipates distributions from the state of \$11,854,170 in fiscal 2026.

State legislation known as the Education Reform Act of 1993, as amended, imposes certain minimum expenditure requirements on municipalities with respect to funding for education and related programs, and may affect the level of state aid to be received for education. The requirements are determined on the basis of formulas affected by various measures of wealth and income, enrollments, prior levels of local spending and state aid, and for other factors. The Town has appropriated at least the minimum expenditure requirement imposed by the Act.

Motor Vehicle and Boat Excise: An excise is imposed on the registration of motor vehicles (subject to exemptions) at a rate of \$25 per \$1,000 of valuation and \$10 per \$1,000 of valuation for boats. The excise is collected by and for the benefit of the municipality in which the motor vehicle is customarily kept. Valuations are determined by a statutory formula based on manufacture’s list price and year of manufacture. Bills not paid when due bear interest at 12% per annum. Provisions are also made, after notice to the owner, for suspension of the owner operating license or registration by the registrar of motor vehicles for delinquent motor vehicle bills. In fiscal 2025, motor vehicle and boat excise totaled \$6,223,985 or 4.70% of General Fund Revenues.

Sewer Rates and Service: The MWRA and the Town of Hull provide wholesale sewer services to the Town. Sewer users are charged a base \$175.00 per year or an amount based on actual water consumption, whichever is greater. In fiscal year 2025 the sewer use fee was \$15.20 per 100 cubic feet of water used. Activities of the Sewer Department are accounted for in a Special Revenue Fund with fiscal year sewer use expenses charged out to sewer users in the

subsequent fiscal year. In fiscal year 2024, sewer use expenditures were \$3,637,648, in fiscal year 2025, sewer use charges were \$4,339,400. The fiscal year 2025 expenditures of \$4,268,508 will be raised in fiscal year 2026 sewer use charges.

Water Rates and Service: In 2020, the Town purchased its water system from Aquarion Water Company, a private firm, and renamed it the Weir River Water System. The water system includes approximately 13,000 accounts in Hingham, Hull, and north Cohasset and is managed by a three-member Board of Water Commissioners and a Water Superintendent. The water system is operated as an enterprise fund and is completely self-supporting. In fiscal year 2025, water system revenues were \$14,810,135 and expenditures were \$13,606,082.

Electric Rates and Service: The Town operates the Hingham Municipal Lighting Plant which is accounted for in an enterprise fund. The Lighting Plant is completely self-supporting, including payments for pensions, depreciation and other post-employment health benefits. (See “Hingham Municipal Lighting Plant”). During calendar year 2024, the Lighting Plant paid \$471,485 to the Town in lieu of real estate taxes, an amount determined by a formula designed to measure the payment the Lighting Plant would owe to the Town in real and personal property taxes if it were a taxable entity. (See “Hingham Municipal Lighting Plant.”)

Country Club: The Town owns and operates the South Shore Country Club which is accounted for as an enterprise or proprietary fund. The Club is entirely self-supporting. In fiscal year 2025, Club revenues were \$2,385,364 and Club expenditures were \$2,168,331.

Tax Increment Financing for Development Districts

Cities and towns are authorized to establish development districts to encourage increased residential, industrial, and commercial activity. All or a portion of the taxes on growth in assessed value in such districts may be pledged and used solely to finance economic development projects pursuant to the city or town’s development program for the district. This includes pledging such “tax increments” for the payment of bonds issued to finance such projects. As a result of any such pledge, tax increments raised from new growth properties in development districts are not available for other municipal purposes. Tax increments are taken into account in determining the total taxes assessed for the purpose of calculating the maximum permitted tax levy under Proposition 2½ (see “Property Tax Limitations” herein). The Town has not established any such development districts.

Community Preservation Act

The Massachusetts Community Preservation Act (the “CPA”) permits cities and towns that accept its provisions to levy a surcharge on its real property tax levy, dedicate revenue (other than state or federal funds), and to receive state matching funds for (i) the acquisition, creation, preservation, rehabilitation and restoration of land for recreational use, open space, and community housing and (ii) the acquisition, preservation, rehabilitation, and restoration of historic resources. The provisions of the CPA must be accepted by the voters of the city or town at an election after such provisions have first been accepted by either a vote of the legislative body of the city or town or an initiative petition signed by 5% of its registered voters.

A city or town may approve a CPA surcharge of up to 3% (but not less than 1% under certain circumstances) and may make an additional commitment of funds by dedicating revenue other than state or federal funds, provided that the total funds collected do not exceed 3% of the real property tax levy, less any exemptions adopted (such as an exemption for low-income individuals and families and for low and moderate-income senior citizens, an exemption for \$100,000 of the value of each taxable parcel of residential real property or \$100,000 of the value of each taxable parcel of class three, commercial property, and class four, industrial property as defined in Chapter 59, Section 2A of the General Laws, and an exemption for commercial and industrial properties in cities and towns with classified tax rates).

In the event that the municipality shall no longer dedicate all or part of the additional funds to community preservation, the surcharge on the real property tax levy of not less than 1% shall remain in effect, provided that any such change must be approved pursuant to the same process as acceptance of the CPA. The surcharge is not counted in the total taxes assessed for the purpose of determining the permitted levy amount under Proposition 2½ (see “Property Tax Limitations” herein). A city or town may revoke its acceptance of the provisions of the CPA at any time after five years from the date of such acceptance and may change the amount of the surcharge or the exemptions to the surcharge at any time, including

reducing the surcharge to 1% and committing additional municipal funds as outlined above, provided that any such revocation or change must be approved pursuant to the same process as acceptance of the CPA.

Any city or town that accepts the provisions of the CPA will receive annual state matching grants to supplement amounts raised by its surcharge and dedication of any other revenue pursuant to the CPA. The state matching funds are raised from certain recording and filing fees of the registers of deeds. Those amounts are deposited into a state trust fund and are distributed to cities and towns that have accepted the provisions of the CPA, which distributions are not subject to annual appropriation by the state legislature. The amount distributed to each city and town is based on a statutory formula and the total state distribution made to any city or town may not exceed 100% of the amount raised locally by the surcharge on the real property tax levy.

The amounts raised by the surcharge on taxes, the amounts of other dedicated revenues and the amounts received in state matching funds are required to be deposited in a dedicated community preservation fund. Each city or town that accepts the provisions of the CPA is required to establish a Community Preservation Committee to study the community preservation needs of the community and to make recommendations to the legislative body of the city or town regarding the community preservation projects that should be funded from the community preservation fund. Upon the recommendations of the Committee, the legislative body of the city or town may appropriate amounts from the fund for permitted community preservation purposes or may reserve amounts for spending in future fiscal years, provided that at least 10% of the total annual revenues to the fund must be spent or set aside for open space purposes, 10% for historic resource purposes, and 10% for community housing purposes.

The CPA authorizes cities and towns that accept its provisions to issue bonds and notes in anticipation of the receipt of surcharge and other dedicated revenues to finance community preservation projects approved under the provisions of the CPA. Bonds and notes issued under the CPA are general obligations of the city or town and are payable from amounts on deposit in the community preservation fund. In the event that a city or town revokes its acceptance of the provisions of the CPA, the surcharge shall remain in effect until all contractual obligations incurred by the city or town prior to such revocation, including the payment of bonds or notes issued under the CPA, have been fully discharged.

The Town accepted the Community Preservation Act in 2001 to be funded by a surcharge of 1.5% on annual real estate taxes and by annual distributions made by the state from a trust fund created by the CPA. An exemption for \$100,000 of the assessed value of each taxable parcel is applied.

<u>Fiscal Year</u>	<u>CPC Surcharge</u>	<u>State Matching Funds</u>
2025	\$1,565,288	\$264,363
2024	1,489,536	268,169
2023	1,297,589	470,474
2022	1,237,319	516,522
2021	1,193,895	321,379

The balance in the Community Preservation Fund as of June 30, 2025 was \$2,475,159.

State Distributions

In addition to grants for specified capital purposes (some of which are payable over the life of the bonds issued for the projects), the Commonwealth provides financial assistance to cities and towns for current purposes. Payments to cities and towns are derived primarily from a percentage of the State's personal income, sales and use, and corporate excise tax receipts, together with the net receipts from the State Lottery. A municipality's state aid entitlement is based on a number of different formulas, of which the "schools" and "lottery" formulas are the most important. Both of the major formulas tend to provide more state aid to poorer communities. The formulas for determining a municipality's state aid entitlement are subject to amendment by the state legislature and, while a formula might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid, but the actual state aid payments may vary from the estimate.

In the fall of 1986, legislation was enacted placing limits on the growth of state tax revenues. In essence, the growth in state tax revenue is limited to the average rate of growth in wages and salaries in the Commonwealth over the previous

three calendar years. The effect to this legislation could be to restrict the amount of state tax revenue available to provide state financial assistance to the Commonwealth's cities, towns and regional school districts.

The following table sets forth the amount of state aid received by the Town for fiscal years 2021 through 2026 year to date:

<u>Fiscal Year</u>	<u>State Distribution</u>
2026 ⁽¹⁾	\$ 11,854,170
2025	11,162,931
2024	10,699,148
2023	10,487,724
2022	10,383,097
2021	11,503,563

(1) As of November 30, 2025.

State School Building Assistance Program

Under its school building assistance program, the Commonwealth of Massachusetts provides grants to cities, towns, and regional school districts for school construction projects. Until July 26, 2004, the State Board of Education was responsible for approving grants for school projects and otherwise administering the program. Grant amounts ranged from 50% to 90% of approved project costs. Municipalities generally issued bonds to finance the entire project cost, and the Commonwealth disbursed the grants in equal annual installments over the term of the related bonds.

Pursuant to legislation which became effective on July 26, 2004, the state legislature created the Authority to finance and administer the school building assistance program. The Authority has assumed all powers and obligations of the Board of Education with respect to the program. In addition to certain other amounts, the legislation dedicates a portion of Commonwealth sales tax receipts to the Authority to finance the program.

The range of reimbursement rates for new project grant applications submitted to the Authority is between 31% and 80% of approved project costs. The Authority promulgated new regulations with respect to the application and approval process for projects submitted after July 1, 2007. The Authority expects to pay grants for such projects as project costs are incurred pursuant to project funding agreements between the Authority and the municipalities. None of the interest expense incurred on debt issued by municipalities to finance their portion of the costs of new projects will be included in the approved project costs eligible for reimbursement.

Since the inception of the Authority, the Town has partnered with the Authority on the construction of East School (opened 2008), construction of Hingham Middle School (opened 2014), construction of the new Foster Elementary School (opened January 2025, demolition of old school progress), and the window replacement project for Plymouth River Elementary School (nearly complete). The Town received grants of approximately \$10.4 million to help fund the cost of East School, approximately \$23.6 for Hingham Middle School, approximately \$25 million for the new Foster Elementary School, and approximately \$1 million for the Plymouth River window project. (See "Property Tax Limitations" herein for a description of the voter approved debt exclusions from the limits imposed by Proposition 2½ for these projects.)

Investments

Investments of funds of cities and towns, except for trust funds, are generally restricted by Massachusetts General Laws Chapter 44, §55. That statute permits investments of available revenue funds and bond and note proceeds in term deposits and certificates of deposits of banks and trust companies, in obligations issued or unconditionally guaranteed by the federal government or an agency thereof with a maturity of not more than three years, in repurchase agreements with a maturity of not more than 90 days secured by federal or federal agency securities, in participation units in the Massachusetts Municipal Depository Trust ("MMDT"), or in shares in SEC-registered money market funds with the highest possible rating from at least one nationally recognized rating organization.

MMDT is an investment pool created by the Commonwealth. The State Treasurer is the sole trustee, and the funds are managed under contract by an investment firm under the supervision of the State Treasurer's office. According to the

State Treasurer the Trust's investment policy is designed to maintain an average weighted maturity of 90 days or less and is limited to high-quality, readily marketable fixed income instruments, including U.S. Government obligations and highly-rated corporate securities with maturities of one year or less.

Trust funds, unless otherwise provided by the donor, may be invested in accordance with §54 of Chapter 44, which permits a broader range of investments than §55, including any bonds or notes that are legal investments for savings banks in the Commonwealth. The restrictions imposed by §54 and §55 do not apply to city and town retirement systems.

Annual Audits

The Town's fiscal year ended June 30, 2025 accounts were independently audited by the firm of Clifton Larson Allen, LLP. The Town's audited financial statements for the fiscal year ended June 30, 2025 are set forth in Appendix C. Copies of prior audits are available upon request from the Town. The Town's fiscal year ended June 30, 2025 audited financial statement and certain prior audits are also currently available on the Town's website:

<https://www.hingham-ma.gov/DocumentCenter/View/5546/Most-Recent-ACFR-PDF>

Financial Statements

A summary of the Town's Combined Balance Sheets for fiscal years 2021-2025 is attached hereto as Appendix B. A summary Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance for fiscal years 2021-2025 is also attached hereto in Appendix B. This information has been extracted from the Town's prior annual audits and has not itself been audited.

Undesignated Fund Balance and Free Cash

Under Massachusetts law, an amount known as "free cash" is certified at the beginning of each fiscal year by the State Bureau of Accounts and this, together with certain subsequent tax receipts, is used as the basis for subsequent appropriations from available funds, which are not required to be included in the annual tax levy. Subject to certain adjustments, free cash is surplus revenue less uncollected and overdue property taxes from prior years.

The following table sets forth the certified free cash for the most recent fiscal years:

<u>Free Cash</u>	
<u>July 1,</u>	<u>Free Cash</u>
2024	\$32,195,601
2023	28,315,179
2022	26,792,809
2021	27,852,523
2020	24,607,647

Source: The Commonwealth of Massachusetts - Department of Revenue.

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HINGHAM MUNICIPAL LIGHTING PLANT

The Hingham Municipal Lighting Plant (“Lighting Plant”) has provided continuous electric service to the Town since 1894. It is authorized to operate under provisions of Chapter 164 of the Massachusetts General Laws and certain rules and regulations set forth by the Massachusetts Department of Telecommunications and Energy. An independent elected Board consisting of three Hingham citizens has the responsibility and authority to maintain and operate the Lighting Plant. The Board appoints a manager who, under the direct control of the Board, and subject to Massachusetts General Laws, Chapter 164, has full charge of the operation and management of the Lighting Plant. Bonds issued for electric system improvements are to be paid from operating revenues of the Lighting Plant.

The Lighting Plant is completely self-supporting, including accounts for depreciation and pensions. According to Chapter 164, Section 58 of the Massachusetts General Laws, electric rates charged by the Lighting Plant must be set such that the resulting net earnings, less certain other provisions, do not exceed 8% of the cost of the Lighting Plant. Excess revenues are required to be refunded to customers.

The Lighting Plant has transmission and distribution facilities only. The following table sets forth the Lighting Plant’s revenues, expenses, net income, and changes in net assets for calendar years 2019-2023 and are reported according to the provisions of Governmental Accounting Standards Board Statements No. 34. Copies of the Lighting Plant’s most recent audit are available on the Lighting Plant’s website [at https://www.hmlp.com/about/annual-reports/](https://www.hmlp.com/about/annual-reports/).

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Town of Hingham, Massachusetts
Municipal Lighting Plant
Comparative Statement of Net Assets –Operating Fund
as of Years Ended December 31, 2020 through 2024

	<u>12/31/2020</u>	<u>12/31/2021</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2024</u>
Current Assets:					
Funds on Deposit with Town Treasurer					
Operating Cash	\$8,281,478	\$7,050,635	\$7,504,302	\$6,759,234	\$6,108,977
Accounts Receivable, Net	2,374,517	2,403,696	2,475,219	2,143,619	1,991,102
Accounts Receivable, Related Party	108,889	118,792	152,952	185,174	201,761
Other Receivable	1,141,440	315,958	1,024,673	987,845	652,390
Materials and Supplies	1,111,121	1,084,336	1,259,895	1,774,687	1,704,158
Prepaid Power Contracts	488,405	559,360	266,525	569,735	588,145
Purchased Power Working Capital	<u>1,938,898</u>	<u>1,972,511</u>	<u>2,037,085</u>	<u>2,155,332</u>	<u>2,310,525</u>
Total Current Assets	<u>15,444,748</u>	<u>13,505,288</u>	<u>14,720,651</u>	<u>14,575,626</u>	<u>13,557,058</u>
Noncurrent Assets:					
Funds on Deposit with Town Treasurer					
Depreciation Fund	15,746,555	19,062,875	22,629,567	27,158,028	32,212,101
Customer Deposits	1,772,803	1,881,024	1,971,754	2,008,670	2,030,666
Insurance Reserve Fund	253,687	253,687	253,687	253,687	253,687
Rate Stabilization Fund	7,469,764	7,482,603	1,492,323	1,676,896	2,276,157
Investments	362,115	351,884	7,546,658	7,856,766	8,184,589
Preliminary Survey and Investigations	0	1,561,935	351,884	351,884	351,884
Utility Plant Assets, Net	<u>26,430,440</u>	<u>25,132,250</u>	<u>23,893,928</u>	<u>25,475,255</u>	<u>25,357,626</u>
Total Noncurrent Assets	<u>52,035,364</u>	<u>55,726,528</u>	<u>58,139,801</u>	<u>64,781,186</u>	<u>70,666,710</u>
Deferred Outflows of Resources					
Deferred Outflows of Resources Related to OPEB	514,794	568,452	475,344	366,054	396,413
Deferred Outflows of Resources Related to Pensions	<u>1,206,923</u>	<u>902,361</u>	<u>869,046</u>	<u>1,449,283</u>	<u>1,189,118</u>
Total Deferred Outflows of Resources	<u>1,721,717</u>	<u>1,470,813</u>	<u>1,344,390</u>	<u>1,815,337</u>	<u>1,585,531</u>
Total Assets and Deferred Outflows of Resources	<u>\$69,201,829</u>	<u>\$70,702,629</u>	<u>\$74,204,842</u>	<u>\$81,172,149</u>	<u>\$85,809,299</u>
Current Liabilities:					
Accounts Payable	1,541,532	1,551,572	1,231,458	1,631,381	1,636,380
Accounts Payable-Related Party	474,613	480,272	476,957	504,445	471,485
Accrued Expenses	122,312	134,133	103,228	117,061	191,240
Customer Advances for Construction	29,000	90,050	0	0	16,000
Sales Tax Payable	<u>46,417</u>	<u>11,443</u>	<u>9,123</u>	<u>0</u>	<u>0</u>
Total Current Liabilities:	<u>2,213,874</u>	<u>2,267,470</u>	<u>1,820,766</u>	<u>2,252,887</u>	<u>2,252,887</u>
Noncurrent Liabilities:					
Customer Deposits	1,772,803	1,881,024	1,993,135	2,008,670	2,029,026
Net Pension Liability	3,586,293	3,104,781	1,839,195	3,966,342	3,449,587
Net Other Post-Employment Benefits Obligation	<u>1,306,795</u>	<u>1,450,507</u>	<u>1,633,619</u>	<u>1,755,500</u>	<u>1,278,958</u>
Total Noncurrent Liabilities:	<u>6,665,891</u>	<u>6,436,312</u>	<u>5,465,949</u>	<u>7,730,512</u>	<u>6,757,571</u>
Total Liabilities	<u>8,879,765</u>	<u>8,703,782</u>	<u>7,286,715</u>	<u>9,983,399</u>	<u>9,072,676</u>
Deferred Inflows of Resources					
Contribution in Aid of Construction	1,459,089	1,452,950	1,528,227	1,524,524	1,524,605
Inflows Related to Pensions	747,333	819,509	1,600,370	122,344	315,631
Inflows Related to OPEB	525,234	782,673	538,926	418,068	365,433
Rate Stabilization Reserve	<u>8,792,144</u>	<u>8,928,133</u>	<u>9,796,563</u>	<u>10,614,481</u>	<u>10,422,125</u>
Total Deferred Inflows of Resources	<u>11,523,800</u>	<u>11,983,265</u>	<u>13,464,086</u>	<u>12,679,417</u>	<u>12,627,794</u>
Net Assets/Position:					
Invested in Capital Assets, Net of Related Debt	26,430,440	25,132,520	23,893,928	25,475,255	25,357,626
Net Position Restricted for Depreciation	15,746,555	19,062,875	22,629,567	27,158,028	32,212,101
Unrestricted	<u>6,621,269</u>	<u>5,820,187</u>	<u>6,930,546</u>	<u>5,876,050</u>	<u>6,539,102</u>
Total Net Assets/Position	<u>48,798,264</u>	<u>50,015,582</u>	<u>53,454,041</u>	<u>58,509,333</u>	<u>64,108,829</u>
Total Liabilities and Net Assets	<u>\$69,201,829</u>	<u>\$70,702,629</u>	<u>\$74,204,842</u>	<u>\$81,172,149</u>	<u>\$85,809,299</u>

Town of Hingham, Massachusetts
Municipal Lighting Plant
Comparative Statement of Revenues, Expenses and Changes in Net Assets –Operating Fund
as of Years Ended December 31, 2020 through 2024

	<u>12/31/2020</u>	<u>12/31/2021</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2024</u>
Operating Revenues:					
Sales of Electricity	\$30,579,042	\$30,871,123	\$33,160,189	\$32,384,298	\$32,050,355
Other Operating Revenues	<u>137,807</u>	<u>307,778</u>	<u>442,283</u>	<u>1,002,047</u>	<u>1,662,528</u>
Total Operating Revenues	<u>30,716,849</u>	<u>31,178,901</u>	<u>33,602,472</u>	<u>33,386,345</u>	<u>33,712,883</u>
Operating Expenses					
Operations and Maintenance	26,200,572	26,231,355	26,803,397	26,050,843	26,045,262
Depreciation	<u>3,200,183</u>	<u>3,246,783</u>	<u>3,310,214</u>	<u>3,390,030</u>	<u>3,545,747</u>
Total Operating Expenses	<u>29,400,755</u>	<u>29,478,138</u>	<u>30,113,611</u>	<u>29,440,873</u>	<u>29,591,009</u>
Operating Income	<u>1,316,094</u>	<u>1,700,763</u>	<u>3,488,861</u>	<u>3,945,472</u>	<u>4,121,874</u>
Non-operating Revenues (Expenses)					
Grant Income	0	0	0	0	88,622
Investment Income	196,211	36,579	428,594	1,670,404	1,962,969
Interest Expense	<u>(2,603)</u>	<u>(39,752)</u>	<u>(2,039)</u>	<u>(56,139)</u>	<u>(102,484)</u>
Total Non-operating Revenues (Expenses)	<u>193,608</u>	<u>(3,173)</u>	<u>426,555</u>	<u>1,614,265</u>	<u>1,949,107</u>
Income Before Contributions and Transfers	1,509,702	1,697,590	3,915,416	5,559,737	6,070,981
Net Assets –January 1	47,790,275	48,798,264	50,015,582	53,454,041	58,509,333
Implementation of GASB 75					
Transfers Out-Payments in Lieu of Taxes	<u>(474,613)</u>	<u>(480,272)</u>	<u>(476,957)</u>	<u>(504,445)</u>	<u>(471,485)</u>
Net Assets –December 31	<u>\$48,798,264</u>	<u>\$50,015,582</u>	<u>\$53,454,041</u>	<u>\$58,509,333</u>	<u>\$64,108,829</u>

Source: Hingham Municipal Lighting Plant. Table itself not audited.

INDEBTEDNESS

Authorization of General Obligation Bonds and Notes

Serial bonds and notes are authorized by a two-thirds vote of the town meeting. Provision is made in some cities and towns for a referendum on the borrowing authorization if there is a timely filing of a petition bearing the requisite number of signatures. Refunding bonds and notes are authorized by the select board. Borrowings for some purposes require State administrative approval.

When serial bonds or notes have been authorized, bond anticipation notes may be issued by the officers authorized to issue the serial bonds or notes. Temporary debt in anticipation of the revenue of the fiscal year in which the debt is incurred or in anticipation of authorized federal and state aid generally may be incurred by the treasurer with the approval of the selectmen, mayor or city manager as the case may be.

Debt Limits

General Debt Limit. The General Debt Limit of a city or town consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 5% of the valuation of taxable property as last equalized by the State Department of Revenue. A city or town can authorize debt up to this amount without state approval. It can authorize debt up to twice this amount (the Double Debt Limit) with the approval of the state Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit if such debt is authorized by a two-thirds vote of the city or town and such debt is payable within the periods so specified in M.G.L. c.44, section 8. Among others, these exempt categories include revenue anticipation notes and grant

anticipation notes; emergency loans; loans exempted by special laws; certain school bonds, certain sewer bonds, bonds for water, gas, electric, and telecommunication systems, solid waste disposal facility bonds and economic development bonds supported by tax increment financing, bonds for water, housing, urban renewal, and economic development (subject to various debt limits), and electric, gas, community antenna television systems, and telecommunication systems. Revenue bonds are not subject to these debt limits. The General Debt Limit applies at the time the debt is authorized. The special debt limits generally apply at the time the debt is incurred.

Revenue Anticipation Notes. The amount borrowed in each fiscal year by the issue of revenue anticipation notes is limited to the tax levy of the prior fiscal year, together with the net receipts in the prior fiscal year from the motor vehicle excise and certain payments made by the Commonwealth in lieu of taxes. The fiscal year ends on June 30. Notes may mature in the following fiscal year, and notes may be refunded into the following fiscal year to the extent of the uncollected, unabated current tax levy and certain other items, including revenue deficits, overlay deficits, final judgments, and lawful unappropriated expenditures, which are to be added to the next tax levy, but excluding deficits arising from a failure to collect taxes of earlier years. (See “*Taxation to Meet Deficits*” under “PROPERTY TAX” below.) In any event, the period from an original borrowing to its final maturity cannot exceed one year.

Types of Obligations

General Obligations. Massachusetts cities and towns are authorized to issue general obligation indebtedness of these types:

Serial Bonds and Notes. These are generally required to be payable in annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. A level debt service schedule, or a schedule that provides for a more rapid amortization of principal than level debt service, is permitted. The principal amounts of certain economic development bonds supported by tax increment financing may be payable in equal, diminishing or increasing amounts beginning within five years after the date of issue. The maximum terms of serial bonds and notes vary from one year to 40 years, depending on the purpose of the issue. The maximum terms permitted are set forth in the statutes. In addition, for many projects, the maximum term may be determined in accordance with useful life guidelines promulgated by the State Department of Revenue (“DOR”). Serial bonds and notes may be issued for the purposes set forth in the statutes. In addition, serial bonds and notes may be issued for any other public work improvement or asset not specifically listed in the statutes that has a useful life of at least five years. Bonds or notes may be made callable and redeemed prior to their maturity, and a redemption premium may be paid. Refunding bonds or notes may be issued subject to the maximum applicable term measured from the date of the original bonds or notes and must produce present value savings over the debt service of the refunded bonds. Generally, the first required annual payment of principal of the refunding bonds cannot be later than the end of the fiscal year in which any of the bonds or notes being refunded thereby is payable, however, principal payments made before the first principal payment of any of the bonds or notes being refunded thereby may be in any amount.

Serial bonds may be issued as “qualified bonds” with the approval of the state Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General, and the Director of Accounts, subject to such conditions and limitations (including restrictions on future indebtedness) as may be required by the Board. Qualified bonds may mature not less than 10 nor more than 30 years from their dates and are not subject to the amortization requirements described above. The State Treasurer is required to pay the debt service on qualified bonds and thereafter to withhold the amount of the debt service paid by the State from state aid or other state payments; administrative costs and any loss of interest income to the State are to be assessed upon the city or town.

Tax Credit Bonds or Notes. Subject to certain provisions and conditions, the officers authorized to issue bonds or notes may designate any duly authorized issue of bonds or notes as “tax credit bonds” to the extent such bonds and notes are otherwise permitted to be issued with federal tax credits or other similar subsidies for all or a portion of the borrowing costs. Tax credit bonds may be made payable without regard to the annual installments required by any other law, and a sinking fund may be established for the payment of such bonds. Any investment that is part or such a sinking fund may mature not later than the date fixed for payment or redemption of the applicable bonds.

Bond Anticipation Notes. These generally must mature within two years of their original dates of issuance but may be refunded from time to time for a period not to exceed 10 years from their original dates of issuance, provided that for each year that the notes are refunded beyond the second year they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second

year. The maximum term of bonds issued to refund bond anticipation notes is measured from the date of the original issue of the notes.

Revenue Anticipation Notes. These are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue.

Grant Anticipation Notes. These are issued for temporary financing in anticipation of federal grants and state and county reimbursements for any purpose for which the city or town may incur debt that may be payable over a term of five years or longer. Generally, they must mature within two years but may be refunded from time to time as long as the municipality remains entitled to the grant or reimbursement.

Revenue Bonds. Cities and towns may issue revenue bonds for solid waste disposal facilities, for projects financed under the Commonwealth's Clean Water or Drinking Water Revolving Loan Programs, and for certain economic development projects supported by tax increment financing. In addition, cities and towns which are members of the New England Power Pool may issue electric revenue bonds, and notes in anticipation of such bonds, subject to the approval of the Department of Utilities. This article is not intended to summarize laws relating to revenue bonds or to notes issued in anticipation of them. Industrial revenue bonds are also outside the scope of this article.

Long-Term Debt

The following table summarizes the Town's long-term debt outstanding as of January 15, 2026.

Direct Debt Summary

General Obligation Bonds:	
Sewer ⁽¹⁾	\$ 718,664
School ⁽²⁾	88,601,784
Water Company ⁽³⁾	104,034,203
General	9,074,720
Lincoln School Apartments	669,720
Golf Course	2,522,461
Public Safety Facility	38,093,455
CPC	<u>1,609,068</u>
Total Direct Debt	<u>\$245,324,075</u>

(1) Only a portion of this is subject to the debt limit. Includes loans from the Massachusetts Water Pollution Abatement Trust.

(2) Not subject to the debt limit. The debt service in the amount of \$59,586,784 on the school bonds outstanding has been excluded from the limits of Proposition 2½.

(3) Not subject to the debt limit. Paid, in the first instance, from Water Enterprise revenues.

Short-Term Debt

The Town currently has the following bond anticipation notes outstanding, all of which will either be paid from available funds or refinanced with proceeds from the sale of additional notes or bonds:

<u>Title</u>	<u>Issue Date</u>	<u>Maturity Date</u>
\$37,661,683 General Obligation Bond Anticipation Notes ⁽¹⁾	February 13, 2025	February 13, 2026

(1) To be redeemed with a portion of the proceeds of the Notes and available funds of the Town including a portion of the proceeds from the sale of the Town's \$8,943,267 General Obligation Municipal Purpose Loan of 2026 Bonds, Series A which are being sold concurrently to the Notes. Proceeds of the Notes and such bonds are expected to be delivered on February 12, 2026 (see "Authorization and Purpose of the Notes" herein).

Debt Ratios

The following table sets forth the ratio of debt to assessed valuation and per capita debt ratios at the end of the five most recent fiscal years. The table considers the principal amount of general obligation bonds of the Town only. The table does not deduct anticipated state grant payments applicable to the principal amount of outstanding bonds or debt that may be supported in whole, or part, by non-tax revenues. (See “Direct Debt Summary”.)

Debt Ratios

<u>June 30</u>	<u>Population</u>	General Obligation Bonds Outstanding (000's)	Assessed Valuation (000's)	Per Capita Debt	Debt as a % of Assessed Valuation
2025	24,414	\$141,290 ⁽¹⁾	\$11,414,065	\$5,787	1.24%
2024	24,414	78,846 ⁽¹⁾	10,694,415	3,230	0.74
2023	24,284	31,446 ⁽¹⁾	10,082,158	1,295	0.31
2022	24,311	37,655 ⁽¹⁾	8,043,904	1,467	0.44
2021	24,679	43,997 ⁽¹⁾	7,641,781	1,783	0.58

- (1) Excludes debt service associated with \$111,180,000 General Obligation Water Bonds, Series 2020 issued for the purposes of purchasing the assets of the Aquarion Water Company of Massachusetts, Inc. and/or Aquarion Water Capital of Massachusetts, Inc. and now known as Weir River Water System (“Weir River”), and any debt issued on behalf of Weir River thereafter. Weir River operates as a Town enterprise fund and it is anticipated that general obligation debt of the Town associated with Weir River will be paid, in the first instance, through water system rates and charges and not through tax revenue.

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Debt Service Requirements

The following table sets forth the required principal and interest payments on outstanding general obligation bonds of the Town, exclusive of economically defeased obligations, as of January 15, 2026.

<u>Long-Term Debt Service Requirements</u>				Rate of Original
<u>Fiscal Year</u>	<u>Principal⁽¹⁾⁽²⁾</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Principal Retirement %</u>
2026	\$10,260,000	\$8,785,734	\$19,045,734	4.15%
2027	10,365,000	8,454,744	18,819,744	8.33
2028	10,195,000	8,023,144	18,218,144	12.45
2029	8,435,000	7,621,744	16,056,744	15.86
2030	8,435,000	7,267,744	15,702,744	19.27
2031	8,615,000	6,905,281	15,520,281	22.75
2032	8,775,000	6,533,206	15,308,206	26.29
2033	8,855,000	6,152,569	15,007,569	29.87
2034	9,080,000	5,769,119	14,849,119	33.54
2035	9,175,000	5,429,169	14,604,169	37.25
2036	9,370,000	5,107,319	14,477,319	41.03
2037	9,565,000	4,778,819	14,343,819	44.90
2038	8,155,000	4,441,819	12,596,819	48.19
2039	8,365,000	4,156,869	12,521,869	51.57
2040	8,540,000	3,907,269	12,447,269	55.02
2041	8,695,000	3,652,369	12,347,369	58.54
2042	8,890,000	3,376,394	12,266,394	62.13
2043	9,095,000	3,094,325	12,189,325	65.80
2044	9,315,000	2,805,844	12,120,844	69.57
2045	9,215,000	2,510,350	11,725,350	73.29
2046	9,445,000	2,220,644	11,665,644	77.11
2047	9,675,000	1,923,606	11,598,606	81.02
2048	9,925,000	1,619,319	11,544,319	85.03
2049	10,170,000	1,306,981	11,476,981	89.14
2050	10,435,000	986,875	11,421,875	93.35
2051	5,115,000	658,200	5,773,200	95.42
2052	5,070,000	453,600	5,523,600	97.47
2053	5,225,000	250,800	5,475,800	99.58
2054	1,045,000	41,800	1,086,800	100.00
	<u>\$247,500,000</u>	<u>\$77,492,142</u>	<u>\$262,844,798</u>	

- (1) Includes debt service associated with \$111,180,000 General Obligation Water Bonds, Series 2020 issued for the purposes of purchasing the assets for Weir River, and any debt issued thereafter on behalf of Weir River, which operates as a Town enterprise fund and it is anticipated that general obligation debt of the Town associated with Weir River will be paid, in the first instance, through water system rates and charges and not through tax revenue.
- (2) Does not include lease payments associated with outstanding lease agreements totaling \$924,927, as of June 30, 2025.

Source: Town Treasurer/Collector.

Principal Payments by Purpose

The following table sets forth the principal payments by purpose for the Town's outstanding bonded indebtedness.

Projected Principal Payments by Purpose (As of January 15, 2026)

Fiscal Year Ending	<u>Sewer⁽¹⁾</u>	<u>Lincoln School Apartments</u>	<u>School</u>	<u>Golf Course</u>	<u>General⁽²⁾</u>	<u>Water⁽³⁾</u>	<u>Public Safety Facility</u>	<u>CPA⁽⁴⁾</u>	<u>Total Principal⁽⁵⁾</u>
2026	\$ 56,867	\$ 0	\$3,148,987	\$132,762	\$ 523,783	\$2,721,537	\$1,336,974	\$134,089	\$ 8,054,999
2027	167,054	338,422	4,301,246	132,762	1,128,106	2,846,537	1,340,850	134,089	10,389,066
2028	66,330	331,298	4,269,760	132,761	930,804	2,986,537	1,343,421	134,089	10,195,000
2029	62,280		3,105,936	132,761	523,781	3,131,537	1,344,616	134,089	8,435,000
2030	56,864		2,991,596	132,761	523,781	3,251,537	1,344,372	134,089	8,435,000
2031	56,864		3,068,354	132,761	505,699	3,376,537	1,340,696	134,089	8,615,000
2032	56,863		3,146,699	132,761	461,096	3,506,537	1,341,956	134,089	8,780,001
2033	56,863		3,225,599	132,761	327,630	3,641,537	1,336,521	134,089	8,855,000
2034	56,863		3,317,362	132,761	317,121	3,781,537	1,340,267	134,089	9,080,000
2035	27,272		3,398,243	132,761	254,549	3,891,537	1,336,549	134,089	9,175,000
2036	27,272		3,475,360	132,761	254,549	4,006,537	1,339,433	134,089	9,370,001
2037	27,272		3,558,761	132,761	254,548	4,121,537	1,336,033	134,089	9,565,001
2038			2,185,769	132,761	254,548	4,241,537	1,340,386		8,155,001
2039			2,271,896	132,761	254,547	4,366,537	1,339,260		8,365,001
2040			2,364,467	132,761	254,547	4,451,537	1,336,689		8,540,001
2041			2,430,933	132,761	254,547	4,536,537	1,340,223		8,695,001
2042			2,526,570	132,761	254,547	4,641,537	1,334,586		8,890,001
2043			2,623,833	132,761	254,547	4,751,537	1,332,323		9,095,001
2044			2,732,786	132,761	254,547	4,861,537	1,333,370		9,315,001
2045			2,843,498		183,921	4,855,000	1,332,581		9,215,000
2046			2,956,037		183,921	4,970,000	1,335,042		9,445,000
2047			3,070,479		183,921	5,090,000	1,330,600		9,675,000
2048			3,196,898		183,920	5,210,000	1,334,182		9,925,000
2049			3,320,374		183,920	5,335,000	1,330,706		10,170,000
2050			3,455,989		183,920	5,460,000	1,335,091		10,435,000
2051			3,598,829		183,920		1,332,251		5,115,000
2052			3,733,982				1,336,018		5,070,000
2053			3,886,541				1,338,459		5,225,000
2054			395,000				650,000		1,045,000
Total	\$718,664	\$669,720	\$88,601,784	\$2,522,461	\$9,074,720	\$104,034,203	\$38,093,455	\$1,609,068	\$245,324,075

(1) The Town anticipates that the total sewer debt service will be paid from departmental revenues.

(2) Fire Station, Fire Engines, Dam, Wharf, DPW Facility, Road Improvements, Land Acquisitions and Wastewater Plan.

(3) Debt service expected to be paid from Weir River Water System Enterprise Fund revenues.

(4) CPC Land acquisition, Lechner Property.

(5) Does not include lease payments associated with outstanding lease agreements in the amount of \$924,927 as of June 30, 2025.

Source: Town Treasurer/Collector.

Overlapping Debt

The Town of Hingham is located in Plymouth County and is a member of the Massachusetts Water Resources Authority (“MWRA”) and the Massachusetts Bay Transportation Authority (“MBTA”).

Massachusetts Water Resources Authority. The Massachusetts Water Resources Authority (the “MWRA”) provides wholesale drinking water services and wastewater collection and treatment services to certain cities, towns and special purpose entities. Under its enabling legislation, as amended, the aggregate principal amount of all bonds issued by the MWRA for its corporate purposes may not exceed \$6.45 billion outstanding at any time. Its obligations are secured by revenues of the MWRA. The MWRA assesses member cities, towns and special purpose entities, which continue to provide direct retail water and sewer services to users. The cities, towns and other entities collect fees from the users to pay all or part of the assessments; some municipalities levy property taxes to pay part of the amounts assessed upon them.

Counties. County expenses including debt service on county bonds are assessed upon the cities and towns within the county in proportion to their taxable valuation as last equalized by the State Commissioner of Revenue. (The expenses of Suffolk County are borne by the City of Boston alone.) Legislation enacted in 1997 abolished the county governments of Franklin and Middlesex counties as of July 1, 1997, with their assets, functions, debts and other obligations being assumed by the Commonwealth. The abolishment of the Middlesex County government was in part in response to a default by the county in the payment of general obligation notes of the county. Legislation has also abolished the county governments of Hampden, Worcester, Hampshire, Essex and Berkshire counties. The state secretary for administration and finance established a plan to recover the Commonwealth’s expenditures for the liabilities and other debts assumed and paid by the Commonwealth on behalf of an abolished county. Unless these provisions are changed by further legislation, the state treasurer shall assess upon each city and town within the jurisdiction of an abolished county an amount not exceeding or equal to the county tax paid by each such city and town for the fiscal year immediately prior to the abolishment of the county (or two years prior in the case of Essex county) until such expenditures by the Commonwealth are recovered. It is possible that similar legislation will be sought to provide for the abolishment of county government in all the remaining counties.

Massachusetts Bay Transportation Authority. The Massachusetts Bay Transportation Authority (the “MBTA”) was created in 1964 to finance and operate mass transportation facilities within the greater Boston metropolitan area. Under its enabling act, the MBTA is authorized to issue bonds for capital purposes. In addition, pursuant to certain of the Commonwealth’s transportation bond bills, the MBTA is authorized to issue additional bonds for particular capital projects. The MBTA also is authorized to issue bonds of the purpose of refunding bonds. Under the MBTA’s enabling act debt service, as well as other operating expenses of the MBTA, are to be financed by a dedicated revenue stream consisting of the amounts assessed on the cities and towns of the MBTA and a dedicated portion of the statewide sales tax. The amount assessed to each city and town is based on a weighted population formula as provided in the enabling act. The aggregate amount of such assessments is generally not permitted to increase by more than 2.5 percent per year. (See “*Property Tax Limitations*” herein.)

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The following table sets forth the outstanding bonded debt, exclusive of temporary loans in anticipation of bonds or current revenue, of each of the overlapping entities, the Town's estimated gross share of such debt, and the fiscal 2025 assessment payable by the Town. The Town is not responsible for any of the debt associated with the MBTA.

<u>Overlapping Debt</u>			
<u>Overlapping Entity</u>	<u>Outstanding Debt</u>	<u>Hingham's Estimated Share⁽¹⁾</u>	<u>Fiscal 2025 Assessment⁽²⁾</u>
Plymouth County ⁽³⁾	\$ 0	n/a	\$ 149,531
Massachusetts Water Resource Authority ⁽⁴⁾	<u>2,467,889,004</u>	<u>0.3535%</u>	<u>1,113,796</u>
Total Overlapping Debt:	<u>\$2,467,889,004</u>		<u>\$1,263,327</u>

(1) Estimated share based upon operating expenses.

(2) As of June 30, 2025.

(3) Source: County Treasurer. County expenses, including debt service, are assessed upon the towns within the County in proportion to their taxable valuation.

(4) Source: MWRA. Sewer debt only as of June 30, 2025. 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 the Weir River Water System.

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Authorized and Unissued Debt

The following table sets forth the authorized and unissued long-term debt of the Town:

Authorized Unissued Debt (As of January 15, 2026)

Authorization	Amount	Purpose	Amount	Amount
<u>Date</u>	<u>Authorized⁽⁷⁾</u>		<u>Issued to</u>	<u>Authorized</u>
			<u>Date</u>	<u>but Unissued</u>
10/27/2008	\$ 6,877,779	Lincoln School Apartments ⁽⁴⁾⁽⁷⁾	\$ 6,700,000	\$ 177,779
4/22/2013	2,638,421	Land Acquisition - Recreation Park Drive ⁽⁷⁾	0	2,638,421
4/27/2015	466,750	Design & Engineering/North Fire Station ⁽⁷⁾	0	466,750
4/25/2016	295,903	Design & Engineering/North Fire Station	0	295,903
4/25/2016	1,440,075	Road Improvements ⁽⁷⁾	1,283,075	157,000
4/24/2017	508,848	Road reconstruction/Seawalls		508,848
4/24/2017	250,000	Foster School/Feasibility Study	0	250,000
4/23/2018	200,000	Wharf Repair and Restoration	0	200,000
4/22/2019	114,000,000	Aquarian Water Company Purchase ⁽⁶⁾	111,180,000	2,820,000
4/23/2019	3,500,000	Hingham Harbor Dredging	0	3,500,000
6/20/2020	296,000	Town Hall Data Center D&E and Renovation	247,662	48,338
4/30/2022	3,053,178	Plymouth River School Windows Project ⁽⁷⁾	0	3,053,178
4/30/2022	8,000,000	Town Pool/Design & Construction	0	8,000,000
4/30/2022	5,400,000	2022 Water Capital Improvements ⁽⁶⁾	0	5,400,000
4/30/2022	1,585,380	Public Safety Facility Pre-Construction Costs	0	1,585,380
11/1/2022	92,630,219	Foster Elementary School - New Construction ⁽⁷⁾	70,000,000	22,630,219
11/1/2022	46,700,000	Public Safety Facility- New Construction	40,000,000	6,700,000
4/24/2023	900,000	Route 3A Sewer Project ⁽¹⁾	0	900,000
4/24/2023	1,550,000	Land Acquisition-30 Summer Street	1,545,415	4,585
4/24/2024	13,000,000	Route 3A sewer Construction ⁽¹⁾	0	13,000,000
4/24/2024	21,005,000	2024 Water Capital Improvements ⁽⁶⁾	0	21,005,000
4/24/2024	1,200,000	Purchase of a Fire Engine	0	1,200,000
4/28/2025	5,650,000	Repair of Town Pier & Inner Harbor Structures	0	5,650,000
4/28/2025	957,887	SSCC -Replacement mowers & Equipment	0	957,887
4/28/2025	3,000,000	2025 Water Capital Projects	0	3,000,000
4/28/2025	<u>3,310,000</u>	High School Roof Replacement	<u>0</u>	<u>3,310,000</u>
Total	<u>\$338,415,440</u>		<u>\$230,956,152</u>	<u>\$107,459,288</u>

- (1) Debt service expected to be paid with Sewer Department Funds.
- (2) Debt service expected to be paid with Community Preservation Funds.
- (3) Debt service expected to be paid with South Shore Country Club Enterprise Funds.
- (4) Debt service expected to be paid with Lincoln School Apartment Funds.
- (5) Debt service expected to be paid with Betterment Assessment funds.
- (6) Debt service expected to be paid with Weir River Water System Enterprise Funds.
- (7) Net of Grants (MGL Ch 708) and Pay Downs on Notes (MGL Ch 44 sec 17).

Source: Treasurer/Collector.

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Contractual Obligations

Municipal contracts are generally limited to currently available appropriations. A city or town generally has authority to enter into contracts for the exercise of any of its corporate powers for any period of time deemed to serve its best interest subject to applicable procurement laws, but generally only when funds are available for the first fiscal year; obligations for succeeding fiscal years generally are expressly subject to availability and appropriation of funds.

Municipal electric departments have statutory power to enter into long-term contracts for joint ownership and operation of generating and transmission facilities and for the purchase or sale of capacity, including contracts requiring payments without regard to the operational status of the facilities.

Pursuant to the Home Rule Amendment to the Massachusetts Constitution, cities and towns may also be empowered to make other contracts and leases.

In order to carry out its municipal functions, the Town of Hingham (excluding its Municipal Lighting Plant) regularly enters into contractual obligations, which are subject to annual appropriation.

RETIREMENT PLAN

The Massachusetts General Laws provide for the establishment of contributory retirement systems for state employees, for teachers and for county, city, and town employees other than teachers. Teachers are assigned to a separate statewide teachers' system and not to the city and town systems. For all employees other than teachers, this law is subject to acceptance in each city and town. Substantially all employees of an accepting city or town are covered. If a town has a population of less than 10,000 when it accepts the statute, its non-teacher employees participate through the county system and its share of the county cost is proportionate to the aggregate annual rate of regular compensation of its covered employees. In addition to the contributory systems, cities and towns provide non-contributory pensions to a limited number of employees, primarily persons who entered service prior to July 1, 1937 and their dependents. The Public Employee Retirement Administration Commission ("PERAC") provides oversight and guidance for and regulates all state and local retirement systems.

The obligations of a city or town, whether direct or through a county system, are contractual legal obligations and are required to be included in the annual tax levy. If a city or town, or the county system of which it is a member, has not established a retirement system funding schedule as described below, the city or town is required to provide for the payment of the portion of its current pension obligations which is not otherwise covered by employee contributions and investment income. "Excess earnings," or earnings on individual employees' retirement accounts in excess of a predetermined rate, are required to be set aside in a pension reserve fund for future, not current, pension liabilities. Cities and towns may voluntarily appropriate to their system's pension reserve fund in any given year up to 5% of the preceding year's tax levy. The aggregate amount in the fund may not exceed 10% of the equalized valuation of the city or town.

If a city or town, or each member city and town of a county retirement system, has accepted the applicable law, it is required to annually appropriate an amount sufficient to pay not only its current pension obligations, but also a portion of its future pension liability. The portion of each such annual payment allocable to future pension obligations is required to be deposited in the pension reserve fund. The amount of the annual city or town appropriation for each such system is prescribed by a retirement system funding schedule which is periodically reviewed and approved by PERAC.

A system (other than the state employees' retirement system and the teachers' retirement system) which conducts an actuarial valuation as of January 1, 2009, or later, may establish a revised schedule which reduces the unfunded actuarial liability to zero by not later than June 30, 2040, subject to certain conditions. If the schedule is so extended under such provisions and a later updated valuation allows for the development of a revised schedule with reduced payments, the revised schedule shall be adjusted to provide that the appropriation for each year shall not be less than that for such year under the prior schedule, thus providing for a shorter schedule rather than reduced payments.

City, town and county systems may choose to participate in the Pension Reserves Investment Trust Fund (the "PRIT Fund"), which receives additional state funds to offset future pension costs of participating state and local systems. If a local system participates in the PRIT Fund, it must transfer ownership and control of all assets of its system to the Pension

Reserves Investment Management Board, which manages the investment and reinvestment of the PRIT Fund. Cities and towns with systems participating in the PRIT Fund continue to be obligated to fund their pension obligations in the manner described above. The additional state appropriations to offset future pension liabilities of state and local systems participating in the PRIT Fund are required to total at least 1.3% of state payroll. Such additional state appropriations are deposited in the PRIT Fund and shared by all participating systems in proportion to their interests in the assets of the PRIT Fund as of July 1 for each fiscal year.

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked.

The Town's annual contributions to the Hingham Contributory Retirement System (the "System"), which participates in the PRIT Fund, as of June 30 for the most recent fiscal years are as follows:

Retirement System Contributions⁽¹⁾

<u>Fiscal Year</u>	<u>Contribution</u>
2026	\$7,702,688
2025	7,236,459
2024	6,762,904
2023	6,314,662
2022	5,899,990

The foregoing data does not include the System's costs or liability attributable to employees of the county or the System's costs or liabilities of any other entity of which the Town is a constituent part.

- (1) Includes Municipal Lighting Department which is paid from electric revenues. Does not include the Hingham Housing Authority or the South Shore Regional Emergency Communications Center.

Source: Extracted from the January 1, 2024 Actuarial Valuation prepared by KMS Actuaries, LLC.

The unfunded pension benefit obligation of the Town of Hingham Contributory Retirement System on January 1, 2024 for all component units was as follows:

Actuarial Accrued Liability	\$221,681,384
Actuarial Value of Assets	<u>174,583,775</u>
Unfunded Actuarial Accrued Liability	<u>\$ 47,097,609</u>
Funded Ratio	78.8%

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Town of Hingham, Massachusetts
Contributory Retirement System
30-Year Forecast of Annual Appropriations
Based on Results of January 1, 2024 Valuation

<u>Fiscal Year Ending</u>	<u>Employer Normal Cost</u>	<u>Amortization Payment of UAL</u>	<u>Net 3(8)(c) Transfers</u>	<u>Total Employer Cost</u>	<u>Increase Over Prior Year</u>	<u>Unfunded AAL</u>
2025	\$2,989,663	\$4,544,889	\$ 0	\$7,534,552	--	\$47,097,609
2026	2,943,047	4,959,191	--	7,902,238	4.88%	45,805,427
2027	3,026,834	5,261,034	--	8,287,868	4.88	43,990,504
2028	3,081,794	5,610,521	--	8,692,315	4.88	41,731,406
2029	3,159,825	5,956,674	--	9,116,499	4.88	38,946,589
2030	3,252,611	6,308,773	--	9,561,384	4.88	35,601,391
2031	3,314,250	6,713,731	--	10,027,981	4.88	31,649,027
2032	3,410,834	7,106,512	--	10,517,346	4.88	26,990,736
2033	3,482,050	7,548,542	--	11,030,592	4.88	21,587,948
2034	3,561,581	8,007,304	--	11,568,885	4.88	15,335,685
2035	3,652,556	8,445,480	--	12,098,036	4.57	8,155,032
2036	3,725,001	--	--	3,725,001	-69.21	--
2037	3,814,625	--	--	3,814,625	2.41	--
2038	3,906,214	--	--	3,906,214	2.40	--
2039	4,017,710	--	--	4,017,710	2.85	--
2040	4,133,499	--	--	4,133,499	2.88	--
2041	4,231,902	--	--	4,231,902	2.38	--
2042	4,343,628	--	--	4,343,628	2.64	--
2043	4,466,446	--	--	4,466,446	2.83	--
2044	4,586,703	--	--	4,586,703	2.69	--
2045	4,741,519	--	--	4,741,519	3.38	--
2046	4,893,036	--	--	4,893,036	3.20	--
2047	5,037,111	--	--	5,037,111	2.94	--
2048	5,184,951	--	--	5,184,951	2.94	--
2049	5,332,934	--	--	5,332,934	2.85	--
2050	5,501,066	--	--	5,501,066	3.15	--
2051	5,670,239	--	--	5,670,239	3.08	--
2052	5,806,228	--	--	5,806,228	2.40	--
2053	6,004,318	--	--	6,004,318	3.41	--
2054	6,179,710	--	--	6,179,710	2.92	--
2055	6,379,131	--	--	6,379,131	3.23	--
2056	6,534,754	--	--	6,534,754	2.44	--

Notes:

- Employer Normal Cost as of January 1, 2024: \$2,886,846
- Unfunded Actuarial Accrued Liability (UAL): 47,097,609
- Investment Return Rate: 7.25%
- Amortization Payments Increase Annually: 4.00%
- Limit on Annual Increase: 4.88% per year
- Fully Funded in Fiscal Year: 2035

Source: Town of Hingham

Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities and towns is generally provided on a pay-as-you-go basis.

The Government Accounting Standards Board ("GASB") promulgated accounting standards that require public sector entities to report future costs of non-pension, post-employment benefits in their financial statements. These accounting

standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits. The Town implemented the GASB reporting requirements in fiscal year 2008. In 2012, the Town voted to accept legislation, M.G.L. Chapter 32B, Section 20, as amended, allowing the Town's to establish an Other Post-Employment Benefits Trust Fund ("OPEB") and to invest OPEB funds consistent with the prudent investor rule established in Chapter 203C of the Massachusetts General Laws as is allowed for investment of pension funds. Subsequently the Town's OPEB funds were transferred to the State Retiree Benefits Trust Fund in order to achieve maximum investment opportunity under the statute.

For fiscal years beginning after June 15, 2017, the Town is subject to GASB Statement No. 75 ("GASB 75") which replaces GASB 45. GASB 75 requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and OPEB. GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB similarly to GASB Statement No. 68 reporting requirements for pensions.

GASB 75 requires state and local governments to measure a defined benefit OPEB plan as the portion of the present value of projected benefit payments to be provided to current active and inactive employees, attributable to past periods of service in order to calculate the total OPEB liability. Total OPEB liability generally is required to be determined through an actuarial valuation using a measurement date that is no earlier than the end of the employer's prior fiscal year and no later than the end of the employer's current fiscal year.

GASB 75 requires that most changes in the OPEB liability be included in OPEB expense in the period of the changes. Based on the results of an actuarial valuation, certain changes in the OPEB liability are required to be included in OPEB expense over current and future years.

KMS Actuaries LLC has provided the Town with an actuarial valuation of the Town's non pension, post-retirement benefits in compliance with GASB 45 as of June 30, 2025. The net OPEB liability was \$67,554,528, based on a 6.8% discount rate and a 30 year schedule. The Light Department's share of this net liability was \$1,288,927.

The balance of the Town OPEB Trust Fund as of November 30, 2025 was \$33,106,374. In fiscal year 2026, the Town approved funding of \$1,498,660. The balance in the Hingham Municipal Lighting Plant OPEB fund as of November 30, 2025 was \$2,701,859.97.

EMPLOYEE RELATIONS

The Town of Hingham employs approximately 1,032 full-time and part-time workers, 724 of whom are employed by the school department, 52 by the police department, and 51 by the fire department and the remainder by various other town departments. Town employees (other than managerial and confidential employees) are entitled to join unions and to bargain collectively on questions of wages, hours and other terms and conditions of employment. Approximately 821 Town employees are represented by unions, including 535 teachers and school administrators, 103 police and fire department employees, and 122 school bus drivers, cafeteria workers and custodians, 33 DPW employees, and 28 librarians.

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Employees

<u>Organization</u>	<u>Contract Expiration Date</u>
Library- Service Employees International Union, Local 888	6/30/2027
Fire- International Association of Fire Fighters, Local 2398	6/30/2027
DPW- International Brotherhood of Teamsters, Local 25	6/30/2028
DPW-Supervisors- International Brotherhood of Teamsters, Local 25	6/30/2026
Police- International Brotherhood of Police, Local 70	6/30/2027
Police Superiors- Hingham Superior Officers Union	6/30/2027
Hingham Public School Custodians & Maintenance Workers' Association	6/30/2026
Hingham Public School Bus & Van Drivers' Association	6/30/2026
Hingham Administrators Association Affiliated with Massachusetts Education Association	6/30/2027
Hingham Education Association (Teachers)	8/31/2027
Hingham Education Association Paraprofessional Unit	6/30/2027

Source: Town Human Resources Department.

LITIGATION

At present there are several cases pending in various courts throughout the Commonwealth where the Town is a defendant. In the opinion of Town Counsel, there is no litigation, pending or threatened, that is likely to result, either individually or in the aggregate, in final judgments against the Town that would materially affect its financial position.

CYBERSECURITY

The Town, like many other public and private entities, relies heavily on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware, and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls as well as training; however, no assurances can be given that such measures will be completely successful to guard against all cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial.

ADDITIONAL INFORMATION

Additional information may be obtained from the Town's Municipal Advisor, Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York 11021, (516) 274-4502.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. This Official Statement is not to be construed as a contract or agreement between the Town and the original purchasers or holders of any of the Notes.

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This Official Statement has been prepared only in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

**TOWN OF HINGHAM,
MASSACHUSETTS**

By: /s/ Lori-Ann Magner
Town Treasurer

Dated: January 15, 2026

APPENDIX B

SUMMARY FINANCIAL STATEMENTS

TOWN OF HINGHAM, MASSACHUSETTS
General Fund Budget
Fiscal Year End 6/30

	<u>2025</u>	<u>2026</u>
REVENUES:		
Local:		
Taxes	\$ 114,206,978	\$ 119,063,233
Tax Liens	-	-
Motor Vehicles and Other Excise Taxes	5,400,000	5,227,200
Licenses and Fees	1,250,000	1,350,000
Intergovernmental	10,810,653	10,810,653
State Grant for Teachers Pension	-	-
Departmental and Other	3,569,000	2,333,858
Investment Income	1,000,000	2,000,000
Miscellaneous Revenue(Meals Tax)	1,050,000	1,075,000
Appropriated Fund Balance	2,000,000	2,000,000
Total Local:	<u>139,286,631</u>	<u>143,859,944</u>
Total Revenues	<u>\$ 139,286,631</u>	<u>\$ 143,859,944</u>
EXPENDITURES		
Current:		
General Government	\$ 6,969,792	\$ 7,104,312
Public Safety	19,321,917	19,936,420
Education	70,925,339	72,007,204
Public Works	7,871,367	6,811,123
Human Services	1,130,829	1,054,599
Culture and Recreation	2,946,045	3,408,652
Pension	6,759,093	7,190,072
Property and Liability Insurance	1,700,527	1,870,580
Employee Benefits	3,013,115	3,172,376
Group Health Insurance	7,727,318	8,406,867
Miscellaneous	-	-
Claims and Judgments	-	-
Transfers to Other Funds	-	-
Debt Service:		
Debt Principal	5,533,043	7,379,510
Debt Interest	5,824,228	6,315,543
Intergovernmental:		
State and County Assessments	<u>1,108,231</u>	<u>1,301,170</u>
Total Appropriations	<u>\$ 140,830,844</u>	<u>\$ 145,958,428</u>

Source: Town's Adopted and Proposed Budgets
Summary, table not audited

**TOWN OF HINGHAM, MASSACHUSETTS
COMPARATIVE BALANCE SHEET - GENERAL FUND**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
ASSETS:					
Cash and Equivalents	\$ 55,857,767	\$ 56,908,853	\$ 42,782,835	\$ 42,213,495	\$ 46,474,046
Investments	7,027,392	6,715,195	6,192,764	4,839,523	-
Receivables:					
Property Taxes	1,864,861	1,699,407	1,577,878	1,505,903	2,026,727
Tax Liens	973,460	1,003,884	905,789	860,995	901,579
Excise Taxes	785,112	858,747	617,104	591,746	660,417
Departmental Revenues	626,211	526,746	629,679	487,676	368,821
Special Assessments	207,613	269,465	346,339	420,395	516,616
Intergovernmental	-	-	19,774	19,774	-
Opioid Settlements	-	-	1,600,082	-	-
Tax Foreclosures	347,978	351,460	386,260	386,260	386,260
Due from Other Funds	<u>3,436,504</u>	<u>5,780,136</u>	<u>8,430,950</u>	<u>7,203,900</u>	<u>6,657,369</u>
Total Assets	<u>\$ 71,126,898</u>	<u>\$ 74,113,893</u>	<u>\$ 63,489,454</u>	<u>\$ 58,529,667</u>	<u>\$ 57,991,835</u>
Liabilities and Fund Balance:					
LIABILITIES:					
Warrants Payable	\$ 1,985,530	\$ 2,148,645	\$ 1,756,346	\$ 900,192	\$ 805,002
Accrued Payroll and Taxes	6,754,938	5,460,684	3,607,213	3,437,367	3,325,878
Other Liabilities	-	1,610,635	1,884,611	1,623,049	1,503,730
Deferred Revenue	4,197,604	4,266,819	5,489,572	4,035,448	4,560,518
Due to Other Funds	-	-	-	1,520	-
Short-Term Notes Payable	410,840	831,695	900,977	-	-
Tax Refunds Payable	<u>-</u>	<u>80,981</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$ 13,348,912</u>	<u>\$ 14,399,459</u>	<u>\$ 13,638,719</u>	<u>\$ 9,997,576</u>	<u>\$ 10,195,128</u>
FUND EQUITY AND OTHER CREDITS:					
Restricted	\$ -	\$ -	\$ 317,754	\$ -	\$ -
Committed	10,614,157	13,136,550	9,265,897	8,193,912	8,896,397
Assigned	5,011,894	3,899,967	2,622,531	2,468,604	1,995,459
Undesignated	<u>42,151,935</u>	<u>42,677,917</u>	<u>37,644,553</u>	<u>37,869,575</u>	<u>36,904,851</u>
Total Fund Equity and Other Credits	<u>\$ 57,777,986</u>	<u>\$ 59,714,434</u>	<u>\$ 49,850,735</u>	<u>\$ 48,532,091</u>	<u>\$ 47,796,707</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 71,126,898</u>	<u>\$ 74,113,893</u>	<u>\$ 63,489,454</u>	<u>\$ 58,529,667</u>	<u>\$ 57,991,835</u>

Sources: Town's Audited Financial Statements
Summary, table not audited

**TOWN OF HINGHAM, MASSACHUSETTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GENERAL FUND**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
REVENUES:					
Local:					
Taxes	\$ 113,138,571	\$ 107,750,970	\$ 94,633,769	\$ 92,271,752	\$ 89,377,528
Tax Liens	37,305	132,765	131,854	202,455	58,064
Motor Vehicles and Other Excise Taxes	7,176,203	6,602,040	6,172,141	5,996,145	5,388,434
Licenses and Fees	3,099,446	3,408,491	3,246,367	3,917,307	2,689,531
Intergovernmental	11,658,609	10,159,008	10,487,724	10,564,660	11,528,834
State Grant for Teachers Pension	9,819,079	11,750,132	10,471,492	9,042,893	17,219,932
Settlement Proceeds	-	-	317,754	-	-
Departmental and Other	2,778,574	2,698,436	2,634,540	2,490,464	2,282,596
Investment Income	4,786,371	7,108,402	3,228,659	155,023	129,451
Total Local:	<u>152,494,158</u>	<u>149,610,244</u>	<u>131,324,300</u>	<u>124,640,699</u>	<u>128,674,370</u>
 Total Revenues	 <u>\$ 152,494,158</u>	 <u>\$ 149,610,244</u>	 <u>\$ 131,324,300</u>	 <u>\$ 124,640,699</u>	 <u>\$ 128,674,370</u>
EXPENDITURES					
Current:					
General Government	\$ 6,296,793	\$ 5,892,812	\$ 5,822,434	\$ 4,896,581	\$ 5,069,874
Public Safety	18,950,013	18,387,372	17,524,778	15,256,042	13,532,563
Education	69,895,452	66,459,617	62,791,522	59,265,257	57,149,966
Public Works	7,889,283	6,405,851	5,822,600	6,697,536	5,815,933
Human Services	1,015,593	904,915	887,754	899,282	844,138
Culture and Recreation	2,906,314	2,705,813	2,627,065	2,649,927	1,865,789
Pension	16,578,172	18,053,312	16,309,005	14,486,452	22,310,849
Property and Liability Insurance	1,483,999	1,305,063	1,140,549	1,019,428	1,101,934
Employee Benefits	10,612,415	10,012,079	9,962,886	9,571,734	8,924,254
Group Health Insurance	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Claims and Judgments	-	-	-	-	-
Debt Service:					
Debt Principal	5,347,271	4,092,060	4,069,854	4,844,374	5,792,923
Debt Interest	5,818,914	3,931,058	1,526,457	1,738,597	1,843,772
Intergovernmental:					
State and County Assessments	<u>1,072,771</u>	<u>987,694</u>	<u>1,062,691</u>	<u>1,078,185</u>	<u>1,035,944</u>
Total Expenditures	<u>\$ 147,866,990</u>	<u>\$ 139,137,646</u>	<u>\$ 129,547,595</u>	<u>\$ 122,403,395</u>	<u>\$ 125,287,939</u>
 Excess of Revenues Over (Under) Expenditures	 \$ 4,627,168	 \$ 10,472,598	 \$ 1,776,705	 \$ 2,237,304	 \$ 3,386,431
Other Financing Sources (Uses)					
Operating Transfers In	1,738,451	1,354,690	2,635,939	1,251,580	2,768,052
Operating Transfers Out	(8,302,067)	(1,963,589)	(3,094,000)	(2,800,000)	(546,853)
Sale of Assets	-	-	-	46,500	-
Total Net Other Financing Sources (Uses)	<u>(6,563,616)</u>	<u>(608,899)</u>	<u>(458,061)</u>	<u>(1,501,920)</u>	<u>2,221,199</u>
 Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over Expenditures	 (1,936,448)	 9,863,699	 1,318,644	 735,384	 5,607,630
 FUND BALANCE, Beginning of Year	 <u>59,714,434</u>	 <u>49,850,735</u>	 <u>48,532,091</u>	 <u>47,796,707</u>	 <u>42,189,077</u>
 Prior Period Adjustment	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 FUND BALANCE (DEFICIT), End of Year	 <u>\$ 57,777,986</u>	 <u>\$ 59,714,434</u>	 <u>\$ 49,850,735</u>	 <u>\$ 48,532,091</u>	 <u>\$ 47,796,707</u>

Sources: Town's Audited Financial Statements
Summary, table not audited

APPENDIX C

FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2025*

Can currently be accessed on the Electronic Municipal Market Access (“EMMA”) website of the Municipal Securities Rulemaking Board (“MSRB”) at the following link:

<https://emma.msrb.org/P11905374.pdf>

The audited financial statements referenced above are hereby incorporated into the attached Official Statement.

*** Such Financial Statements and opinion are intended to be representative only as of the date thereof and only to the matters expressly set forth therein. Clifton Larson Allen LLP has not been engaged by the Town to further review and/or update such Financial Statements or opinion in connection with the preparation and dissemination of this Official Statement nor have they been engaged to review this Official Statement and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in the Appendix C. Clifton Larson Allen LLP has not been requested to give their consent to the inclusion of their report in this Appendix C.**

APPENDIX D

NOTICE OF SALE AND BID FORM FOR THE NOTES

Official Notice of Sale

**Town of Hingham,
Massachusetts**

\$43,755,653

General Obligation Bond Anticipation Notes

NON-BANK QUALIFIED

The Town of Hingham, Massachusetts, will receive fax bids at (516) 487-2575, phone bids at (516) 274-4502 and electronic bids via PARITY until **11:00 a.m. (Eastern Time)** on

Wednesday, January 28, 2026

for the purchase of \$43,755,653 General Obligation Bond Anticipation Notes (the “Notes”).

The Notes, in book-entry form (unless issued as a fully registered certificate as provided herein), will be dated February 12, 2026 and will mature on February 12, 2027.

Interest will be payable at maturity and will be computed for 30-day months and a 360-day year basis (30/360). Both principal and interest on the Notes will be payable in federal reserve funds to DTC (or to the Registered Owner if issued as a fully registered certificate as provided herein) by U.S. Bank Trust Company, National Association in Boston, Massachusetts, acting as Paying Agent to the Town.

Bids may be for all or part of the Notes (subject to a minimum bid of \$10,000,000) at a single or various rates of interest in a multiple of one-eighth (1/8) or one-hundredth (1/100) of one percent (1%). **The minimum amount to be bid on the Notes at a single rate of interest is \$10,000,000. No bid of less than par plus a premium of \$62,000 and accrued interest to date of delivery (if any) will be considered.** Any bid for less than the full amount of the Notes must include the \$5,653 denomination shown above in the bidder’s most competitive bid.

The Notes will be awarded on the basis of the lowest net interest cost to the Town. The right is reserved by the Town to award to any bidder all or any part of the Notes which such bidder offers to purchase and, in the event of a partial award, the premium, if any, specified by such bidder will be pro-rated.

The award of the Notes to the winning bidder will not be effective until the bid has been approved by the Town’s Treasurer and Select Board. In the event that two or more bidders submit the same lowest net interest cost for the Notes, the Notes will be awarded to the bidder offering to purchase the largest par amount of the Notes and if all of said bidders offer the same net interest cost and offer to purchase the same par amount of the Notes, then the Town Treasurer shall select the winning bidder by lot from among all of such bidders.

The Notes will be issued by means of a book-entry system evidencing ownership in principal amounts of \$5,000 or integral multiples thereof, except for one necessary odd denomination in the amount of \$5,653, and transfer of the Notes on the records of The Depository Trust Company (“DTC”) and its Participants pursuant to the rules and procedures adopted by DTC, unless the issuance of a fully registered note certificate is requested by the successful bidder for all of the Notes and the issuance of such certificate is approved by the Town (see “Book-Entry Transfer System”).

Notice is hereby given that electronic proposals will be received via **PARITY**, in the manner described above, until 11:00 a.m., Eastern Time, on January 28, 2026. Bids may be submitted electronically via **PARITY** pursuant to this Notice of Sale until 11:00 a.m., Eastern Time, but no bid will be received after

the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Capital Markets Advisors, LLC or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, NY 10018, telephone (212) 849-5021.

Any bidder who submits a winning bid by telephone in accordance with this Notice of Sale shall be required to provide written confirmation of the terms of the bid by faxing or e-mailing a completed, signed bid form to Capital Markets Advisors, LLC by not later than 12:00 noon, Eastern Time, on the date of the sale. An electronic bid made in accordance with this Notice of Sale shall be deemed an offer to purchase the Notes in accordance with the terms provided in this Notice of Sale and shall be binding upon the bidder as if made by a signed and sealed written bid delivered to the Town.

A successful bidder for all of the Notes may request that the Notes be issued in the form of one fully registered physical certificate, rather than in book-entry form through the facilities of DTC. The successful bidder seeking the issuance of the Notes in this manner shall bear any and all costs of any re-registration or transfer of Notes from time to time. Any bidder seeking to have the Notes issued in the form of a fully registered physical certificate, rather than in book-entry form, shall indicate this preference to the Town at the time of the submission of the winning bid. The Town reserves the right to decline any request to issue the Notes in non-book entry form if it should determine, in its sole discretion, that issuing the Notes in this manner is not in its best interests.

The successful bidder will be furnished the opinion of Troutman Pepper Locke LLP, Boston, Massachusetts, approving the legality of the Notes. The opinion will state that the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors rights and that their enforceability may also be subject to the exercise of judicial discretion in appropriate cases.

The Notes are valid general obligations of the Town, and, to the extent not paid from the bond proceeds in anticipation of which they are issued or from other sources, the Notes are payable as to both principal and interest from taxes which may be levied upon all taxable property within the territorial limits of the Town, and taxable by it, without limitation as to rate or amount except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the Town has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws (Proposition 2½), and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the Town has not voted to exempt from that limit.

It shall be the condition of the successful bidder's obligation to accept delivery of and pay for the Notes that, contemporaneously with or before accepting the Notes and paying therefor, it shall be furnished, without cost, with (a) the approving opinion of the firm of Troutman Pepper Locke LLP, Boston, Massachusetts, with respect to the Notes, (b) a certificate in form satisfactory to said firm, dated as of the date of delivery of the Notes and the receipt of payment therefor, to the effect that there is no litigation pending, or to the knowledge of the signer or signers thereof, threatened affecting the validity of such Notes or the power of the Town to levy and collect taxes to pay them, (c) a certificate of the Town Treasurer to the effect that, to the best of her knowledge and belief, the Preliminary Official Statement as of its date and as of the date of sale, and the Final Official Statement as of its date and as of the date of delivery of such Notes, did not and do not contain any untrue statement of a material fact and did not and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they made, not misleading, and (d) a significant events disclosure certificate in the form described in the Preliminary Official Statement.

It is anticipated that CUSIP identification numbers will be printed on said Notes. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

Any questions regarding this Notice of Sale or the Preliminary Official Statement should be directed to Lori-Ann Magner, Town Treasurer/Collector, at (781) 741-1408 or Ann MacNaughton, Town Accountant, at (781) 741-1470. This Preliminary Official Statement is deemed final by the Town except for the omission of the reoffering prices, interest rates, and any other terms of the Notes depending on such matters and the identity of the underwriters. Within seven business days following the award of the Notes and receipt of necessary information from the successful bidder, 10 copies of the Final Official Statement will be made available to the successful bidder. Upon request, additional copies will be provided at the expense of the successful bidder.

In order to assist bidders in complying with the requirements of paragraph (b)(5)(i)(C) of Rule 15c2-12 promulgated by the Securities Exchange Commission, the Town will undertake to provide notices of the occurrence of certain significant events. A description of this undertaking is set forth in the Preliminary Official Statement.

The Notes will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986.

The Notes will be delivered to The Depository Trust Company or the office of its custodial agent, or to the registered owner if a fully registered certificate is requested by the winning bidder for all of the Notes and approved by the Town, against payment to the account of the Town in federal funds on or about February 12, 2026.

The right is reserved to reject any or all bids and to reject any bid not complying with this Notice of Sale, and so far as permitted by law, to waive any irregularity with respect to any proposal.

Establishment of Issue Price

The successful bidder shall assist the Town in establishing the issue price of the Notes and shall execute and deliver to the Town on the Closing Date an "issue price" or similar certificate, in the applicable form set forth in Exhibit 1 to this Notice of Sale, setting forth the reasonably expected initial offering prices to the public or the sales price of the Notes together with the supporting pricing wires or equivalent communications, or, if applicable, the amount bid, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the Town and Bond Counsel. All actions to be taken by the Town under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the Town by Capital Markets Advisors, LLC (the "Municipal Advisor") and any notice or report to be provided to the Town may be provided to the Municipal Advisor.

Competitive Sale Requirements. If the competitive sale requirements ("competitive sale requirements") set forth in Treasury Regulation § 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) have been satisfied, the Town will furnish to the successful bidder on the Closing Date a certificate of the Municipal Advisor, which will certify each of the following conditions to be true:

1. the Town has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
2. all bidders had an equal opportunity to bid;

3. the Town received bids from at least three underwriters of municipal Notes who have established industry reputations for underwriting new issuances of municipal Notes; and

4. the Town awarded the sale of the Notes to the bidder who submitted a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid. Unless a bidder notifies the Town prior to submitting its bid to the Municipal Advisor by facsimile [516-487-2575] or phone [516-274-4502] or in its bid submitted via Parity, that it will not be an “underwriter” (as defined below) of the Notes, by submitting its bid, each bidder shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal Notes. Unless the bidder has notified the Town that it will not be an “underwriter” (as defined below) of the Notes, in submitting a bid, each bidder is deemed to acknowledge that it is an “underwriter” that intends to reoffer the Notes to the public.

In the event that the competitive sale requirements are not satisfied, the Town shall so advise the successful bidder.

Failure to Meet the Competitive Sale Requirements – Option A – The Successful Bidder Intends to Reoffer the Notes to the Public. If the competitive sale requirements are not satisfied and the successful bidder intends to reoffer the Notes to the public, the Town will use the first price at which 10% of a maturity of the Notes (the “10% test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis, of the Notes. The successful bidder shall advise the Municipal Advisor if any maturity of the Notes satisfies the 10% test as of the date and time of the award of the Notes. The Town will not require bidders to comply with the “hold-the-offering-price rule” set forth in the applicable Treasury Regulations and therefore does not intend to use the initial offering price to the public as of the Sale Date of any maturity of the Notes as the issue price of that maturity, if the competitive sale requirements are not met.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Notes or all of the Notes are sold to the public, the successful bidder agrees to promptly report to the Municipal Advisor the prices at which the unsold Notes of each maturity have been sold to the public, which reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied for each maturity of the Notes or until all the Notes of a maturity have been sold. The successful bidder shall be obligated to report each sale of Notes to the Municipal Advisor until notified in writing by the Town or the Municipal Advisor that it no longer needs to do so.

By submitting a bid and if the competitive sale requirements are not met, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public, if and for so long as directed by the successful bidder and as set forth in the related pricing wires and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the

successful bidder or such underwriter that either the 10% test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

1. “public” means any person other than an underwriter or a related party,
2. “underwriter” means (A) any person that agrees pursuant to a written contract with the Town (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public), and
3. a purchaser of any of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

Failure to Meet the Competitive Sale Requirements – Option B– The Successful Bidder Intends to Reoffer the Notes to the Public and Agrees to Hold the Price of Maturities of Notes for Which the 10% Test in Option A Is Not Met as of the Sale Date. The successful bidder may, at its option, notify the Municipal Advisor in writing, which may be by email (the “Hold the Price Notice”), not later than 4:00 p.m. Eastern Time on the Sale Date, that it has not sold 10% of the maturities of the Notes listed in the Hold the Price Notice (the “Unsold Maturities”) and that the successful bidder will not offer the Unsold Maturities to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the successful bidder has sold at least 10% of the applicable Unsold Maturity to the public at a price that is no higher than the initial offering price to the public. If the successful bidder delivers a Hold the Price Notice to the Municipal Advisor, the successful bidder must provide to the Issuer on or before the Closing Date, in addition to the certification described in Option A above, evidence that each underwriter of the Notes, including underwriters in an underwriting syndicate or selling group, has agreed in writing to hold the price of the Unsold Maturities in the manner described in the preceding sentence.

Failure to Meet the Competitive Sale Requirements – Option C– The Successful Bidder Does Not Intend to Reoffer the Notes to the Public. If the successful bidder has purchased the Notes for its own account and will not distribute or resell the Notes to the public, then, whether or not the competitive sale requirements were met, the reoffering price certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

Bond Counsel are not passing upon and do not assume any responsibility for the accuracy or adequacy of the information contained herein or the following information contained in the Preliminary Official Statement other than matters expressly set forth as the opinion of Bond Counsel and they make no representation that they have independently verified the same.

TOWN OF HINGHAM, MASSACHUSETTS

/s/ Lori-Ann Magner

Town Treasurer

Dated: January 15, 2026

[Issue Price Certificate for Use If the Competitive Sale Requirements Are Met]

Town of Hingham, Massachusetts
\$43,755,653 General Obligation Bond Anticipation Notes
dated February 12, 2026

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____ (the “Successful Bidder”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Notes”) of the Town of Hingham, Massachusetts (the “Issuer”).

1. Reasonably Expected Initial Offering Prices.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public by the Successful Bidder are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Notes used by the Successful Bidder in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by the Successful Bidder to purchase the Notes.

(b) The Successful Bidder was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Successful Bidder constituted a firm offer to purchase the Notes.

2. Defined Terms.

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is January 28, 2026.

(d) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

3. Receipt. The Successful Bidder hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinions, and other documents required to be delivered to the Successful Bidder, before or simultaneously with the Notes, which certificates, opinions, and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: _____, 2026

[NAME OF SUCCESSFUL BIDDER]

By: _____
 Name:
 Title:

SCHEDULE A
EXPECTED OFFERING PRICES
(To Be Attached)

SCHEDULE B
COPY OF SUCCESSFUL BIDDER'S BID
(To Be Attached)

EXHIBIT 1 – OPTION A

**[Issue Price Certificate for Use If the
Competitive Sale Requirements Are Not Met
and the 10% Test Is to Apply]**

**Town of Hingham, Massachusetts
\$43,755,653 General Obligation Bond Anticipation Notes
dated February 12, 2026**

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____, (the “Successful Bidder”), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Notes”) of the Town of Hingham, Massachusetts (the “Issuer”).

1. Sale of the Notes. As of the date of this certificate, [except as set forth in the following paragraph,] for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met or all of the Notes have not been sold for one or more Maturities of Notes as of the Closing Date.]

For each Maturity of the Notes as to which no price is listed in Schedule A, as set forth in the Notice of Sale for the Notes, until at least 10% of each such Maturity of the Notes is sold to the Public (the “10% test”) or all of the Notes are sold to the Public, the [Successful Bidder][Representative] agrees to promptly report to the Issuer’s financial advisor, Hilltop Securities Inc. (the “Financial Advisor”) the prices at which the unsold Notes of each Maturity have been sold to the Public, which reporting obligation shall continue after the date hereof until the 10% test has been satisfied for each Maturity of the Notes or until all the Notes of a Maturity have been sold. The Successful Bidder shall continue to report each sale of Notes to the Financial Advisor until notified by email or in writing by the Issuer or the Financial Advisor that it no longer needs to do so.

2. Defined Terms.

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

3. Receipt. The Successful Bidder hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinions, and other documents required to be delivered to the Successful Bidder, before or simultaneously with the Notes, which certificates, opinions, and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax

Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: _____, 2026

SUCCESSFUL BIDDER

By: _____
Name:
Title:

SCHEDULE A

**SALE PRICES
(To be Attached)**

EXHIBIT 1 – OPTION B

**[Issue Price Certificate for Use If the
Competitive Sale Requirements Are Not Met
and the Hold the Price Rule Is Used]**

**Town of Hingham, Massachusetts
\$43,755,653 General Obligation Bond Anticipation Notes
dated February 12, 2026**

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____ (the “Successful Bidder”), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Notes”) of the Town of Hingham, Massachusetts (the “Issuer”).

1. Sale of the Notes. As of the date of this certificate, [except as set forth in following paragraph,] for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met as of the Sale Date.]

For each Maturity of the Notes as to which no price is listed in Schedule A (the “Unsold Maturities”), as set forth in the Notice of Sale for the Notes, the Successful Bidder and any other Underwriter did not [and will not] reoffer the Unsold Maturities to any person at a price that is higher than the initial offering price to the Public until the earlier of (i) _____, 2026 or (ii) the date on which the Successful Bidder or any other Underwriter sold at least 10% of each Unsold Maturity at a price that is no higher than the initial offering price to the Public.

2. Defined Terms.

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

3. Receipt. The Successful Bidder hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinions and other documents required to be delivered to the Successful Bidder, before or simultaneously with the delivery of the Notes, which certificates, opinions and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for

federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: _____, 2026

SUCCESSFUL BIDDER

By: _____

Name:

Title:

SCHEDULE A

SALE PRICES

(To be Attached)

PROPOSAL FOR NOTES

Ms. Lori-Ann Magner, Treasurer
Town of Hingham
210 Central Street
Hingham, Massachusetts 02043

TELEPHONE: (516) 274-4502

FACSIMILE: (516) 487-2575

TOWN OF HINGHAM, MASSACHUSETTS

\$43,755,653
General Obligation Bond Anticipation Notes
(the "Notes")

(NON-CALLABLE)

Dated: February 12, 2026

Due: February 12, 2027

	Amount	Interest Rate	Premium	Net Interest Cost*
Bid 1	\$	%	\$	%
Bid 2	\$	%	\$	%
Bid 3	\$	%	\$	%
Bid 4	\$	%	\$	%

Please select one of the following (if no option is selected, the book-entry-only option will be assumed to have been selected by the bidder):

- ☐ Book-Entry-Only registered to Cede & Co.
☐ Non Book-Entry registered to the bidder

*The computation of the net interest cost is made as provided in the Notice of Sale relating to the Notes, but does not constitute any part of the foregoing Proposal for the purchase of the Notes therein described.

Signature: _____

Name of Bidder: _____

Address: _____

Telephone (Area Code): _____

Fax (Area Code): _____

APPENDIX E

PROPOSED FORM OF LEGAL OPINION RELATING TO THE NOTES

Troutman Pepper Locke LLP
111 Huntington Avenue, 9th Floor
Boston, MA 02199-7613



troutman.com

Lori-Ann Magner, Treasurer
Town of Hingham
Hingham, Massachusetts

\$43,755,653
Town of Hingham, Massachusetts
General Obligation Bond Anticipation Notes

We have acted as bond counsel to the Town of Hingham, Massachusetts (the “Town”) in connection with the issuance by the Town of the above-referenced notes (the “Notes”) dated February 12, 2026 and payable February 12, 2027. In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon representations and covenants of the Town contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination, we are of the opinion, under existing law, as follows:

1. The Notes are valid and binding general obligations of the Town and, except to the extent they are paid from the proceeds of the bonds in anticipation of which they are issued or from any other available moneys, the principal of and interest on the Notes are payable from taxes which may be levied upon all taxable property in the Town, without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the Town has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws, and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the Town has not voted to exempt from that limit.

2. Interest on the Notes is excluded from the gross income of the owners of the Notes for federal income tax purposes. In addition, interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. However, interest on the Notes will be included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Internal Revenue Code of 1986 (the “Code”). In rendering the opinions set forth in this paragraph, we have assumed compliance by the Town with all requirements of the Code, that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The Town has covenanted to comply with all such requirements. Failure by the Town to comply with certain of such

requirements may cause interest on the Notes to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. We express no opinion regarding any other federal tax consequences arising with respect to the Notes.

3. Interest on the Notes is exempt from Massachusetts personal income taxes and the Notes are exempt from Massachusetts personal property taxes. We express no opinion regarding any other Massachusetts tax consequences arising with respect to the Notes or any tax consequences arising with respect to the Notes under the laws of any state other than Massachusetts.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Notes and the enforceability of the Notes may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

TROUTMAN PEPPER LOCKE LLP

APPENDIX F

PROPOSED FORM OF SIGNIFICANT EVENTS DISCLOSURE CERTIFICATE

PROPOSED FORM OF
SIGNIFICANT EVENTS DISCLOSURE CERTIFICATE

This Significant Events Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Town of Hingham, Massachusetts (the “Issuer”) in connection with the issuance of \$43,755,653 General Obligation Bond Anticipation Notes dated February 12, 2026 (the “Notes”). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Notes and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 2. Definitions. For purposes of this Disclosure Certificate the following capitalized terms shall have the following meanings:

“Listed Events” shall mean any of the events listed in Section 3(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board as established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Certificate. Filing information relating to the MSRB is set forth in Exhibit A attached hereto.

“Obligated Person” shall mean the Issuer.

“Owners of the Notes” shall mean the registered owners, including beneficial owners, of the Notes.

“Participating Underwriter” shall mean any of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Reporting of Significant Events.

(a) The Issuer shall give notice, in accordance with the provisions of this Section 3, of the occurrence of any of the following events with respect to the Notes:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes.

7. Modifications to rights of the Owners of the Notes, if material.

8. Bond calls, if material, and tender offers.

9. Defeasances.

10. Release, substitution or sale of property securing repayment of the Notes, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person.*

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

15. Incurrence of a financial obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Obligated Person, any of which affect Owners of the Notes, if material.†

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Obligated Person, any of which reflect financial difficulties.†

* As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

† For purposes of event numbers 15 and 16 in Section 3(a) of this Disclosure Certificate, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” excludes municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.

(b) Upon the occurrence of a Listed Event, the Issuer shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file a notice of such occurrence with the MSRB.

SECTION 4. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 5. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Notes.

SECTION 6. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate the sole remedy under this Disclosure Certificate shall be an action for specific performance of the Issuer's obligations hereunder and not for money damages in any amount. Any failure by the Issuer to comply with any provision of this Disclosure Certificate shall not constitute a default with respect to the Notes.

SECTION 7. Amendment. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is permitted by the Rule, as evidenced by an opinion of counsel expert in federal securities law (which may also include bond counsel to the Issuer) to the effect that such amendment or waiver would not cause this Disclosure Certificate to violate the Rule.

[Remainder of page intentionally left blank; signature page follows.]

SECTION 8. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Owners of the Notes from time to time, and shall create no rights in any other person or entity.

Date: February 12, 2026

TOWN OF HINGHAM,
MASSACHUSETTS

By: _____
Treasurer

Select Board

[EXHIBIT A - Filing information relating to the Municipal Securities Rulemaking Board]

EXHIBIT A

Filing information relating to the Municipal Securities Rulemaking Board is as follows:

Municipal Securities Rulemaking Board

<http://emma.msrb.org>