



Sustainable Budget Task Force

December 14, 2021

Update to the Select Board



Context and Charge

- **Increased service demands outpacing revenue growth**
- **Need for longer-term sustainable financial planning**
- **Must balance increased investment in services/capital with impact on taxpayers**
- **Town lacks means to fully fund budget beyond FY22**
 - **FY22 budget balanced with \$5M in one-time funds**
 - **Preliminary FY23 forecast suggests a \$7M deficit**
- **Task Force formed to assess future needs and explore revenue opportunities (including a potential operational override) to balance FY23-27 budgets**

Progress Since 11/16 Update



- 1. Continue to research potential non-tax revenue sources**
 - Explore real estate transfer fee on buyers → potential ATM warrant article
- 2. Research examples of towns with budget allocation by revenue percentage**
- 3. Analyze budget growth, population, school enrollment, income trends, and metrics**
- 4. Discuss strategies to control personnel costs**
- 5. Review preliminary FY23 budget forecast and projected deficit**



Key Takeaways

- **Revenue**
 - Researched many revenue sources
 - SBTF Report will include summary and recommendations for sources to pursue
 - No new revenue sources are short-term fixes
 - Need focus on economic development (South Hingham, commercial opportunities)
- **Expenditures**
 - Assessed current expenditures
 - Looking for ways to reduce costs
 - Measured Hingham against benchmark towns
 - Hingham budgets are lean, no redundant services found
- **Considerations**
 - Pursue real estate transfer fee as potential revenue source
 - Work collaboratively with municipal and school task force year round
 - Consider a budget split based on agreed upon percentage of Town revenue



Next Steps

- Evaluate current services and opportunities for cost-saving
- Evaluate FY23 budget requests and priorities
- Identify strategies to control expenditure growth
- Develop options/scenarios and impact on residents
- Identify areas for further study/recommendations

Timeline



Month	Budget Process	Sustainable Budget TF
September		TF begins research & analysis
October	TA budget memo	TF work continues
November	Departmental budgets submitted to TA	
December	AdCom budget hearings	
January	School budget submitted to SC; AdCom budget hearings	TF presents findings to TA/SB
February	AdCom budget hearings	Public discussions of budget options
March	Final budgets voted, Warrant finalized	
April/May	Annual Town Meeting	

Public Outreach



- Monthly Select Board updates/discussions
- [Online feedback form](#)
- SBTF virtual office hours (December, January)

Next session:

Thursday 12/16 from 12pm-1pm

<https://zoom.us/join>

Dial in: 929-205-6099

Meeting ID: 892 6172 7493

Passcode: 1122

- Email thoughts/recommendations to kleinl@hingham-ma.gov