



*The Township of*

**Parsippany-Troy Hills**  
New Jersey

# 2025 Municipal Budget Overview

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Presentation to the Parsippany-Troy Hills Township Council

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**Mayor James R. Barberio**

James M. Cryan, CPM, Business Administrator

Angelica Sabatini, Chief Municipal Finance Officer



The Township of

# Parsippany-Troy Hills

New Jersey

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## 2025 Administration Budget Team

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**Mayor James R. Barberio**

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**James M. Cryan, CPM**  
Business Administrator

**Angelica Sabatini**  
Chief Municipal Finance Officer

**Valerie A. Dolan CPA / RMA / PSA | Partner, Nisivoccia**

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## Township Council Finance Committee

**Paul Carifi, Jr.**  
Council President

**Frank Neglia**  
Council Vice President

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## Township Council

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**Council President Paul Carifi, Jr.**  
**Council Vice President Frank Neglia**  
**Council Member Judith Hernandez**  
**Council Member Matthew McGrath**  
**Council Member Justin Musella**

# 2025 Municipal Budget Process & Timeline

## Budget Preparation (end of 2024 – March 2025)

BA, CFO work with each dept to develop departmental budgets

Close book on 2024; prep the Annual Financial Statements

Transition to new CFO; Budget prepped for Mayor. Cont. to improve.

## Budget Presentation to Finance Committee – April 8th

Mayor, BA, CFO, & Auditor present DRAFT budget to Fin. Comm. - Cncl Pres. Carifi, Jr. & Cncl VP Neglia

Input included; links Mayor's Twp budget to what Council wants to achieve for community

Administration led Departmental Budget hearing scheduled

## 2025 Municipal Budget Introduced - April 15<sup>th</sup> Council Meeting

Budget publicized in newspaper & on web

Municipal Budget Presentation

28-day period required between intro and public meeting - formal adoption.

## Departmental Budget Hearing – April 29th

PD, DPW, Engineering, Planning & Zoning, Building, Water, Sewer, & Knoll present to the Council in public

instrumental in fostering transparency & unified approach to committed governance

## 2025 Municipal Budget Public Hearing & Final Adoption – May 20<sup>th</sup> Council Meeting

Public Hearing - public q's & comments before vote

Formal Governing Body Vote

# 2025 Budget Goals - Guiding Principles

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**Strong fiscal management. Maintain exceptional fiscal oversight.**

*Provide effective and sound leadership, enhanced customer service, and community amenities our residents can be proud of.  
Meet the needs of our community and enrich the quality of life for all residents. in a fiscally responsible manner.*

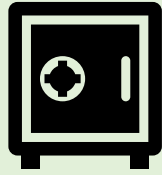
## Every business decision with an eye to:

- ❖ Minimizing tax burden on residents – *Doing more with less + achieving the best value for each tax dollar.*
- ❖ Prioritizing public safety – *Parsippany residents should be safe where they live, learn, work, & play.*
- ❖ Prioritizing resident service & deliver more efficiently – *Maintaining outstanding services & providing tangible, visible results for our residents.*
- ❖ Maximize operational efficiencies – *shared services wherever possible; tech advances.*
- ❖ Continuing to aggressively seek new recurring revenue streams – *Cannabis, etc.*
- ❖ Remaining prepared for disaster response and recovery
- ❖ Maintaining strong financial ratings from Moody's and Standard and Poor's

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Correct the course of the past. Continue Parsippany on sound financial footing.

# 2025 Highlights



## Historic Surplus & Growth

- Surplus replenished to **\$11,843,232** —Unprecedented levels in Parsippany. A **1078%** increase over 2021 levels.
- Tax Base has increased by **\$75 million** since 2021. Ratables increased **\$27,504,550** from 2024-2025.
- Market values increased approx. **10%** over past 5 years.



## Back on Sound Financial Footing

- Tax collections over **99.4%**, continue 5+ year positive trend.
- Net Debt at **1.068%**, well below the **3.5%** limit.
- Diverse tax base -- **69%** residential and **30%** commercial / industrial, with ratables growth 10 years in a row.



## Public Safety

- Invested in additional LPR cameras to help deter criminal activity.
- Restructured/ increased staffing at PD and DPW

# Notable Department Metrics

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## ❖ Police Department – Safety First

- ✓ Funds the Hiring of 10 New Police Officers.
- ✓ Increases network of License Plate Recognition (LPR) cameras providing real time data.

## It's working

- ✓ Answered 68,010 Police Calls for Service. A 12.78% or 7,711 increase over prior year (2023 - 60,299 )
- ✓ 13 Catalytic converter incidents in 2024 – 64 in 2023 and 103 in 2022. A 79.68% decrease.
- ✓ 86 Residential/Commercial Burglaries slightly up in 2024 (80 in 2023 and 81 in 2022); but Larceny/theft offenses decreased by over 9% -- 394 in 2024, 434 in 2023.
- ✓ 27 Stolen Motor Vehicles in 2024 – A 25% decrease over prior year (36 in 2023 and 43 in 2022).

## ❖ Building

- ✓ 3,136 Applications Received (Including Updates)
- ✓ 2,457 Permits Issued (Not including partials/updates) A Daily Average of 10/day.
- ✓ 15,332 Inspections Completed – A Daily Average of 62/day.
- ✓ 13,875 Plan Reviews Completed (Including Re-Reviews)
- ✓ 1,218 Plan Review Corrections Issued.

## ❖ Maintained approximately 210 miles of roads

- ✓ 2023: 5.3 miles resurfaced; 1.6 miles reconstructed.
- ✓ 2024: 6.4 miles resurfaced; 3.4 miles reconstructed.

# 2025 Budget Goals - Guiding Questions

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**Strong fiscal management. Maintain exceptional fiscal oversight.**

*Provide effective and sound leadership, enhanced customer service, and community amenities our residents can be proud of.  
Meet the needs of our community and enrich the quality of life for all residents. in a fiscally responsible manner.*

## Every business decision with an eye to:

- ❖ How much is it going to cost?
- ❖ Where is the funding coming from?
- ❖ Does the action provide a fiscally responsible framework for today and for years to come?
- ❖ Will this action negatively affect future budgets or compound a 2026 tax increase?
- ❖ Will this decision make Parsippany a stronger community five years from now?

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Correct the course of the past. Continue Parsippany on sound financial footing.

# 2025 Budget Challenges

## Factors Contributed to Upward Pressures

### Unfunded Mandates

- ❖ Updated Affordable Housing mandated obligation – forces new development, new infrastructure spending, new equipment allocations, and new employee hiring costs.
- ❖ Galvanized Pipes – New debt to cover lead/galvanized pipe replacement – may cost approx. \$5 million
- ❖ PFAS – preliminary estimates to comply with new regulations – over \$25 million.

### Appropriation Pressures and Increasing Costs We Do Not Control

- ❖ Health Insurance – The Township continues to benefit from private health insurance. SHBP increasing over 15% again this year, and ours should “only” be less than 6%.
- ❖ Joint Insurance Funds – We are currently fighting a claw back from GSMJIF for “our” portion of their shortage - \$1,000,000+. Current Insurance has gone up \$600,000+.
- ❖ Lagging Office Market - Twp lost 9.61% of commercial office assessments from 2021- 2025. More than one-fourth of available office space in northern and central NJ was vacant in the first 3 months of 2025, according a new report from JLL released Thursday.
- ❖ Persistent inflationary and supply chain cost issues of materials and goods. Tariffs?

# 2025 Budget Challenges

## Specific Budgetary Factors Contributing to Upward Pressures

- ❖ Loss of NJ Municipal Relief Fund Aid – \$468,856.59
- ❖ Increase in healthcare premiums – \$755,000 – +6.62%
- ❖ Increase in statutory required costs for funding pensions – \$144,213 (+3%) **Difference between Current Year and Prior Year PFRS**
- ❖ Increase in contractual costs for trash and recycling from 2024 to 2025 – \$394,000

**Total of \$1,762,069.59 difference from 2024 budget**

## If those factors were the same as 2024:

- ❖ The 2025 budget would be in a surplus by \$150,623\*
- ❖ Tax impact decrease by 2.4%\*\* , creating No Municipal portion tax rate increase

*\*\*\$734,755 represents one tax point (.01). Therefore, the tax rate increases .01 for every \$734,755 increase in either the school, county or municipal budgets.*

*\*\$1,611,446 Municipal Budget portion total increase from 2024 budget*

# Ratable History – 2021 - 2025

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Vacant Land	\$59,798,500 0.82%	\$53,212,500 0.73%	\$94,118,200 1.29%	\$99,437,900 1.36%	\$113,779,100 1.55%
<b>Resi.</b>	\$4,463,749,800 61.38%	\$4,479,151,900 61.41%	\$4,492,143,500 61.47%	\$4,498,912,300 61.46%	\$4,515,858,800 61.46%
<b>Office / Commercial</b>	<b>\$2,029,258,800 27.91%</b>	<b>\$2,010,952,700 27.57%</b>	<b>\$1,922,269,800 26.30%</b>	<b>\$1,904,784,500 26.02%</b>	<b>\$1,834,203,500 24.96%</b>
<b>Industrial</b>	\$260,592,200 3.58%	\$278,259,700 3.82%	\$285,030,600 3.90%	\$286,550,300 3.91%	\$307,793,300 4.19%
Farm	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
<b>Apt.</b>	\$458,049,100 6.30%	\$471,686,800 6.47%	\$514,059,000 7.03%	\$529,981,800 7.24%	\$575,559,600 7.83%
<b>Total Ratables</b>	<b>\$7,271,450,421</b>	<b>\$7,293,265,622</b>	<b>\$7,307,623,123</b>	<b>\$7,319,668,824</b>	<b>\$7,347,196,325</b>
Taxable Comm, Equip	\$411,600 0.01%	\$404,650 0.01%	\$383,600 0.01%	\$378,750 0.01%	\$355,800 0.00%
<b>Total Tax Base</b>	<b>\$7,271,862,021 100%</b>	<b>\$7,293,670,272 100%</b>	<b>\$7,308,006,723 100%</b>	<b>\$7,320,047,574 100%</b>	<b>\$7,347,552,125 100%</b>
<b>Net Increase in Assessments</b>		<b>\$21,808,251</b>	<b>\$14,336,451</b>	<b>\$12,040,851</b>	<b>\$27,504,551</b>
<b>Office Loss in Assessments</b>		<b>-\$18,306,100</b>	<b>-\$88,682,900</b>	<b>-\$17,485,300</b>	<b>-\$70,581,000</b>

**2021 - 2025 Commercial Assessment LOSS -\$195,055,300**

**The Township lost 9.61% of commercial office assessments from 2021 - 2025.**

Loss in office market assessments due to the work-from-home shift sparked by the pandemic.

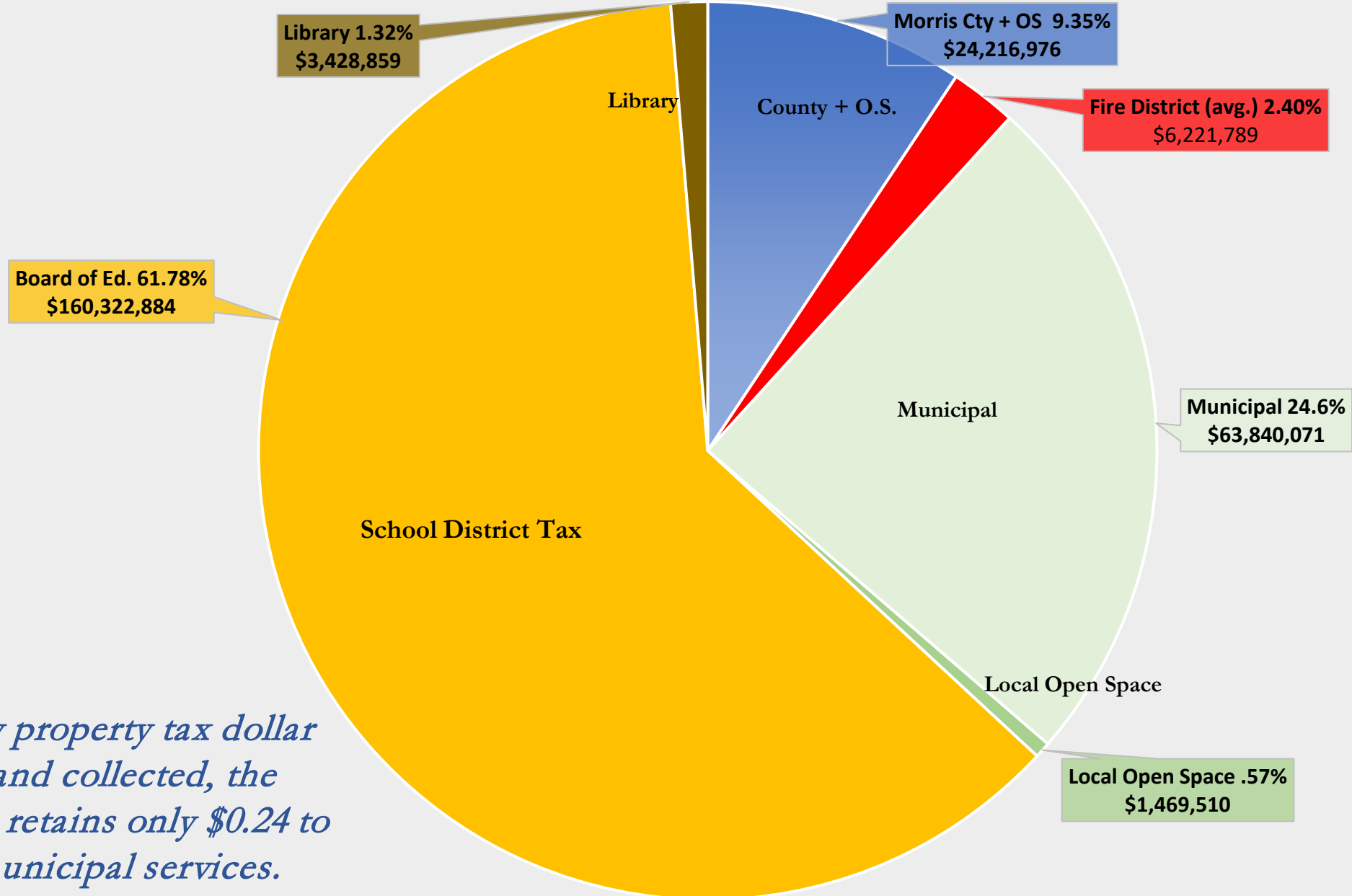
# 2025 Municipal Budget

## Answering Challenges

Mayor Barberio and Township professionals took several steps to mitigate the impact of increased expenditures:

- ❖ A commitment to a growing and healthy surplus allowed for an increase in surplus utilization – It was \$1,005,163 in 2021. Surplus replenished to \$11,843,232 — Unprecedented levels in Parsippany. A 1178% increase over 2021 levels.
- ❖ The Township’s ongoing efforts to diversify revenue streams -- looking at all fees to ensure they carry themselves -- licensing fees, facility rental fees, hotel/motel tax, construction fees, etc.
- ❖ Savings from Salaries and Wages related to departmental personnel adjustments and retirements – Restructured leadership staffing in PD and DPW
- ❖ Finding Balance with Affordable Housing – We complied with and fought our Affordable Housing numbers to ensure the Township’s point of view is recognized.

# 2025 Property Tax Levy Breakdown



*For every property tax dollar billed and collected, the Township retains only \$0.24 to fund municipal services.*

# What do I get for my 24.6 %?

## Township of Parsippany - Troy Hills Offers Tremendous Services

Avg home assessed at \$313,513 received a 2024 total property tax bill of \$10,581. Municipal portion was \$2,762.50. For this amount, the residents of that home received the following municipal services:

Police Department & Crossing Guards; Student Resource Officers for school safety

DPW – Weekly Garbage and Recycling Pickup; Weekly bulk pick-up; Yard Waste & Fall Leaf Pickup; Expanded yard hours; Plowing and maintenance of 400+ lane miles of roads and 26 Parks

Senior Citizen Services - Door-to-Door Dr. drop off & food shopping; Senior Club meet & greets; Exercise Classes, Free Income Tax Prep, Free Defensive Driving courses

Water - Maintain over 220 miles of water main; 34 remote facilities --18 well stations, 6 booster pumping stations, 1 seasonal interconnection with Jersey City and 10 storage tanks.

Sewage Treatment – “We’re #1 in #2” – 24 hours per day, 7 days per week, and 365 days per year.

Health Department – Food Pantry and Child Health Clinics for residents w/ low or no medical insurance

Recreation and Parks Maintenance

Fire Hydrants & Street Lights

Construction, Planning, Zoning, Fire Safety

Administration, Finance, Elections, Records

The home mentioned above will pay an additional \$4.95 per month in municipal property taxes with a 2.22% local tax rate increase for 2025.

## Morris County average property taxes ranked for 2024

By Katie Kausch | NJ Advance Media for NJ.com

Updated: Mar. 7, 2025

*Parsippany ranked 23<sup>rd</sup> out of 39-- there are 22 municipalities in Mo. County with higher avg property taxes.*

	Municipality	Average Residential Property Value	Average Total Property Taxes (not including credits and deductions)
1	Mountain Lakes Borough	\$963,391	\$22,996
2	Mendham Township	\$1,072,321	\$20,816
3	Chester Township	\$665,974	\$17,275
4	Chatham Township	\$863,629	\$17,174
5	Mendham Borough	\$695,033	\$17,092
6	Kinnelon Borough	\$582,025	\$16,860
7	Chatham Borough	\$994,995	\$16,107
8	Harding Township	\$1,290,205	\$15,403
9	Madison Borough	\$702,284	\$14,956
10	Montville Township	\$536,173	\$14,019
11	Chester Borough	\$569,712	\$13,923
12	Randolph Township	\$490,871	\$13,894
13	Long Hill Township	\$596,177	\$13,361
14	Boonton Township	\$531,421	\$13,316
15	Washington Township	\$440,764	\$12,784
16	Boonton Town	\$361,794	\$12,227
17	Morris Township	\$569,188	\$11,392
18	Morris Plains Borough	\$457,444	\$11,350
19	Denville Township	\$409,534	\$11,285
20	Rockaway Township	\$437,620	\$11,220
21	Mount Olive Township	\$324,954	\$10,997
22	Florham Park Borough	\$672,662	\$10,919
<b>23</b>	<b>Parsippany-Troy Hills Township</b>	<b>\$313,513</b>	<b>\$10,579</b>
24	Butler Borough	\$406,258	\$10,143
25	Rockaway Borough	\$303,495	\$10,089
26	Wharton Borough	\$359,562	\$10,073
27	Pequanock Township	\$549,853	\$10,034
28	Morristown Town	\$635,443	\$10,008
29	Lincoln Park Borough	\$462,926	\$9,987
30	Jefferson Township	\$330,050	\$9,581
31	Roxbury Township	\$343,901	\$9,453
32	East Hanover Township	\$352,915	\$9,152
33	Netcong Borough	\$266,072	\$9,091
34	Hanover Township	\$428,140	\$8,667
35	Mount Arlington Borough	\$412,363	\$8,392
36	Dover Town	\$240,666	\$7,877
37	Mine Hill Township	\$240,354	\$7,586
38	Riverdale Borough	\$373,638	\$6,818
39	Victory Gardens Borough	\$172,203	\$5,435

# 2025 Municipal Budget

## A fiscally prudent, structurally balanced budget

*Sets the foundation for continued improvement – investment in public safety, infrastructure, roads, technology – while adhering to a sound fiscal plan*

- ❖ Overall Increase in the Tax Rate of 2.13% *(based on current County estimate)*
- ❖ Local Tax Rate Increase of 2.22%
- ❖ \$59.41 Annual municipal impact to average residential home.\* \$4.95/mo.
- ❖ Doing More with Less – Less than 25¢ of Total Tax Dollar Funds Township Services
- ❖ No Utility Surplus Utilized as a result of prudent oversight
- ❖ Adds 10 Police Officers (3 in 2024)
- ❖ Provides a fiscally responsible framework for today and for years to come.

Corrects the course of the past & positions Parsippany back on sound financial footing

*\*Based on current year average residential assessment of \$314,365*



The Township of

# Parsippany-Troy Hills

New Jersey

## 2025 Municipal Budget Summary

**\*\*\* Total Projected Overall Tax Rate = 2.13% \*\*\***

	<u>Tax Rate</u>	<u>Tax Levy</u>	<u>%Total Levy</u>	<u>Taxpayer Impact</u>
County	0.321	\$23,603,380	9.10%	\$12.57
Cty. Open Space	0.008	\$613,596	0.24%	\$(3.14)
Municipal	0.869	\$63,840,071	24.60%	\$59.41
Library	0.047	\$3,428,859	1.32%	\$12.57
Local Open Space	0.020	\$1,469,510	0.57%	\$0.00
School District	2.182	\$160,322,884	61.78%	\$144.61
2025 Total		\$253,302,079*	100.00%	\$244.89

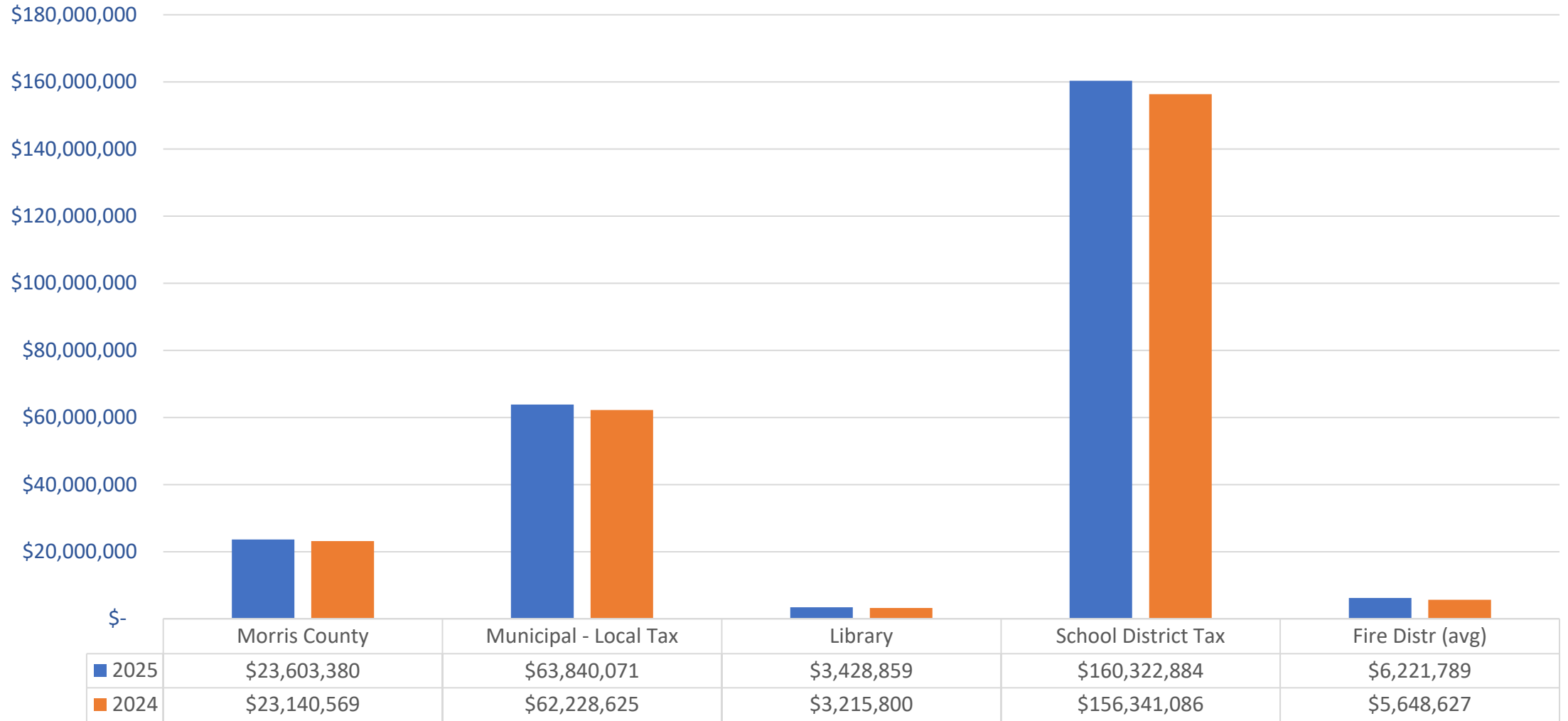
**Total Projected Municipal Tax Rate = 2.22%**

**\$4.95/mo. or \$59.41/yr. Municipal Impact**

Fire Districts (avg.)	.096	\$6,221,789	2.40%	\$18.86
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\* Fire Districts not included; average broken out

# 2024 - 2025 Budget Comparison



■ 2025 ■ 2024



The Township of

# Parsippany-Troy Hills

New Jersey

## 2025 Municipal Budget Summary

**\*\*\* Total Projected Overall Tax Rate = 2.13% \*\*\***

	<u>2024</u>	<u>2025</u>	<u>Increase</u>	<u>% of increase</u>	<u>2025 Projected</u>	<u>2024 Actual</u>	<u>YOY Budget Increase \$</u>	<u>YOY Budget Increase %</u>
County Tax	0.317	0.321	0.004	1.26%	\$23,603,380	\$23,140,569	\$462,811	2%
Cty. Open Space	0.009	0.008	-0.001	0.00%	\$613,596	\$601,565	\$12,031	2%
<b><u>Municipal</u></b>	<b>0.850</b>	<b>0.869</b>	<b>0.019</b>	<b>2.22%</b>	<b>\$63,840,071</b>	<b>\$62,228,625</b>	<b>\$1,611,446</b>	<b>2.59%</b>
Library	0.043	0.047	0.004	9.30%	\$3,428,859	\$3,215,800	\$213,059	6.63%
Local Open Space	0.020	0.020	0.000	0.00%	\$1,493,289	\$1,464,009	\$5,501	0.38%
School Tax	2.136	2.182	0.046	2.15%	\$160,322,884	\$156,341,086	\$3,981,798	2.55%
<b>TOTAL BASE RATE</b>	<b>3.375</b>	<b>3.447</b>	<b>0.072</b>	<b>2.13%</b>	<b>\$253,278,301*</b>	<b>\$246,991,654</b>	<b>\$6,286,647*</b>	<b>2.55%</b>

**Total Projected Municipal Tax Rate = 2.22%**

**\$4.95/mo. or \$59.41/yr. Municipal Impact**

Fire Districts(Avg.)	.088	.096	.008	9.09%	\$6,221,789*	\$5,648,627	\$573,162	10.15%
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\* Fire Districts not included in overall; see next slide



The Township of

# Parsippany-Troy Hills

New Jersey

## 2025 Municipal Budget Summary

### FIRE DISTRICTS – VOTER & DCA APPROVED BUDGETS

<u>District</u>	<u>2024</u>	<u>2025</u>	<u>Increase</u>	<u>2025 Budget</u>	<u>2024 Budget</u>	<u>YOY Budget Increase \$</u>
Fire #1 Mt. Tabor	0.099	0.111	0.012	\$1,736,357	\$1,543,732	\$192,625
Fire #2 Rainbow Lakes	0.095	0.097	0.002	\$647,714	\$634,534	\$13,180
Fire #3 Lk Parsippany	0.088	0.089	0.001	\$644,841	\$631,178	\$13,663
Fire #4 Lk Hiawatha	0.072	0.080	0.008	\$653,800	\$591,813	\$61,987
Fire #5 Rockaway Neck	0.151	0.152	0.001	\$1,334,543	\$1,307,653	\$26,890
Fire #6 Parsippany	.035	.045	0.010	\$1,204,534	\$939,717	\$264,817
Fire Districts(Avg.)	.090	.096	.006	\$6,221,789	\$5,648,627	\$573,162

**Fire Districts Do Not Directly Affect the Municipal Tax Rate**

\* Changed to reflect updated Fire Districts (avg.) value

# Fund Balance Regeneration 2021 - 2025

*Fund Balance is used as a tool to mitigate and stabilize the Amount to be Raised by Taxation, helping protect against emergencies, unexpected revenue losses, etc.*

	<u>Year End Balance</u>	<u>Amount Used In Budget</u>	<u>YOY Diff</u>
<b>2025</b>		<b>\$6,370,000</b>	
2024	<u>\$11,843,232</u>	\$5,400,000	\$1,760,008
2023	\$10,083,224	\$5,400,000	\$3,645,479
2022	\$6,437,745	\$0	\$5,432,582
2021	\$1,005,163	\$0	-\$1,563,485

Strong fund balance generation allows us to increase Fund Balance utilized for tax relief

Accumulating and regenerating an adequate Fund Balance (surplus) from year to year, enables the Township to maintain a stable tax rate without significant fluctuations – a position supported by the NJ Div. of Local Government Services and Credit Rating Agencies.



The Township of

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New Jersey

## 2025 Municipal Budget Summary

### Outstanding Fiscal Management, Standing, & Opportunity

*Thoughtful, fiscally conservative utilization to protect our core services by providing effective governance, enhanced customer services, and great community.*

**Total Projected Overall Tax Rate = 2.13%**

- ❖ No more “kicking the can down the road”
- ❖ Maintain exceptional fiscal oversight
- ❖ Prioritizes public safety -- 10 additional police; additional safety tools
- ❖ Continue to enhance Town parks and recreation offerings
- ❖ Continue to foster resident engagement
- ❖ More services than any other municipality in Morris County

**Budget with no reliance on utility surplus.**

**Total Projected Municipal Tax Rate = 2.22%**

**\$4.95/mo. or \$59.41/yr. Impact**

**Parsippany is in excellent financial condition resulting from adhering to a sound fiscal plan over the past 3 years.**

# Thank you!



**Parsippany-Troy Hills Township**  
**1001 Parsippany Boulevard**  
**Parsippany, NJ 07054**