

# Growing pension bills bust budgets

## Huge hikes may impede Morris tax-cutting effort

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Steep hikes in public employee pension contributions for next year are even higher than anticipated and could threaten efforts to reduce property taxes, several county and municipal officials said.

"This is a total disaster. We are seeing 30 to 50 percent increases, not 20 percent," said Denville Mayor Gene Feyl, who also is a Morris freeholder.

Some officials said the recently released 2008 pension contribution estimates for their government represents nearly half of the 4 percent budget cap amount allowed under the new rules imposed in the 2008 state budget.

That will mean less money for other cost increases such as insurance or salaries, let alone road repairs.

The pension estimates affect every public body that has employees in the state pension system, such as libraries, sewer districts and boards of education whose non-teaching staff is covered.

Some examples:

■ Parsippany: Total

2008 estimated pension contribution is \$3,498,363, compared with \$2,101,431 for 2007, a 66 percent increase.

■ **Dover:** \$1,007,098 for 2008, compared with \$615,728 for 2007, a 64 percent hike.

■ **Denville:** \$982,196 for 2008, compared with \$610,828 for 2007, a 60 percent increase.

■ **Morristown:** \$2,010,374 for 2008, compared with \$1,273,530 for 2007, a 58 percent increase.

For Denville, Feyl said, the pension increase represents 1.5 tax points "right off the top."

The township has an \$18 million annual budget, he said.

The pension increase is added to an approximate 4 percent annual pay increase awarded to the township's police union through arbitration, said Feyl, a Republican.

"We're capped at 4 percent. What about fuel?" he asked.

Adding to the frustration is the realization that the pension contributions for next year are greater than the anticipated 20 per-

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### Pension costs

Here's a sampling of the combined public employee pension contributions, including those for police and fire departments, that towns must pay in 2008, and how much of an increase that represents when compared with this year's contributions.

Town	Amount	Increase
Parsippany	\$3.5M	\$1.4M
Morristown	\$2M	\$736,844
Morris Twp.	\$1.6M	\$633,938
Roxbury	\$1.3M	\$502,953
Randolph	\$1.2M	\$490,328