



Red Bank Borough Public Schools

Dream BIG...We'll Help You Get There!

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For Immediate Release

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District Applies for Tax Levy Incentive Aid

The Red Bank Borough Public Schools recently announced the District will be taking advantage of a new opportunity titled Tax Levy Incentive Aid. The mechanism was announced earlier this month and represents a one-time exception to the 2% cap on any tax levy increase designed to support school districts who are under adequacy AND under their local fair share as deemed by the New Jersey Department of Education (NJDOE). The District is currently considered \$6.5M under adequacy. Red Bank Borough is one of 280 districts in the State and 20 in Monmouth County to qualify for this program. Superintendent of Schools, Dr. Jared Ramage, conveyed the following in his most recent Community Update.

From Website:

The story of the Red Bank Borough Public Schools is filled with inspiration, BIG Dreams and striving to be the Best School District in America so we can be certain we are THE BEST for the children, families and community of Red Bank. It's a story about children running into schools in the morning just as fast as they run out at the end of the day and it's a story that resonates with the perfect balance of rigor and nurture.

However, the chapter relative to school funding has a different tone. The phrases that come to mind include - view crisis as opportunity, do even more with less, and teamwork makes the dream work. It started with a decade of underfunding from 2013 to 2023 which resulted in a total shortfall of \$44,108,540. More recently, we have seen an annual decrease in federal grant funding with the strong possibility of additional cuts on the horizon. Simultaneously, with the increasing Consumer Price Index (CPI) we continue to see a rise in annual fixed costs (contractual obligations, transportation, utilities, health benefits, etc.) that exceed the 2% cap on the local tax levy increase, making it difficult to implement long-term planning.

With all of this in mind, we are moving forward with a plan to fortify our community assets, mitigate future risk, support our Strategic Plan *Dream BIGGER: A Five Year Roadmap*, maintain programs and average class size (20), recruit and retain the best staff possible, and support the needs and BIG Dreams of each learner who runs in our doors.

This information linked to a [comprehensive explanation](#) of the district's funding history including details on how the district has navigated the volatility of state aid by accessing and purposefully utilizing a variety of

other grants, partnerships, and aid to fortify infrastructure and continue to offer robust and high-quality educational experiences for the children of Red Bank.

Dr. Rumage shared, “Based on the release of this information, our Board of Education needed to make a decision in a short period of time. After a deliberate assessment of our current situation heading into the 2025-26 school year and also considering the next five years, it was evident we needed to take advantage of this one-time opportunity. The 2% cap is suffocating all public school districts in New Jersey; however, our Board of Education is always mindful of our budget’s impact on the local tax payer. While our past history clearly shows a hesitancy to stray far from the 2% increase, this infusion of funds will enable us to continue our outstanding service to the community. Moving forward, we anticipate remaining closer to the 2.26% tax levy increase we have averaged over the past five years.”

Some highlights from the website’s slide deck include:

- The District is facing a decrease in overall funding of \$2.5M heading into the 2025-26 school year. The increase in the tax levy will generate approximately \$2.57M - offsetting the overall aid increase.
- The incentive program will also generate \$93K in additional State Aid and impact the average household’s quarterly tax statement by \$132.
- Following a decade of being underfunded by over \$44M, the district has continually developed a student-centered budget while maintaining an average 2.26% tax levy increase for the last 5 years.

YEAR	PERCENT
20-21	2.37%
21-22	2.0%
22-23	2.0%
23-24	2.0%
24-25	2.91%
AVERAGE	2.26%

- The district used pandemic funding to fortify community assets, improve educational experiences for our students, and beautify the schools for our neighbors. Additionally, the district passed a tax-neutral referendum in 2019 and successfully applied for and received a Regular Operating District (ROD) Grant.
- The District worked closely with State legislators, State Superintendents, and multiple funding advocacy groups to push for a change in the funding formula. Under Senator Gopal’s leadership, we have received funding specifically dedicated to support student mental health services. Recently, Gopal’s efforts to revise the school funding formula protected us from a more substantial loss as new legislation capped State Aid losses at a maximum of 3%. Without this temporary guardrail, the District would have lost an additional \$1.3M. This temporary guardrail will not exist next year and outside of major enrollment changes, we will likely see a projected loss of \$1.5M in State Aid heading into the 2026-27 school year.
- The revenue will support the full implementation of our Strategic Plan, Dream BIGGER: A *Five Year Roadmap* which was designed by a collaborative and diverse group of community members.

The Board expects feedback from the New Jersey Department of Education on the Tax Levy Incentive Aid application before the end of the month. A successful response will allow us to continue to provide a high-quality educational environment and strengthen the district’s long-term financial stability.