

RED BANK REGIONAL HIGH SCHOOL DISTRICT



BUDGET 2011-12 Q&A

Q. What is the school budget and what is its purpose?

The school budget finances every aspect of our high school students' education. It was created with zero-based budgeting; that is, we estimated the cost for each line item in the budget.

Q. When is the school election and what is its purpose?

The school election is held on WEDNESDAY, APRIL 27th. Polls are open from 2 to 9 pm. You vote in your usual voting location. The purpose of the election is to elect board of education representatives and to vote on the proposed school budget.

Q. Can I vote on my elementary school budget AS WELL AS the high school budget?

YES! All registered voters in the sending school districts of Little Silver, Red Bank and Shrewsbury are encouraged to vote on both their elementary school budget as well as the Red Bank Regional High School budget at the same time.

Q. What is the proposed budget for the 2011-2012 school year?

The proposed budget is \$26,031,769 representing a 1.9% reduction from last year and maintains current teaching staff and programs but reflects the difficulties in these austere times. (A total of eight staff positions were eliminated last year due to reduction in state aid and cuts made following the 2010

budget defeat.) The decrease reflects: a reduction of 82% in budget accounts (our staff and programs will have to run with less money); a reduction in some salaried positions (primarily the superintendent); elimination of the treasurer position; a reduction in the number of after-school activities and clubs; a significant reduced debt service from refinancing bond indebtedness. A myriad of shared services also help reduce expenditures. These offset increases in the areas of health benefits, special education and professional development. Several badly needed capital improvements have been added to the budget, including resurfacing of the track.

Q. How is the budget funded?

The budget is funded as follows:

- 74.4% Property taxes
- 12.6% Tuition Revenue (from our academy programs)
- 2.2% State Aid (down from 4.7% before 2010 state aid cuts)
- 5.3% Federal Grants
- 5.5% Miscellaneous (includes transportation fees, debt repayment and fund balance)

Q. Why are the academy tuition students so important to the school budget?

The three four-year exceptional RBR academies attract tuition from out-of-district students which enables us to run the programs offering all our students an unparalleled range of courses in the arts, finance and technology. The tuition helps offset our overall fixed costs, thereby reducing the burden for our taxpayers. (I.E., if you have room in the car, why not welcome another passenger to share the cost of the gas?) A budget analysis shows that not only does the \$3.2 million in tuition revenues cover the cost of the academy programs but also covers the cost of our Music and World Language expenses as well as all sports and after-school clubs.

(SEE REVERSE)

VOTE WEDNESDAY **APRIL 27** POLLS OPEN 2 TO 9PM



Q&A (continued)

Q. What is the tax levy and how is it calculated?

The tax levy is calculated based on the “equalized rate valuation formula” set by the state and breaks out as follows for the 2011-2012 budget year:

	For an Average Assessed Home	Increase Per Year	Increase Per Month
Little Silver	(\$501,857)	\$64.94	\$5.41
Red Bank	(\$403,697)	\$20.20	\$1.68
Shrewsbury	(\$398,231)	\$48.23	\$4.02

The equalized rate formula takes into account the number of students attending the high school versus their elementary schools and the current assessed value of homes compared to market value. **RBR has no control over this calculation.** Though the three towns are supporting different rates of tax increase due to the formula calculation, in actuality, each town is paying the tax levy that is proportional to their town’s student enrollment.

Sending Schools	H.S. Enrollment by Town	% of Enrollment	% of Tax Levy
Little Silver	282.5	32.85%	31.85%
Red Bank	387.5	45.06%	44.01%
Shrewsbury	190	22.09%	24.14%

Q. Why did the budget go down and taxes go up?

Due to the state’s financial crisis, last year \$525,896 of our fund balance was eliminated in lieu of state aid which would have ordinarily been used this year to reduce taxes. The new 2% budget limit, and loss of state aid forced us to reduce a majority of account items thus resulting in a reduced budget but higher taxes. This represents the second year in which our total budget has declined.

Q. Why does RBR receive only 2.2% in state aid?

A long-standing court decision forced the state to fund the lowest income school districts to the level of the wealthiest resulting in very little state aid for the middle income school districts as Red Bank Regional. Most states fund a much higher percentage of their school’s budgets. This significantly impacts property taxes in New Jersey.

Q. What happens if the budget is defeated?

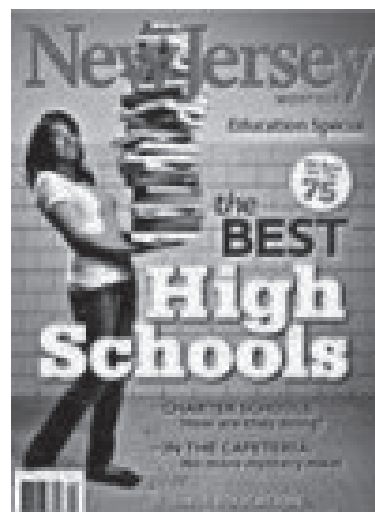
If the RBR school budget is defeated, it then goes to all three town councils for review and recommendation for budget cuts. This happened last year (for the first time in 12 years) and the councils decided to cut an additional \$270,500 from our budget resulting in a reduction of personnel.

Since so much state aid has been eliminated and the great majority of budget accounts have been reduced, any further cuts will most likely result in staff and program reductions including the possibility of pay-to-play for athletic and co-curricular programs.

Q. What result can I expect from my continued investment in the RBR school budget?

As one of the top high schools in the state of New Jersey (NJ Monthly listed RBR as the third top high school in Monmouth County after Holmdel and RFH), and the nation (recently Newsweek listed RBR among the top 6% in schools in the country) you can expect to see a continuation of our varied and expansive course offerings and the excellent progress of our students, as exemplified by our stellar New Jersey Report Card.

The Report Card highlights high SAT scores, low class size and a high percentage of students taking rigorous courses. Your investment preserves the excellent program we currently provide RBR students.



At a time when American schools are falling behind the rest of the world academically, RBR stands as a model of excellence, well-preparing our students for the future.