



Deer Park Community City Schools

Deer Park Schools - "Inspiring & Empowering Lifelong Success"

Jay Phillips, Superintendent

Jeff Lewis, Treasurer

Senate Education Committee House Bill 96 Written Testimony Deer Park Community City School District

Chair Brenner, Vice Chair Blessing, Ranking Member Ingram, and members of the Senate Education Committee:

Thank you for the opportunity to provide testimony on House Bill 96. My name is Jay Phillips, and I proudly serve as the superintendent of the Deer Park Community City School District in Hamilton County, a small suburban district with approximately 1,100 students. We are located in the first ring of suburbs outside Cincinnati. About 57% of our students are considered economically disadvantaged, and approximately 16% receive special education services.

Before I begin, I want to sincerely thank you for your past support of Ohio's public schools. I understand that you are faced with difficult decisions, and I am grateful for your continued thoughtful consideration of legislation that impacts students, educators, and communities across our state.

While many of my superintendent and treasurer colleagues have already addressed broader concerns surrounding House Bill 96—such as the proposed elimination of the funding guarantee, the incomplete implementation of the Fair School Funding Formula, and the need to update base cost inputs—I want to focus my testimony on a very real and immediate financial challenge facing our district that highlights the potential harm of the proposed 30% cap on cash carryover.

Just last week, the Deer Park Community City School District was notified that we are responsible for repaying **\$1.2 million** due to a retroactively approved tax exemption for two properties acquired by Jewish Hospital within our district. These properties were previously commercial and part of a TIF (Tax Increment Financing) agreement through Sycamore Township, which ensured the district was made whole from a tax revenue perspective.

Now, not only must we return **\$1.2 million** in funds already collected and used responsibly to educate our students, but we are also projected to lose approximately **\$635,000** in revenue each year going forward as a result of the exemption. This experience underscores why imposing an arbitrary cap on financial reserves is shortsighted and potentially devastating.

This is not a theoretical example. It is happening, and we are living it. The only reason we are able to manage this financial shock without immediately cutting programs, laying off staff, or placing an emergency levy on the ballot is because we have maintained a fiscally responsible cash carryover above 30%.



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Under House Bill 96, districts would be penalized for doing exactly what we've done—saving for the unexpected, planning for the long term, and protecting the education of our students from financial disruptions. If this legislation had already been enacted, we would not have had the reserves necessary to handle this situation. The results would have been immediate and painful for the children and families we serve.

Capping carryover funds at 30% sends the wrong message. It discourages prudent financial planning, punishes districts that manage their funds well, and increases vulnerability to unpredictable events—whether they be unfunded mandates, special education cost spikes, mid-biennium budget reductions, enrollment shifts, or retroactive tax exemptions like ours.

For the sake of our students and communities, I respectfully urge this committee to remove the 30% carryover cap provision from House Bill 96. Fiscal responsibility should not be punished—it should be modeled and supported.

Chair Brenner and members of the committee, thank you again for your time and for your commitment to public education. I would be happy to answer any questions you may have.

Jay Phillips, Superintendent

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