HCTA

HILLSBOROUGH CLASSROOM TEACHERS ASSOCIATION

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July 9, 2026 - 2 Part Bargaining Update

PART 1: Budget Review, Compensation & Insurance

On Wednesday, July 9, 2026, HCTA's ESP and Instructional Bargaining Teams met with the School Board's bargaining team to begin the compensation phase of negotiations with a nearly two-hour budget presentation by Chief Financial Officer Jamie Lewis and Chief Negotiator Kelly King, outlining the School Board's financial outlook and explaining how this year's State Budget will impact negotiations for employee compensation and benefits.

What We Learned

The School Board projects that the General Fund will receive approximately $9.6 million in new recurring revenue for the 2026-2027 school year. While revenue is increasing, the School Board projects its total fund balance will decline to approximately $150 million, below the School Board's self-imposed policy of maintaining a 10% reserve.

BUDGET	FY23 ACTUAL	FY24 ACTUAL	FY25 ACTUAL	FY26 PROJECTED	FY27 PRELIMINARY
REVENUE					
Federal	3,269,982	2,651,910	2,986,127	3,598,021	3,197,000
Federal Through State	3,315,040	6,835,116	7,661,979	11,247,705	11,000,000
State	1,227,817,855	1,274,863,387	1,292,720,476	1,263,628,943	1,225,980,452
Local	689,007,714	761,083,606	792,046,841	986,354,517	1,041,259,732
Other Sources	43,922,432	62,107,060	63,701,740	121,000,000	114,000,000
Total Revenue	**1,967,333,023**	**2,107,541,079**	**2,159,117,163**	**2,385,829,187**	**2,395,437,184**
Revenue Change		140,208,056	51,576,084	226,712,024	9,607,997
		7.1%	2.4%	10.5%	0.4%
EXPENDITURE					
Total Expenditure	**1,823,433,691**	**2,040,770,883**	**2,262,577,856**	**2,523,907,419**	**2,407,644,829**
Expenditure Change		217,337,192	221,806,973	261,329,563	(116,262,590)
		11.9%	10.9%	11.6%	-4.6%
Ending Fund Balance	330,038,941	396,770,932	293,348,679	155,270,006	142,845,338

The presentation demonstrated that while local property values continue to rise, Florida's education funding formula and state policy decisions continue to limit the revenue available to public schools by steadily reducing millage rates over the past 10 years. The total Mills funding Hillsborough Public Schools is lower for 2027, including the additional 1 Mill approved by voters.

Historical Millage Rates

District School Board	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018
Local Required Effort	3.0660	3.0920	3.1400	3.1520	3.2390	3.6010	3.7190	3.8810	4.1660	4.3480
Discretionary Local	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480
Supplemental Discretionary	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Local Capital Improvement	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
Voted Millage	1.0000	1.0000								
Total Mills	6.3140	6.3400	5.3880	5.4000	5.4870	5.8490	5.9670	6.1290	6.4140	6.5960

At the same time, declining enrollment, inflation, and rapidly increasing health care costs continue to place additional pressure on the School Board's budget. The challenge remains meeting the needs of students, schools, and employees while the State continues to underfund public education. District leaders highlighted several financial pressures, including:

- Continued enrollment declines.
- Rising employee health care costs.
- Increasing costs to support schools, students, and employees with continued decline in recurring revenue.

The School Board did confirm it expects to receive approximately $3 million in Declining Enrollment Stabilization funding from the Florida Department of Education for the 2025-2026 school year, creating the expectation that similar stabilization funding may be available again after the 2026-2027 school year if enrollment declines continue.

Where Are Students Going?

One of the more interesting discussions centered around student enrollment. Over the past five years, HCPS has lost approximately 10,400+ students. However, that loss has not been mirrored by the growth of 22,723 students taking vouchers.

UFTE	2022/2023 Final	2023/2024 Final	2024/2025 Final	2025/2026 Third Calc.	2026/2027 Projected
HCPS	184,804	181,336	177,541	172,073	174,370
DJJ	393	424	167	239	223
Charter	33,677	34,648	35,218	34,954	31,106
FES	8,659	13,934	22,691	27,944	31,382
Total	**227,532**	**230,342**	**235,617**	**235,209**	**237,082**

Hillsborough County

The School Board's CFO explained this data suggests many voucher recipients are not simply choosing to leave our Hillsborough County public schools, but instead students who were never enrolled in our public schools are taking the vouchers now. Declining birth rates and rising housing costs forcing families to leave Florida are also contributing to enrollment declines.

These trends matter because Florida School District funds are based on student enrollment.

These funding changes are also one of the reasons FEA, parents, and students have filed a constitutional challenge to Florida's voucher system, arguing that it undermines Article IX of the Florida Constitution by diverting public education funding into multiple non-uniform education systems operating under different standards and accountability requirements. (Read the complaint HERE)

State Funding Remains the Biggest Challenge: TSIA!

One of the most important discussions centered around this year's changes to the Teacher Salary Increase Allocation (TSIA) enacted during the Florida Legislature's 2026 Special Session.

The School Board estimates Hillsborough County will receive:

- $14.8 million in TSIA funding.
- Approximately $2.2 million of that amount will go directly to charter schools.

- Leaving approximately $12.6 million available for eligible HCPS instructional employees.

The School Board also explained that the new law:

- Limits funding to eligible classroom teachers with at least 10 years of Florida public school teaching experience, excluding many instructional employees represented by HCTA, including teachers with experience earned outside Florida and instructional personnel who do not meet the statutory definition of "classroom teacher."
- Provides no dedicated salary funding for Educational Support Professionals (ESP).
- Requires School Boards to begin a statutory impasse process if TSIA funds are not resolved by July 30.

It is important to understand that the funding and law do not guarantee $3,000 for eligible personnel. Initial estimates are closer to $2,000 (including tax/FRS). Additionally, the law and funding do not consider step movement separately or provide funding to account for step movement. Rather step movement would be included in the total calculation.

HCTA Made Our Position Clear

Following the presentation, HCTA President Rob Kriete and Chief Negotiator Brit Wegmann asked more than 30 detailed questions regarding the School Board's budget assumptions, the application of TSIA funding, enrollment trends, health insurance, and additional financial information necessary to prepare compensation proposals.

- We Will Not Support Dividing Employees: HCTA made clear that while the Legislature claims TSIA is intended to address salary compression, the law instead creates new divisions among educators by limiting eligibility based on legislative classifications and years of Florida teaching experience.

HCTA also emphasized that the Legislature once again failed to provide any dedicated salary funding for Educational Support Professionals, despite ESPs being essential to the success of our schools.

- We Bargain with the School Board, Not the Florida Department of Education: HCTA challenged the assumption that the Florida Department of Education can dictate the outcome of local collective bargaining.

While state law establishes certain funding requirements, collective bargaining remains between HCTA and the School Board, not between HCTA and the Florida Department of Education. HCTA made clear that we will not simply accept a compensation structure that divides instructional employees or creates inequitable salary increases based solely on legislative classifications. Our responsibility is to bargain for all employees represented by HCTA.

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Health Insurance Discussion

The bargaining teams also reviewed the School Board's financial position regarding employee health insurance. The School Board reported:

- Health care costs have increased approximately 89% over the past five years.
- The approved 2027 health plan includes: No increase in employee premiums. No increase in deductibles. Reduced co-pays. A new co-pay reimbursement opportunity of up to $1,000.

Health Insurance	Expenditure	Change	
FY 23	120,285,390.68		
FY 24	131,728,584.68	11,443,194.00	9.5%
FY 25	137,857,968.22	6,129,383.54	4.7%
FY 26	175,746,530.13	37,888,561.91	27.5%
FY 27	227,450,220.00	51,703,689.87	29.4%
5-Year Change		107,164,829.32	89.1%

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HCTA acknowledged the significant financial pressures affecting employers nationwide. However, financial challenges do not eliminate contractual obligations. Employee benefits must continue to be administered consistent with our collective bargaining agreements, and significant changes must be negotiated, not simply announced.

HCTA specifically questioned the School Board's decision to eliminate the $720 opt-out Flexible Spending Account (FSA) credit and challenged whether that decision complied with the language governing the Joint Health Insurance Committee contained in both collective bargaining agreements:

Instructional Article 13.10.1 / ESP Article 24.5.1

"The Board and Association recognize the importance of maintaining and balancing quality health and other insurance for employees. Toward these ends, a Joint Insurance Committee will be established for the purpose of putting forth recommendations that shall be subject to negotiations."

The School Board did not directly answer HCTA's questions regarding the committee's contractual role and if the School Board considers the opt-out credit a subject of collective bargaining. The School Board's team agreed to review those questions before responding at a future bargaining session.

The School Board also shared its actuarial analysis concluding that eliminating the opt-out credit is unlikely to significantly increase enrollment in the School Board's health plan. HCTA questioned how those assumptions will be evaluated if actual enrollment differs from the projections and what corrective action the School Board would take if those assumptions prove inaccurate.

Complete Financial Transparency

The School Board did not present any compensation proposals based on their financial presentation. Before presenting compensation proposals, HCTA requested additional financial information and analysis showing exactly how the School Board intends to apply TSIA funding under the new law. That information is necessary to ensure HCTA's compensation proposals reflect the needs of all employees we represent.

Watch the full budget presentation & discussion HERE 0:00-1:47

PART 2: ESP Negotiations Begin

Following the budget presentation, HCTA's Educational Support Professional (ESP) Bargaining Team met with the School Board on Wednesday, July 9, 2026, to officially begin negotiations for the 2026-2027 school year. The session opened with introductions, a review of the bargaining process, and discussion of the scope of negotiations for this year.

Unlike Instructional negotiations, this is not a full, open-book bargaining year for the ESP contract. Under the current bargaining cycle, the parties are primarily negotiating compensation and other money-related items, while also having the opportunity to address a limited number of high-impact contractual issues.

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HCTA's Proposals Reflect What ESPs Told Us

HCTA began the session by presenting our 2026-2027 ESP Bargaining Platform, developed directly from feedback provided by approximately 600 Educational Support Professionals across Hillsborough County. The survey made several priorities clear:

- **73%** say their pay does **not** match their workload.
- **94%** identify employee safety as a top priority.
- Only **20%** expect to remain with HCPS long-term.
- **80%** are unsure they will stay or expect to leave within five years

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Reclassification Process (Article 4) HCTA proposed improvements to the reclassification process by clarifying timelines and procedures for employees seeking reclassification of their positions and including the jointly developed Reclassification Request Form directly in the contract so employees have easier access to the process.

Substitute Pay Improvements (Article 7) To recognize employees who temporarily perform additional responsibilities, HCTA proposed a new $5.00/hour differential for clerical employees serving as substitutes for another clerical employee and to increase the existing paraprofessional substitute differential from $10.00/hour to $15.00/hour.

Eight-Hour Workday for ESE Paraprofessionals & Hearing Technicians (Article 9) For the fourth bargaining cycle in a row, HCTA proposed moving ESE Paraprofessionals and Hearing Technicians from a 7.5-hour workday to an 8-hour workday. Many employees already work beyond their scheduled day to meet student needs. HCTA believes employees should be fairly compensated for the work they are already performing.

Professional Development & Faculty Meeting Participation (Article 18) HCTA proposed expanding professional development opportunities for employees working at ESE Centers, including training in: TEAMS, Nonviolent Crisis Intervention (NCI), UKERU restraint-free practices, Trauma-informed care, De-escalation strategies, Staff safety and defense strategies, and Best practices for medically fragile students.

HCTA also proposed clearer opportunities for ESPs to participate in faculty meetings and access teacher in-service training.

Health Insurance & Insurance Committee Language (Article 24) HCTA proposed including employee health insurance contribution rates directly in the contract for greater transparency and to clarify that changes to employee insurance costs remain subject to negotiations. Additionally, HCTA proposed improving the Joint Insurance Committee language so employees better understand the committee's advisory role and the bargaining process surrounding employee health benefits.

Maintaining Important Memorandums of Understanding HCTA also proposed incorporating the recently negotiated Transformation Network MOU and Designated Schools of Need MOU into the contract's appendices so employees have one central location to reference these agreements.

Compensation Proposals Will Follow

The School Board did not present salary proposals during this session. Following the School Board's budget presentation earlier in the day, our ESP bargaining team requested additional financial information and documentation to fully evaluate the School Board's financial position before presenting comprehensive compensation proposals.

You can watch the full ESP Negotiations HERE - 1:48-2:29

ESP negotiations will continue on Monday, July 27 (start time to be determined).

📺 Members may attend in person or register to watch live via Zoom:
https://us02web.zoom.us/webinar/register/WN__CVmwtdVQ9CBBzIlzQSuKQ