FINANCIAL UPDATE

JULY 2026

Hillsborough County
PUBLIC SCHOOLS
Preparing Students for Life

Financial Update

- HCPS by the Numbers – A Financial Snapshot
- FY 2026 – Summary Of Our Year
- FY 2027 – Turning Challenges into Opportunities
- TSIA – Teacher Salary Increase Allocation

HCPS by the Numbers

A Financial Snapshot

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Current Environment

Educational Landscape

Expanding learning options

Florida Empowerment Scholarship (FES) Growth

Opportunities

Program innovation

Expansion of Career & Technical (CTE) pathways

Aligning programs to student success outcomes

Strengthening student attraction & retention

Challenges

Enrollment shifting & continual rise in costs

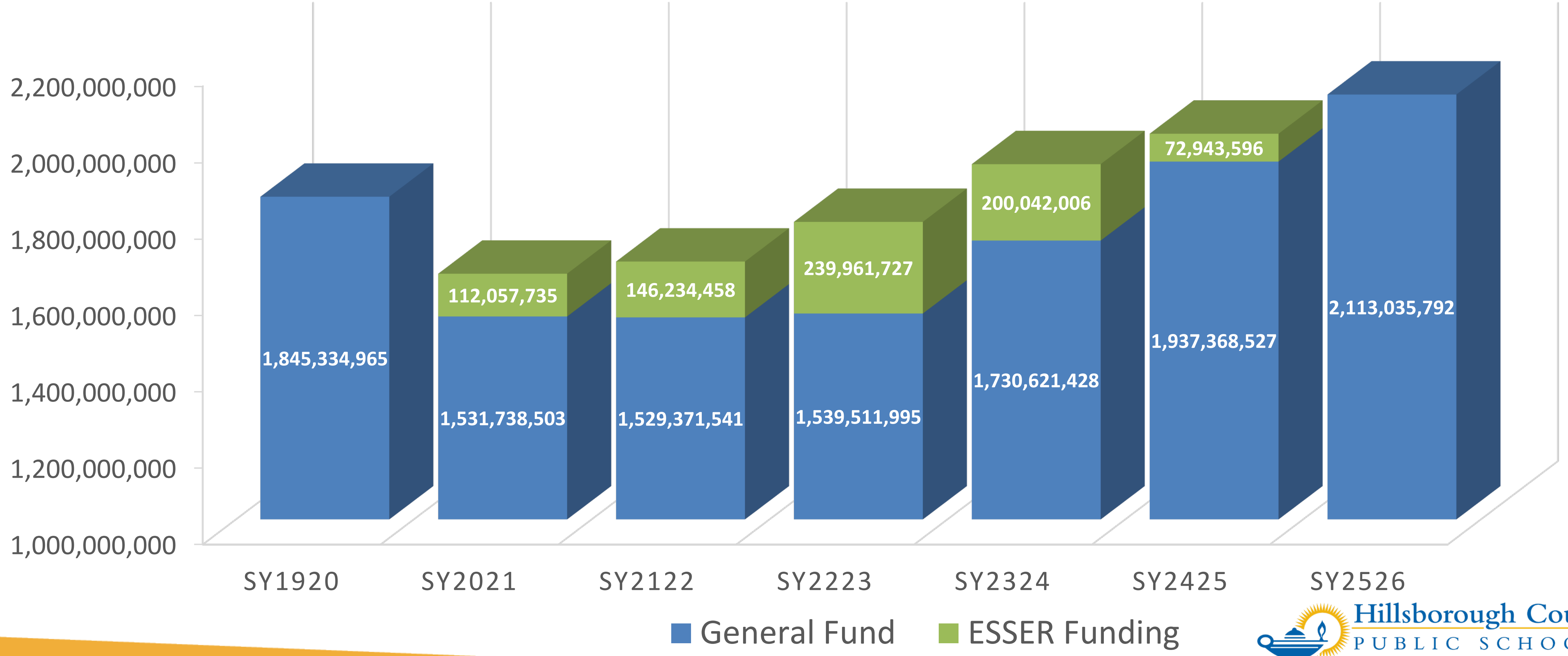
Expiration of COVID-19 federal aid

Balancing student and school needs

Maintaining financial stability amid volatility

Funding Summary

GENERAL FUND AND ESSER 19/20 THROUGH 25/26



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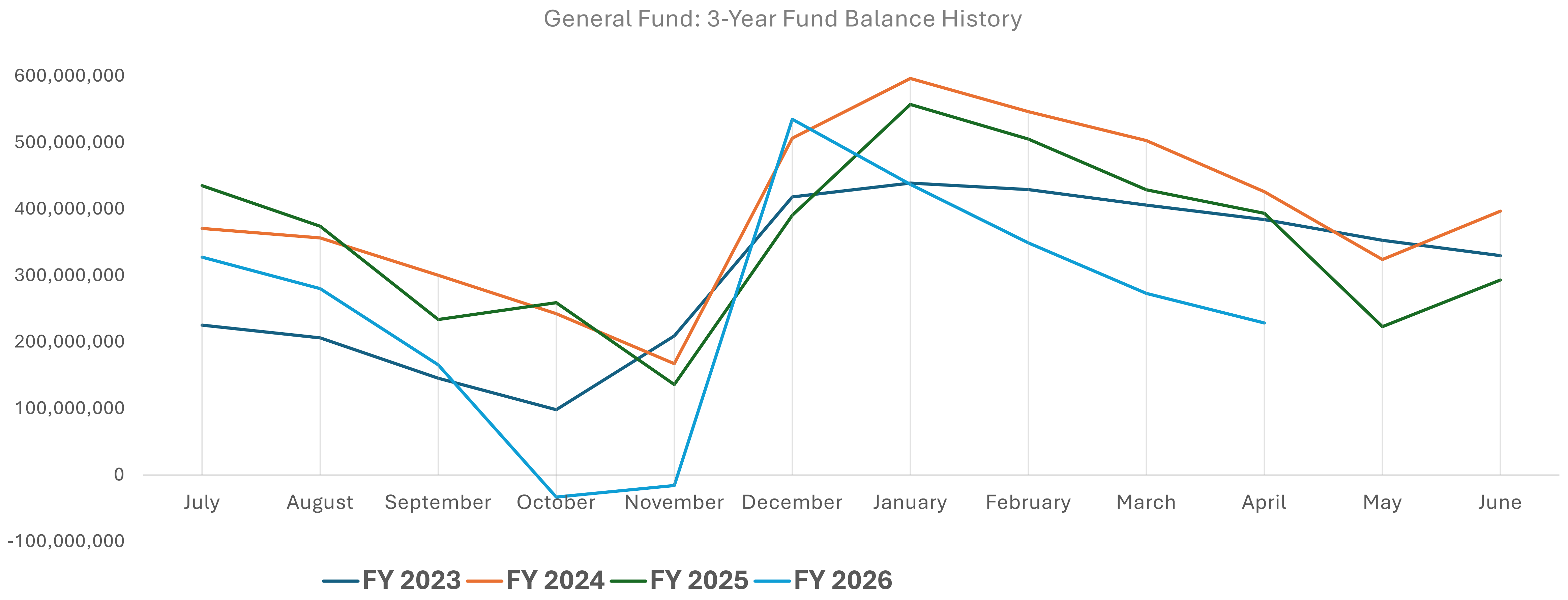
Fund Balance



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Additional Voted Millage

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- Approved on 2024 General Election ballot
- Approved by 67% of voters
- Effective for 2025/2026 through 2028/2029
- Supports both HCPS & Charter Schools

HCPS Utilization

- 92% or employee supplemental pay (full-time, active employees)
  - $6,000 annually (instructional and administrators)
  - $3,000 annually (support personnel)
- 8% educational program enhancements

23,644 Total Employees Impacted

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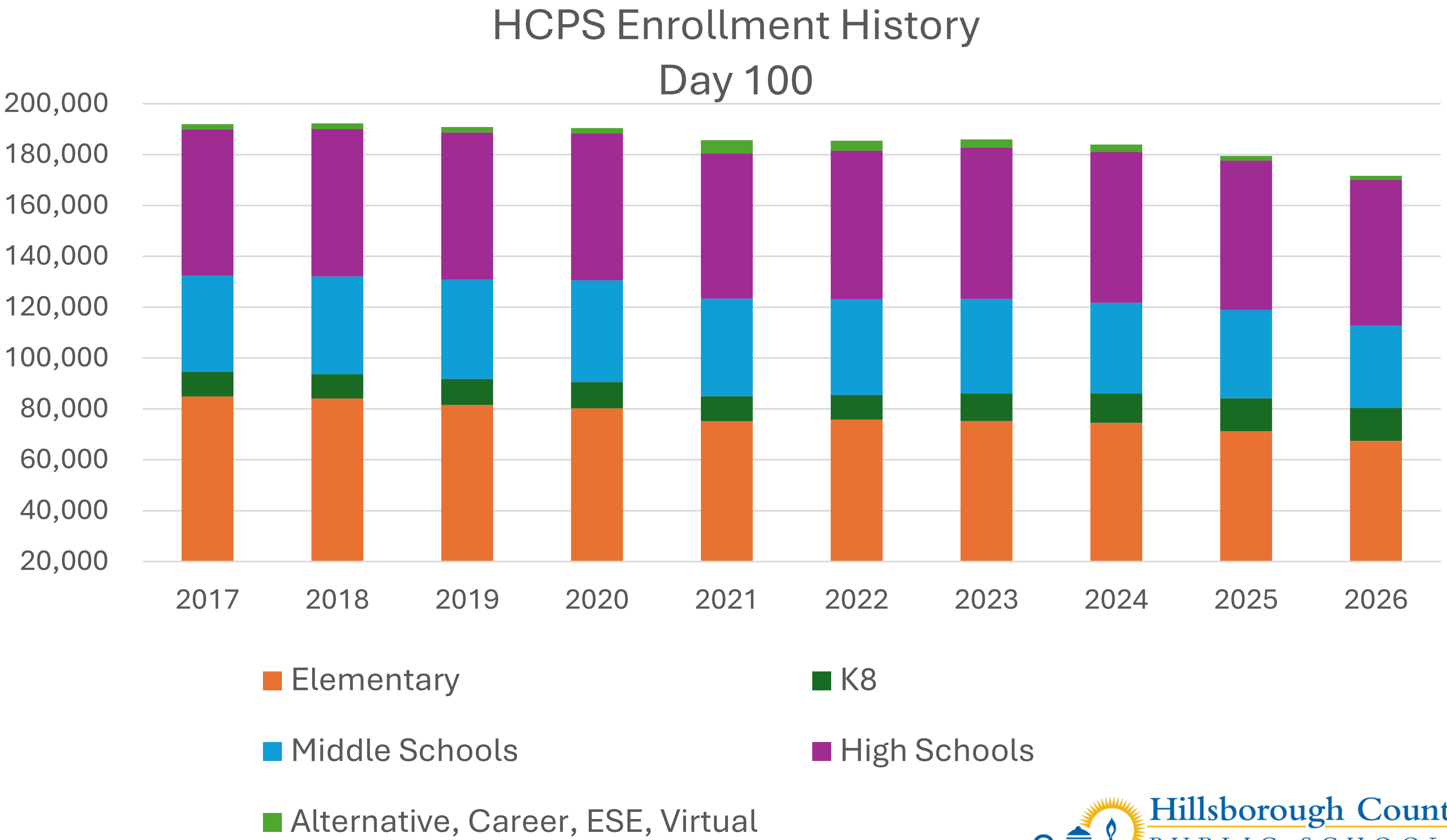
HCPS Enrollment History

HCPS

Enrollment decline began in 2024 with an overall 10.6% decline over 10 years

Traditional K12

Enrollment decreased 7,597 students since 2025



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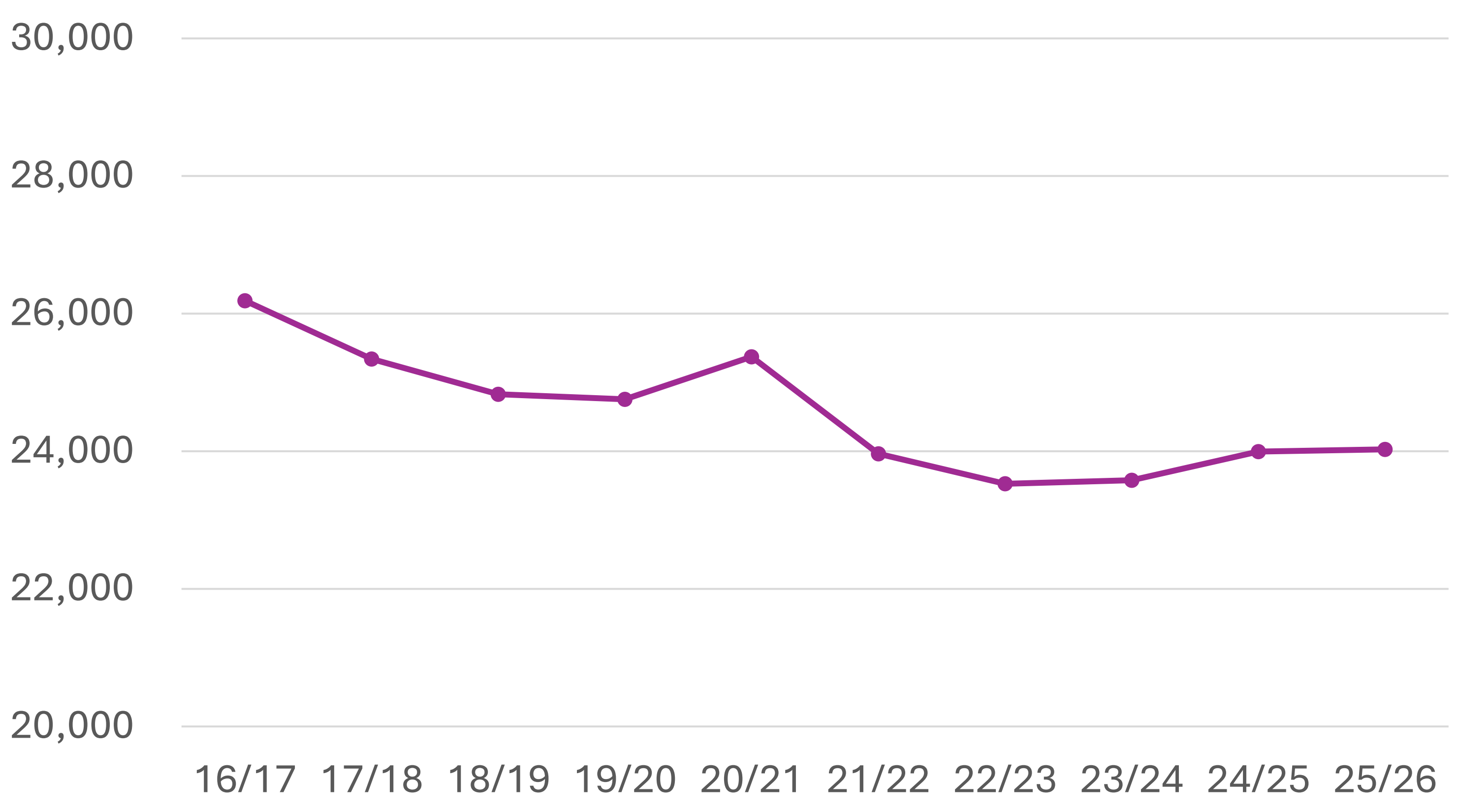
HCPS Personnel

Decrease of 8.3% over 10 years while filling more teacher vacancies



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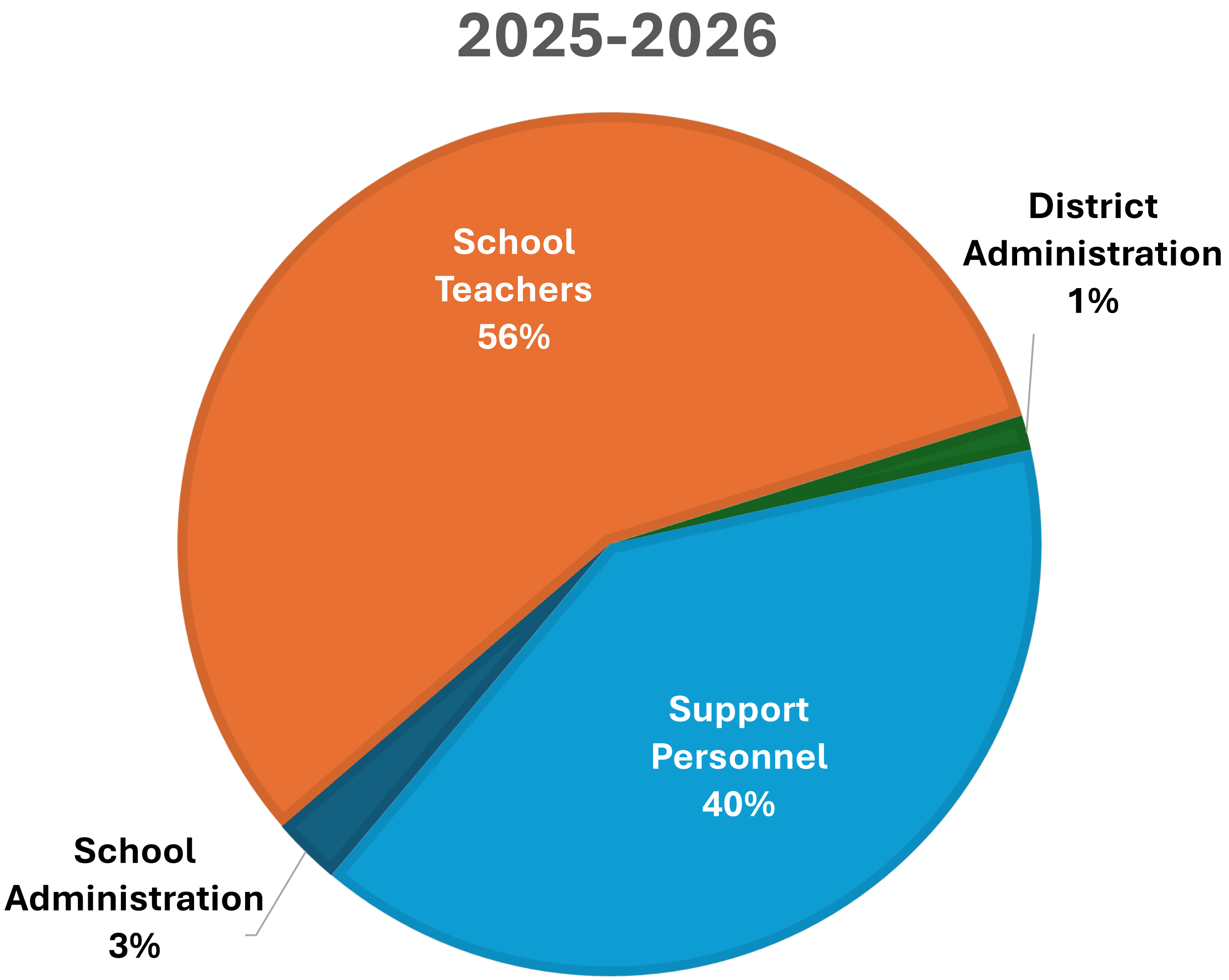
HCPS Personnel
10 Year Summary

- HCPS has maintained similar ratios from 2016/2017 through 2025/2026
- District Administration has maintained and accounts for 1.3% of total employees
- Proportionate changes totaling an overall 8.3% decrease



FY 2026

Summary Of Our Year

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FY 2026

Strength

- Employees
- Our Product
- Graduation Rates
- "A" District
- Available Fund Balance
- Self-Insurance & Establishment of a $48M Reserve

Challenges

- Enrollment
- State of Florida Budget
- Supporting Schools, Students, Employees
- Health Insurance
- Inflation / Rising Costs
- Program Costs

FY 2027

Challenges into Opportunities

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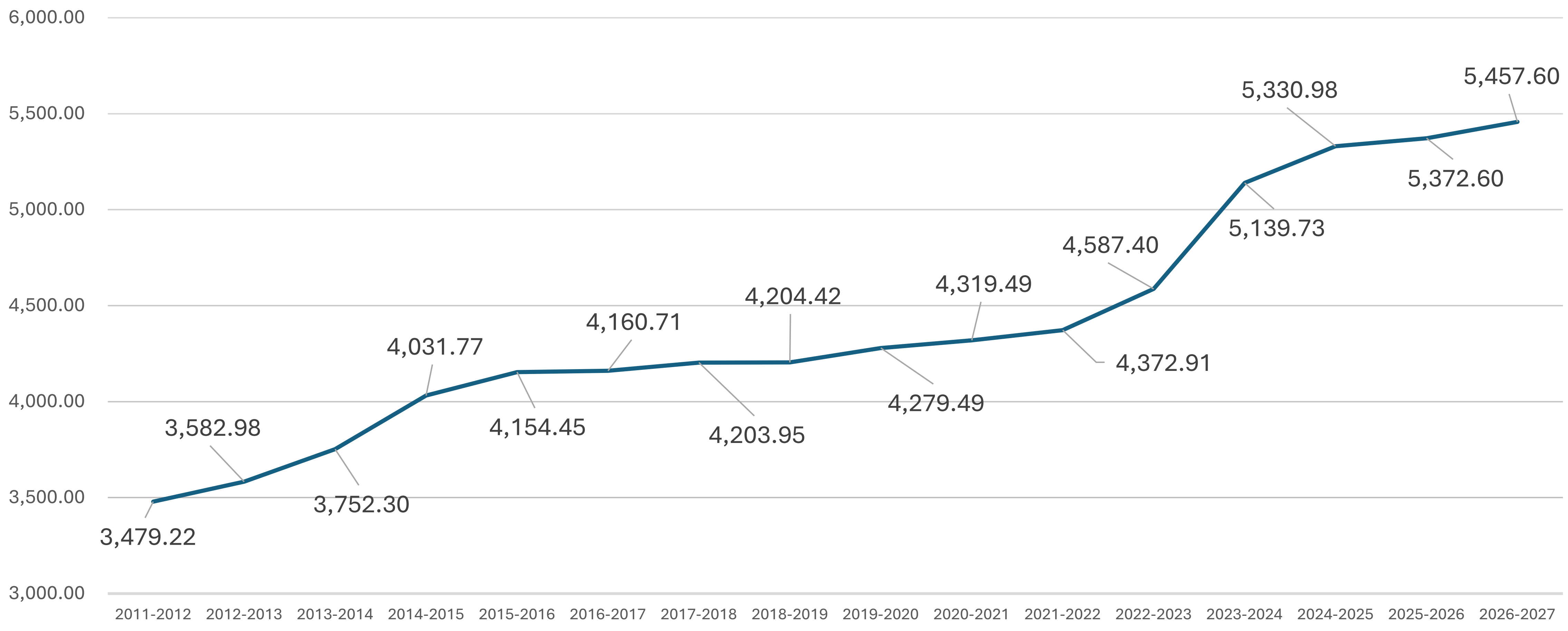
Base Student Allocation



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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 Levied	**6.3140**	**6.3400**	**5.3880**	**5.4000**	**5.4870**	**5.8490**	**5.9670**	**6.1290**	**6.4140**	**6.5960**

2026/2027 Budget

Enrollment is the foundation of school districts, serving as the primary driver of funding, resource allocation and long-term financial sustainability.

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**

2026/2027 Budget

Balancing students, schools and employee needs while maintaining financial stability is a challenge in our current environment

Budgeting Challenges

- Enrollment
- State of Florida Budget
- Supporting Schools, Students, Employees
- Bargaining
- Health Insurance
- Property Taxes
- Federal Programs & Support
- Inflation
- Program Costs

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

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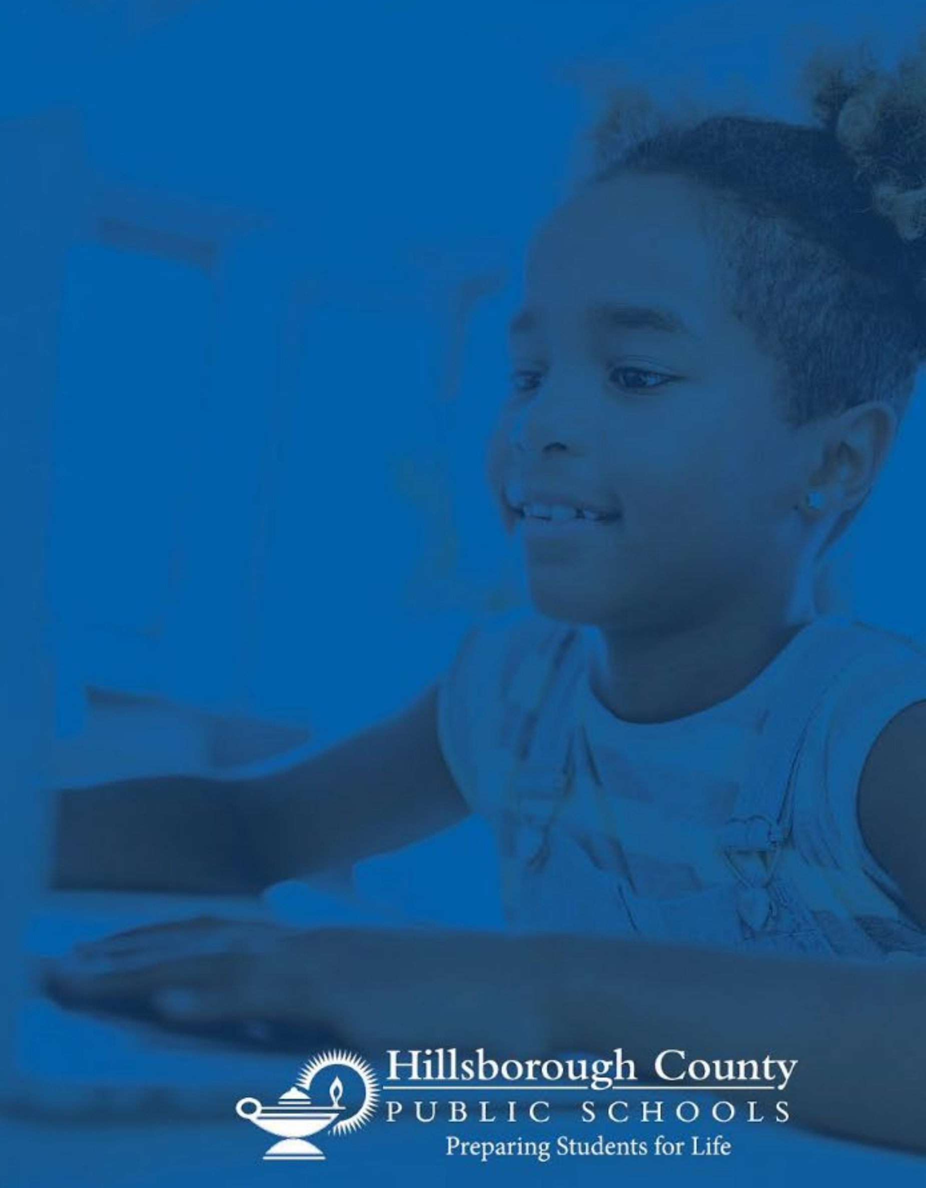
Major Cost Driver

Health Insurance

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%

Teacher Salary Increase Allocation (TSIA)



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What is the Teacher Salary Increase Allocation (TSIA)?

School districts and charter schools to provide salary increases **to full-time classroom teachers and certified prekindergarten teachers** funded in the Florida Education Finance Program **with at least ten years of full-time teaching experience in a Florida public school**. The amount of such an increase may not exceed $3,000. **If a school district has any funds remaining after providing the salary increases, the school district must use these funds to provide salary increases to instructional personnel or for increased costs related to personnel compensation** and provide a report to the department by January 1, 2027, on the expenditure of such funds. Each school district and charter school shall use 1.06 percent of its base FEFP funding amount as provided in HB 5001E

Can pre-kindergarten teachers be included in salary increases provided from the growth allocation?

Yes, provided the teacher is categorized as a full-time classroom teacher as defined in s. 1012.01(2)(a), F.S., and provides instruction in a program funded by the FEFP. A full-time classroom teacher in a Voluntary Prekindergarten Program authorized by ss. 1002.61 or 1002.63, F.S., is eligible only if the teacher is providing exceptional education services to students with disabilities.

Can growth allocation funds be used to provide salary increases to paraprofessionals or other support staff employees?

No. These funds may only be used to provide salary increases: first, to teachers with at least ten years of teaching experience, and then, if there are remaining funds, to full-time classroom teachers and other instructional personnel as defined in s. 1012.01(2)(a)-(d), F.S.

Why must school districts meet with unions (if applicable) prior to July 15th and come to an agreement by July 30th?

Chapter 2026-58, Laws of Florida, requires school districts to begin negotiation with unions prior to July 15, 2026. If school districts and unions have not come to agreement by July 30, 2026, one side must declare an impasse within two business days, or August 3, 2026.

How much money was allocated to HCPS for TSIA?

FEFP Growth Allocation	$14,839,040.00
Subtract Charter Schools	$2,197,191.18
Remaining Allocation for HCPS	$12,641,848.82

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