FY 2026 Final Fiscal Status and CIP Quarterly Reports

School Board Action Item
November 12, 2026

Andy Hawkins
Business Officer
Business and Management Services

Arlington Public Schools

School Operating Funds – Revenue Breakdown

Revenue Breakdown				
	Budget	**Actuals**	**Variance**	**Percent**
County	$584,333,192	$586,662,763	$2,329,571	0.40%
State	$115,179,101	$115,479,100	$299,999	0.26%
Other	$7,750,980	$7,750,980	$(0)	0.00%
Federal	$2,500,000	$2,100,000	$(400,000)	-16.00%
Total	$709,763,273	$711,992,844	$2,229,570	0.31%

School Operating Funds – Expenditure Breakdown

Expenditure Breakdown				
	Budget	Actuals	Variance	Percent
Salary and Wages	$ 462,695,639	$ 468,116,027	$ (5,420,388)	-1.17%
Benefits	$ 158,982,361	$ 146,966,603	$ 12,015,758	7.56%
Subtotal	$ 621,678,000	$ 615,082,630	$ 6,595,370	1.06%
Operations	$ 88,085,274	$ 85,901,980	$ 2,183,294	2.48%
Total	$ 709,763,273	$ 700,984,609	$ 8,778,664	1.24%

Community Activities Fund

Community Activities				
	Budget	Actual	Variance	Percent
Revenue	$ 22,092,725	$ 22,896,403	$ 803,678	3.64%
Expenditures	$ 22,092,725	$ 22,970,127	$ (877,402)	-3.97%
		Fund Income (Deficit)	$ (73,724)	
		Beginning Fund Balance	$ 100,881	
		Year End Fund Balance	$ 27,157	

Community Activities Fund encompasses Aquatics, Career Center, Jefferson Community Center, Humanities Program, Extended Day, Planetarium, Gunston Community Center, Drew Community Center, Carver Community Center and Alternative for Parenting Teens.

Food and Nutrition Services Fund

Food and Nutrition Services				
	Budget	**Actual**	**Variance**	**Percent**
Revenue	$ 15,130,453	$ 14,486,233	$ (644,220)	-4.26%
Expenditures	$ 15,130,453	$ 15,202,409	$ (71,956)	-0.48%
	Fund Income (Deficit)		$ (716,176)	
	Beginning Fund Balance		$ 9,978,235	
	Year End Fund Balance		$ 9,262,059	

Debt Service Fund

Debt Service				
	Budget	Actuals	Variance	Percent
Allocation	$68,907,770	$60,717,868	$8,189,902	11.89%
		FY 2026 Carryover:	$8,189,902	
		Available in FY 2027 Budget:	$3,073,725	
		Total Available for CIP:	$11,263,627	

Children's Services Act Fund

Children's Services Act				
	Budget	Actual	Variance	Percent
Revenue	$ 5,266,876	$ 5,266,876	$ -	0.00%
Expenditures	$ 5,266,876	$ 7,061,434	$ (1,794,558)	-34.07%
		Fund Income (Deficit)	$ (1,794,558)	
		Beginning Fund Balance	$ 41,877	
		Year End Fund Balance	$ (1,752,681)	

Please click on the following link to see the State law concerning the Children's Services Act:
https://law.lis.virginia.gov/vacodepopularnames/comprehensive-services-act-for-at-risk-youth-and-families/

Capital Projects Fund

Capital Projects Fund		
Beginning Balance	$	34,764,760
Revenue	$	13,811,775
Expenditures	$	(9,906,639)
Committed Funds - FY 2027	$	(15,425,393)
Committed Funds - FY 2028	$	(15,460,000)
Uncommitted Fund Balance	$	7,784,503

- $8M in Bond Premium is expected in May 2027

Capital Improvement Plan

Project Expenditure Projection Table #2	*Projected FY 2027*	*Projected FY 2028*	*Projected FY 2029*	*Projected FY 2030*	*Projected FY 2031*	*Projected FY 2032*	*Projected FY 2033*	*Projected FY 2034*	*Projected FY 2035*	*Projected FY 2036*	*Project Total*
Funding Sources:											
Projected Bond Funding	167.10	223.65	142.58	206.85	134.05	207.25	181.25	257.25	218.45	144.85	
Capital Reserve	4.90	15.46	0.33	-	-	-	-	-	-	-	
Clean Electricity Investment Credit	-	6.00	12.79	-	-	-	-	-	-	-	
Budgeted Debt Service Savings	8.50	-	-	-	-	-	-	-	-	-	
Close-Out Funding	9.40	3.80	-	-	-	-	-	-	-	-	
Total Funding	**189.90**	**248.91**	**155.70**	**206.85**	**134.05**	**207.25**	**181.25**	**257.25**	**218.45**	**144.85**	
Projects Financed Internally:											
Gunston/Wakefield/W&L/Williamsburg Fields	(4.60)	-	-	-	-	-	-	-	-	-	(4.60)
Notification/PA Systems Refresh	(0.30)	(0.46)	(0.33)	-	-	-	-	-	-	-	(1.09)
Williamsburg Roof Replacement	(5.40)	-	-	-	-	-	-	-	-	-	(5.40)
Dorothy Hamm Roof Replacement	(4.00)	-	-	-	-	-	-	-	-	-	(4.00)
Taylor Kitchen	-	(3.80)	-	-	-	-	-	-	-	-	(3.80)
Approved/In Progress Projects:											
Grace Hopper Career Center	(15.49)	(32.51)	-	-	-	-	-	-	-	-	(48.00)
Hoffman-Boston	(19.30)	(26.35)	-	-	-	-	-	-	-	-	(45.65)
Barrett/Carlin Springs Kitchens	(3.00)	-	-	-	-	-	-	-	-	-	(3.00)
ASFS/Ashlawn Kitchens	(4.10)	(3.80)	-	-	-	-	-	-	-	-	(7.90)
Move MPSA into ACC	(9.57)	(23.67)	(7.24)	-	-	-	-	-	-	-	(40.47)
Synthetic Turf Fields - Yorktown, Kenmore, TJMS	(3.30)	-	-	-	-	-	-	-	-	-	(3.30)
Jamestown Refresh (HVAC, Roof, Flooring, Painting)	-	(17.40)	(11.60)	-	-	-	-	-	-	-	(29.00)
Oakridge Refresh (HVAC, Roof, Flooring & Painting)	-	(18.60)	(12.40)	-	-	-	-	-	-	-	(31.00)
Proposed Projects:											
Thomas Jefferson Renovation	-	(5.00)	(45.40)	(62.80)	(16.80)	-	-	-	-	-	(130.00)
Swanson Renovation	-	-	-	-	-	(16.00)	(56.00)	(8.00)	-	-	(80.00)
Major Infrastructure - Building Systems	-	-	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	(10.00)	(80.00)
Major Infrastructure - Elementary Schools	-	-	-	-	-	-	-	(20.80)	(83.60)	(17.60)	(122.00)
Bond Financing Need	**46.25**	**106.33**	**73.85**	**72.80**	**26.80**	**26.00**	**66.00**	**38.80**	**93.60**	**27.60**	
Projected Debt Service $	*$64.78*	*$70.72*	*$75.03*	*$80.01*	*$79.70*	*$79.04*	*$81.50*	*$77.84*	*$81.35*	*$80.08*	
Projected Debt Service Ratio	*7.58%*	*8.03%*	*8.27%*	*8.56%*	*8.28%*	*7.97%*	*7.98%*	*7.40%*	*7.51%*	*7.18%*	
Funds Remaining	**143.65**	**142.58**	**81.85**	**134.05**	**107.25**	**181.25**	**115.25**	**218.45**	**124.85**	**117.25**	

Bond Referenda Funds	2026 Referendum	2028 Referendum	2030 Referendum	2032 Referendum	2034 Referendum
	80.00	125.00	100.00	142.00	20.00

FY2027 Debt Service Budget = $67,514,000

Historical Allocation: $83,110,000	FY 2022 Referendum
Historical Allocation: $83,990,000	FY 2024 Referendum

Carryover Request

The following are a list of aggregated projects to be funded with FY 2026 Close Out funds totaling $1,350,000:

Carryover Requests		
Projects	**Description**	**Amount**
Special Education	To cover ongoing costs within SPED to cover mandated services under the Individuals With Disabilities Education Act (IDEA). This includes the need to cover the additional costs the state has passed down through the Office of Children's Services (OCS), on their state wide cap of a 2.5% increase towards tuition allowed for APS students in private placements, for the 2026-27 school year.	$ 460,000
Safety, Security & Emergency Management (SSEM)	$240,000 in FirstNet for funding to replace mission-critical devices, the obsolete UHF radio system supporting approximately 42 APS schools and facilities. This request strengthens school-level emergency communications, operational continuity, and coordination during day-to-day operations in schools and with first responders during incidents impacting educational instruction and staff and student safety.	$ 240,000
School Support	APS has 14 schools which have been identified to need Targeted Support & Improvement (TSI). Last year (FY2026) the VDOE made federal school improvement funds available to support TSI schools – there is no financial support for these schools in FY2027.	$ 650,000

Future Budget Year Reserve Balance

Future Budget Reserve		
FY 2026 Balance	$ 29,360,781	
FY 2026 Close Out Allocation	$ 1,100,085	
Subtotal		$ 30,460,866
FY 2027 Adopted Budget Allocation		$ 19,736,377
Remaining Balance		**$ 10,724,489**

FY 2026 Closeout Summary

School Operating Fund Revenue Surplus	$ 2,229,570	
School Operating Fund Expenditure Surplus	$ 8,778,664	
Children's Services Act Fund Deficit	$ (1,752,681)	
Debt Service Fund Allocation Surplus	$ 8,189,902	
Total APS Funds Surplus		$ 17,545,455
Recommended Allocation for Projects	$ 1,350,000	
Recommended Allocation to the Future Budget Reserve	$ 1,100,085	
Recommended Allocation to the Compensation Reserve	$ 6,595,370	
Recommended Allocation to the Capital Projects Fund	$ 8,500,000	
Total		$ 17,545,455
Amount Available in Debt Service Fund in FY 2027	$ 3,073,725	
Recommended Allocation to Capital Projects Fund		$ 3,073,725

FY 2026 CIP Quarterly Report

4th Quarter FY 2026

FY 2026 Capital Construction and Maintenance

Financial Update as of 6/30/2026

	Total Project Budget	Expenditures/ Commitments	Balance 6-30-26
Major Construction *($m)*	$ 309.73	$ 220.49	$ 89.24
Minor Construction/ Major Maintenance	$10,478,717	$8,050,812	$2,427,905

FY 2026 Capital Construction Update

Financial Update as of 6/30/2026

Project ($m)	Budget	Expenditure	Budget Auth. Remaining
Grace Hopper	$ 175.00	$ (137.23)	$ 37.77
Hoffman-Boston	$ 45.65	$ (6.12)	$ 39.53
Cardinal	$ 55.00	$ (53.48)	$ 1.52
Campbell/Swanson Kitchens	$ 8.28	$ (7.83)	$ 0.45
ASFS/Clar./Gleb./Oakr. Entrance	$ 3.88	$ (3.11)	$ 0.77
Drew/Randolph Kitchens	$ 6.10	$ (5.20)	$ 0.90
Barrett/Carlin Springs Kitchens	$ 7.70	$ (5.14)	$ 2.56
ASFS/Ashlawn Kitchens	$ 8.12	$ (2.38)	$ 5.74
Total	$ 309.73	$ (220.49)	$ 89.24

Minor Construction/Major Maintenance (MC/MM)

Through June 2026:

- 114 projects were identified
- 79 projects (69%) have been completed
- The majority of the remaining projects in process are expected to be started or completed within the next six months.

Reserves at 4th Quarter

- Capital Reserve is $7,784,503, after considering committed capital reserve for fiscal years 2027 through FY 2029.

Project Expenditure Projection Table #2	*Projected FY 2027*	*Projected FY 2028*	*Projected FY 2029*	*Projected FY 2030*	*Projected FY 2031*	*Projected FY 2032*	*Projected FY 2033*	*Projected FY 2034*	*Projected FY 2035*	*Projected FY 2036*
Funding Sources:										
Projected Bond Funding	167.10	219.90	138.83	227.11	128.31	203.51	177.51	253.51	214.71	141.11
Capital Reserve	4.90	15.46	0.33	-	-	-	-	-	-	-
Clean Electricity Investment Credit	-	6.00	12.79	-	-	-	-	-	-	-
Budgeted Debt Service Savings	8.50	-	-	-	-	-	-	-	-	-
Close-Out Funding	9.40	3.80	-	-	-	-	-	-	-	-
Total Funding	**189.90**	**245.16**	**151.95**	**227.11**	**128.31**	**203.51**	**177.51**	**253.51**	**214.71**	**141.11**

Resolutions

To authorize and appropriate remaining funds from FY 2026 to FY 2027, the Superintendent recommends the School Board adopt the following resolution (*Resolution #1)*:

The School Board authorizes and appropriates FY 2026 unused School Operating Funds, totaling $17,545,455, to the following:

$1,100,085 to the Future Budget Reserve within Fund Balance FY 2027

$1,350,000 to Fund Projects in FY 2027

$6,595,370 to the Compensation Reserve

$8,500,000 to the Capital Projects Fund

Resolutions

To continue the special and construction projects for which the budget period does not coincide with the school year, and fulfill encumbrances as of June 30, 2026, that will be paid in FY 2027, the Superintendent recommends the School Board adopt the following resolution (*Resolution #2)*:

The School Board authorizes the re-appropriation and use of the FY 2026 fund balances as indicated below:

Construction Fund	**$ 13,988,719**
Capital Projects Fund	**$ 3,293,535**
Grants and Restricted Programs	**$ 7,812,979**
School Activity Fund	**$ 2,864,905**
School Community Activities	**$ 27,156**

Resolutions

To retain the current fund balance reserves (balances as of 6/30/26), the Superintendent recommends the School Board adopt the following resolution (Resolution #3):

The School Board authorizes the carry forward of the following fund balance commitments:

In the School Operating Fund:

$19,736,377 – FY 2027 Adopted Budget use of reserves

$ 9,624,404 – Future Budget Reserve

$ 1,047,239 – VRS Reserve

$ 2,000,000 – Separation Pay Reserve (Unfunded)

$ 1,000,000 – Health Insurance Reserve – self insurance

$ 3,074,912 – Future Debt Service Reserve

$36,482,932 – Total Operating Fund Balance

In the Food & Nutrition Services Fund:

$ 9,262,058 – Operating Reserve

Resolutions

(*Resolution #3 continued*):

In the Capital Projects Bond Fund

$13,027,643 – Incomplete Projects/Encumbered Funds

$13,988,719 – Committed to FY 2027

$27,016,362 – Total Construction Fund Balance

In the Capital Projects Fund

$ 3,293,535 – Incomplete Projects/Encumbered Funds

$12,131,858 – Committed to FY 2027

$15,460,000 – Committed to FY 2028

$ 7,784,503 – Uncommitted Capital Reserve

$38,669,896 – Total Capital Projects Fund Balance

Uncommitted funds will remain restricted until the School Board authorizes use.

Resolutions

To ensure receipt of the planned funding level for the FY 2027-2036 CIP, the Superintendent recommends the School Board adopt the following resolution (Resolution #4):

The School Board authorizes the transfer of debt service allocation available in the Debt Service Fund in FY 2027, $3,073,725, to the Capital Projects Fund.



Questions and Comments

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November 12, 2026

Andy Hawkins
Business Officer
Business and Management Services

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