

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
January 20, 2026 AGENDA**

<div>Subject:</div> <div>Authorization to Adjust the Fiscal Year 2026 Budget for Changes to the General and Waste Disposal Funds.</div> <div>Submitted By:</div> <div>Finance Department</div>	<div>Action Required:</div> <div>√ Ordinance Resolution</div>	<div>Approved By:</div> <div>Delphone Hubbard City Manager</div>		
<div>SYNOPSIS</div>	Six (6) adjustments need to be made to the 2026 Budget to adjust for changes in actual and anticipated revenues and expenditures.			
<div>FISCAL IMPACT</div>		Revenue	Expenditure	Net
	General Fund			
	1. Revenues	\$136,671	\$0	\$136,671
	General Fund Amendment	\$136,671	\$0	\$136,671
	2026 Adopted	271,999,104	271,999,104	0
	General Fund Amended Total	\$272,135,775	\$271,999,104	\$136,671
	Adjustment	Revenue	Expenditure	Net
	Waste Disposal Fund:			
	2. Revenues	\$6,109,333	\$0	\$6,109,333
	3. Expenses		1,810,154	(1,810,154)
	4. Depreciation		216,888	(216,888)
	5. Transfers		136,671	(136,671)
	6. Debt Payments		3,837,993	(3,837,993)
	Waste Disposal Fund Amendment	\$6,109,333	\$6,001,706	\$107,627
	2025 Adopted	27,435,300	27,435,300	0
	Waste Disposal Fund Amended Total	\$33,544,633	\$33,437,006	\$107,627

BACKGROUND

Each year, the Board considers adjustments to the Adopted Budget. The six (6) adjustments should be made to the FY 26 Budget to reflect changes to the General Fund and Waste Disposal Fund which have occurred since the adoption of the 2026 Budget in Ordinance No. 22,706 on December 16, 2025.

1. Adjustments to General Fund Revenues: General Fund revenues adjusted based on increased rates for Solid Waste Fund in order to fully pay for calculated overhead (indirect) costs.

Transfer from Waste Disposal Fund	<u>\$136,671</u>
Net increase to General Fund Revenues	<u>\$136,671</u>

2. Adjustments to Waste Disposal Fund Revenues: Waste Disposal Fund revenues adjusted based on increased rates for Solid Waste Collections.

Increase in Waste Disposal Fund Revenues	<u>\$6,109,333</u>
Net increase to Waste Deposal Fund Revenues	<u>\$6,109,333</u>

3. Adjustments to Waste Disposal Fund Expenses: Increased charges from Waste Management for Recycle services.

Increase expenses for Recycling services	<u>\$1,810,154</u>
Net increase to Recycling Expenses	<u>\$1,810,154</u>

4. Adjustments to Waste Disposal Depreciation expenses: Increased Depreciation Expense from additional Equipment acquisitions.

Increase Solid Waste indirect costs	<u>\$ 216,888</u>
Net increase to Indirect costs	<u>\$ 216,888</u>

5. Adjustments to Waste Disposal for Indirect costs: Increased indirect costs for administrative activities.

Increase Solid Waste indirect costs	<u>\$ 136,671</u>
Net increase to Indirect costs	<u>\$ 136,671</u>

6. Adjustments to Waste Disposal for Debt Expenses: Increased costs for Debt Expenses related to Capital Leases totaling of \$16,289,090.

Increase Solid Waste costs for Debt Expenses	<u>\$3,837,993</u>
Net increase to Debt Expenses	<u>\$3,837,993</u>