

**LINKED MINUTES OF THE CITY OF CARLSBAD SPECIAL BUDGET
COMMITTEE MEETING HELD AT THE CARLSBAD EVENT CENTER ON JULY
10, 2026, AT 3:30 P.M.**

Present:	Jason O. Chavez	Chairman/ Councilor
	Edward T. Rodriguez	Councilor
	Mark C. Walterscheid	Councilor
	Jeff Forrest	Councilor

Absent:

Also Present:	Wendy Austin	City Manager
	K.C. Cass	Chief of Operations
	Ken Ahrens	Deputy City Manager
	Melissa Salcido	Finance Director
	Jessica Ponce	Budget/Grants Analyst
	Jalynn Armendarez	Open Meetings Act Manager

Time Stamps and headings below correspond to recording of meeting and the recording is hereby made a part of the official record.

0:01:31 **1. ROLL CALL AND DETERMINATION OF QUORUM**

Roll was called, determining the presence of a quorum.

0:01:41 **2. APPROVAL OF MEETING MINUTES – MAY 1, 2026**

0:01:48 **MOTION**

The motion was made by Councilor Rodriguez and seconded by Councilor Walterscheid to approve the meeting minutes for May 1, 2026

0:01:53 **VOTE**

The vote was as follows; Yes - Chavez, Rodriguez, Walterscheid, Forrest; No - None; Absent - None; the motion carried.

0:02:04 **3. CONSIDER APPROVAL OF THE FY27 FINAL BUDGET**

Mrs. Austin stated that there were very few changes between the Interim Budget and the Final Budget. She said the primary change was the addition of the Water and Sewer Critical Maintenance Fund 780. **Mrs. Austin** said when the City sold the Crume Farm, the Ordinance establishing the Permanent Water and Sewer Fund 900 required that the sale proceeds of \$6,319,000 be deposited into that fund. She said over the years, the fund has grown to approximately \$10 million through interest earnings. She stated the Ordinance specifies how the interest earned on the certificates of deposit (CDs) in Fund 900 may be used. **Mrs. Austin** said because of those restrictions, the City cannot transfer the interest directly from Fund 900 into the new Critical Maintenance Fund, Fund 780. **Councilor Rodriguez** asked whether the City would withdraw the interest

from the Fund 900 when it becomes available each year, deposit it into the Water and Sewer Fund 700, and then use that same amount to fund the Fund 780. **Mrs. Austin** said yes that this is the proposed process. She added that, if the Fiscal Year 2027 Final Budget is approved, a Resolution establishing the use of the Critical Maintenance Fund will be presented to the City Council for consideration at its July 28 meeting. She reviewed the new added positions, the employee health insurance fund, and Capital Funding.

0:47:18 **MOTION**

The motion was made by Councilor Rodriguez and seconded by Councilor Forrest to approve of the FY27 Final Budget

0:47:29 **VOTE**

The vote was as follows; Yes - Chavez, Rodriguez, Walterscheid, Forrest; No - None; Absent - None; the motion carried.

0:47:51 **Adjourn**

With no further business Chairman Chavez adjourned the meeting at 4:19 PM.

Jason Chavez, Chairman

Date