

**RESOLUTION NO. 2026-07**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ESTABLISHING A FACILITIES MAINTENANCE/CAPITAL IMPROVEMENT PROGRAM (CIP) CONTINGENCY ACCOUNT AND APPROPRIATING ONE-TIME FUNDS**

**WHEREAS**, the City has received a one-time settlement from a vendor totaling \$160,000; and

**WHEREAS**, of the total settlement amount, \$135,000 will be received during Fiscal Year 2025/26, with the remaining \$25,000 to be received in Fiscal Year 2026/27; and

**WHEREAS**, the settlement funds include one-time revenue and may also be used to offset the initial or current-year costs of certain expenditures that may result in ongoing or multi-year financial obligations; and

**WHEREAS**, the City Council desires to establish a dedicated budget account to track and appropriately allocate these one-time funds.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** The above recitals are true and correct and are incorporated herein by reference.

**Section 2.** A Facilities Maintenance/CIP Contingency account is hereby established within the City Manager’s Fiscal Year 2025/26 budget.

**Section 3.** The City Council hereby appropriates \$135,000 in vendor settlement revenue to the Facilities Maintenance/CIP Contingency account for Fiscal Year 2025/26.

**Section 4.** Any portion of the funds appropriated by this Resolution that remains unexpended or unencumbered at the close of Fiscal Year 2025/26 shall automatically carry forward into Fiscal Year 2026/27 within the Facilities Maintenance/CIP Contingency account. The remaining \$25,000 to be received in Fiscal Year 2026/27 shall be deposited into the Facilities Maintenance/CIP Contingency account for Fiscal Year 2026/27.

**Section 5.** The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

**Section 6.** That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

**Section 7.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** this 14<sup>th</sup> day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Jeremy Smith, Mayor

ATTEST & CERTIFIED:

I, Sheryl Garcia, City Clerk of the City of Canyon Lake, hereby attest to the Mayor's signature above and certify that the City Council duly adopted this Resolution as recorded in the vote tally stated herein.

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Sheryl L. Garcia, MMC, CPM  
City Clerk