

**FIRST AMENDMENT TO
AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

BY AND BETWEEN

THE CITY OF CANYON LAKE

AND

ARRON BROWN

DATED: JANUARY 14, 2026



FIRST AMENDMENT TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This First Amendment to the Amended and Restated City Manager Employment Agreement for the position of City Manager in the City of Canyon Lake is made and entered into as of this 14th day of January, 2026, by and between the City of Canyon Lake (“City”), a California municipal corporation, and Arron Brown, an individual (“Brown”). City and Brown are sometimes hereinafter referred to as “Party” and hereinafter collectively referred to as the “Parties”.

RECITALS

1. City and Brown entered into an agreement entitled “Amended and Restated City Manager Employment Agreement” dated November 13, 2024 (“Agreement”) for the purpose of retaining Brown as the City of Canyon Lake’s City Manager.
2. The Parties desire to amend the Agreement to modify the structure of the City’s deferred compensation contributions.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the promises made and recited herein, the Parties do hereby enter into this Amendment which modifies and amends the Agreement as follows:

1. **AMENDMENT.** Section 8 of the Agreement is hereby amended to read as follows:

8. DEFERRED COMPENSATION. As part of City Manager’s annual compensation, the City Manager may participate in the deferred compensation plan pursuant to Section 401 and Section 457 of the Internal Revenue Code as established by the City. The City shall contribute an amount not to exceed \$25,000 into the City Manager’s 401(a) account in a single lump-sum payment during the first pay period of each calendar year during the term of this Agreement. Each City contribution shall vest with the City Manager immediately. The City shall be responsible for all expenses associated with the 457 and 401 accounts during the term of this Agreement, including but not limited to administrative services fees and commissions. For the 2026 calendar year, the City shall make the required lump-sum contribution in the first full pay period beginning on or after the effective date of this First Amendment.

2. **REMAINDER UNCHANGED.** Except as specifically modified and amended in this Amendment, the Agreement remains in full force and effect and binding upon the Parties.
3. **INTEGRATION.** This Amendment consists of pages 1 through 3, inclusive, which constitute the entire understanding and agreement of the Parties and supersedes all negotiations or previous agreements, including written or verbal communications between the Parties with respect to all or any part of the transaction discussed in this Amendment.

4. **SEVERABILITY.** If any portion of this Amendment is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
5. **EFFECTIVE DATE.** This Amendment shall not become effective until the date it has been executed by the Mayor of the City of Canyon Lake and Arron Brown.
6. **APPLICABLE LAW.** The laws of the State of California shall govern the interpretation and enforcement of this Amendment.
7. **REFERENCES.** All references to the Agreement include all their respective terms and provisions. All defined terms utilized in this Amendment have the same meaning as provided in the Agreement, unless expressly stated to the contrary in this Amendment.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment to the Agreement on the date and year first written above.

CITY OF CANYON LAKE

ARRON BROWN

Jeremy Smith, Mayor
Dated: January __, 2026

Arron Brown
Dated: January __, 2026

ATTEST:

By: _____
Sheryl Garcia, City Clerk

APPROVED AS TO FORM:

By: _____
Steven Graham Pacifico, City Attorney