

**RESOLUTION NO. 2026-22**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ESTABLISHING A TECHNOLOGY USER FEE OF 8% APPLIED TO APPLICABLE FEE BASED SERVICES TO PARTIALLY RECOVER THE CITY'S COST OF PROVIDING CITYWIDE TECHNOLOGY INFRASTRUCTURE, SYSTEMS AND SUPPORT SERVICES**

**WHEREAS**, the City of Canyon Lake relies on a variety of technology systems to support municipal operations, including permitting, financial management, records management, public safety, and administrative services; and

**WHEREAS**, the City retained Willdan Financial Services to prepare a Technology User Fee Study to evaluate the full cost of these systems and identify appropriate cost recovery strategies; and

**WHEREAS**, the technology User Fee Study identified total annual fee-related and attributable citywide technology costs of approximately \$183,874, including IT support services, software subscriptions, permitting systems, finance and City Clerk systems, fire technology platforms, website services, and hardware replacement; and

**WHEREAS**, the study determined that based on a three-year average of fee-related revenues of approximately \$648,807, full cost recovery would require a fee of approximately 28%, and staff recommends a reduced fee of 8% to balance cost recovery with maintaining reasonable and competitive fee levels; and

**WHEREAS**, to balance cost recovery with maintaining reasonable and competitive fee levels, staff recommends adopting a Technology User Fee of 8%, which is projected to generate approximately \$51,905 annually and provided partial recovery of technology related costs; and

**WHEREAS**, the City also incurs technology costs withing the Police Department estimated at approximately \$165,233 annually, representing approximately 7% of the Police Department's operating budget, and an 8% Police Technology overhead factor has been identified to recover department specific technology costs through Police fee services; and

**WHEREAS**, Police services are primarily funded through general revenues rather than fee-based services; Police Department technology costs are not included in the calculation of the proposed Technology User Fee.

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

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

**Section 2.** The City Council hereby establishes a Technology User Fee of eight percent (8%), to be applied to applicable fee-based services, for the purpose of partially recovering the City’s costs of providing citywide technology infrastructure, systems, and support services.

**Section 3.** The Technology User Fee shall be applied to eligible fee-based services as determined by the City and incorporated into the City’s Fee Schedule.

**Section 4.** The City Council authorizes the City Manager, or designee, to implement and administer the Technology User Fee.

**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 13<sup>th</sup> day of May 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

## Exhibit “A”

### Citywide Technology Fee

Fee attached as a percentage of Fee Activity

Yearly Cost Need	\$183,874
Total Fee Revenue (3 yr avg)	\$648,807
<b>Full Cost Technology Fee</b>	28%
<b>Suggested Fee</b>	8%
Cost Recovery level	28%
Projected IT Fee Revenue	\$51,905

### Police Technology Cost

Fee attached as a percentage of Police Budget

Yearly Cost Need	\$165,233
Total Police Budget	\$2,159,294
<b>Full Cost Technology Overhead</b>	8%
<b>Suggested Overhead Factor</b>	8%
Overhead Cost Recovery level	100%