



CITY OF DEL REY OAKS

Staff Report

DATE: April 23, 2024

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Approve Amendment #2 to the Agreement with Regional Government Services for Finance Management and Administrative Services

CEQA: This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an administrative activity of the City that will not result in direct or indirect physical changes in the environment.

Consideration

Approve an Amendment #2 to the professional services agreement with Regional Government Services (RGS) for Finance Management and Administrative Services for FY 2023-2024 through FY 2025-2026.

Discussion

The City has established an excellent working relationship with RGS since our initial agreement dated November 21, 2019. They have supplied Finance and Human Resource services for the Police Department and City Hall with professionalism and solid results. These duties include Accounts Payable, Payroll, Accounts Receivable, Bank Reconciliations, training staff, developing policies and procedures, CalPERS Processing, Council Financial Reporting and Audit Support and Budget preparation.

The professional services provided to the City by RGS have been instrumental in assisting with building a more financially stable organization through improved policies, practices, processes and training. In partnership with RGS, the City has established and updated its financial policies, implemented a municipal financial management system, established a solid economic reserve, achieved several consecutive years of clean audits with no findings, and is in the process of planning and implementing a budgeting system.

Key to these improvements has been training of City staff by RGS in financial and human resources best practices. The push for improvements in all aspects of our fiscal management and reporting along with the increase in training has resulting in an increase in RGS staff time. The recommended amendment reflects the current time demands and resulting fees associated with the workload. However, over the course of the next fiscal year it is anticipated that RGS will train our new administrative staff to take over the accounts receivable, payroll and accounts payable functions. Therefore, staff does not expect to utilize the full amount of the not-to-exceed amount provided in the amendment.

Fiscal Impact

The total not-to-exceed contract amount is \$266,100 for FY 2023-24; \$306,100 for FY 2024-25; and \$321,400 for FY 2025-26.

Attachments

RGS Agreement Amendment #2

Respectfully submitted,

John Guertin
City Manager



REGIONAL GOVERNMENT SERVICES

SERVING PUBLIC AGENCIES SINCE 2002

AMENDMENT NO. 2 TO MANAGEMENT AND ADMINISTRATIVE SERVICES AGREEMENT

This second amendment to the Management and Administrative Services Agreement between the **CITY OF DEL REY OAKS** ("Agency") and Regional Government Services Authority, hereinafter called "RGS" is made and entered into this 19th day of March, 2024.

RECITALS

The Agency and RGS entered into an Agreement for services dated August 1, 2022. This Amendment is entered into with reference to the following facts and circumstances:

- A. **Section 3, Compensation**, is amended to strike the existing and replace with the following –
- a) Compensation for services under this Agreement shall not exceed \$893,600, which shall be allocated on a fiscal year basis as follow:
- i. Compensation for the period July 1, 2023 – June 30, 2024 (FY 2024) shall not exceed \$266,100.
 - ii. Compensation for the period July 1, 2024 – June 30, 2025 (FY 2025) shall not exceed \$306,100.
 - iii. Compensation for the period July 1, 2025 – June 30, 2026 (FY 2026) shall not exceed \$321,400.
- B. **Exhibit B, RGS Staff Rates**, is amended to remove the table and replace it with the one below.

RGS STAFF RATES 2024

TITLE	HOURLY RATE*
Strategic Services Consultant	\$176
Senior Advisor	\$150
Advisor	\$128
Technical Specialist	\$114
Administrative Specialist	\$102

* Subject to COLA adjustment per the Agreement terms

- C. All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Additional Services Amendment to be executed on the date first above written by their respective officers duly authorized in that behalf.

Dated: _____

Dated: 4/11/2024 _____

Agency _____

RGS _____

John Gueritn, City Manager

DocuSigned by:
Sophia Selivanoff
Sophia Selivanoff, Executive Director

RGS provides quality, innovative, cost-effective services exclusively to public agencies.
Main 650.587.7300 Fax 650.587.7311 P.O. Box 1350 Carmel Valley, CA 93924

www.rgs.ca.gov