



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: OCTOBER 14, 2025

DEPARTMENT: FINANCE

FROM: SELINA ANDREWS, FINANCE DIRECTOR

BY: NICK LUCIANO, ADMINISTRATIVE ANALYST

TITLE: FIFTH AMENDMENT TO THE AGREEMENT WITH
ACCOUNTANCY CORPORATION, DBA MAZE & ASSOCIATES
FOR ACCOUNTING SERVICES

RECOMMENDED MOTION:

A motion to approve a resolution authorizing the City Manager to enter into a Fifth Amendment to the Professional Services Agreement with Accountancy Corporation, dba Maze and Associates for accounting services to increase the compensation by \$600,000 for a new not to exceed amount of \$1,400,000 and extend the term for two (2) additional years from November 1, 2025 to October 31, 2027.

EXECUTIVE SUMMARY:

The City contracted with Maze and Associates to address capacity issues within the Finance Department. Maze and Associates is a unique consultant and was carefully selected due to their governmental accounting experience working with numerous other municipalities across California. Through this engagement, the City is able to complete the year-end close process, address multiple annual audits, and continue to document desk procedures for business continuity.

BACKGROUND:

In recent years, the Finance Department experienced an overwhelming number of changes in key management and highly technical positions. The Accounting Manager, Finance Manager, and one Senior Accountant position are all currently vacant, along with a lack of additional full-time support staff across multiple divisions. Further complicating the lack of staffing was an increase in volume and complexity of governmental financial reporting due to new accounting pronouncements issued by the Governmental Accounting Standards Board.

The effects of the ongoing vacancies and recent recruitments, which take time to train and onboard, continue to impact routine reconciliations, year-end, annual audits, and day-to-day operations. To help mitigate this, the City is recommending the continued use of consultants through Maze and Associates to assist with technical and complex reconciliations.

On January 3, 2024, the City entered into a Professional Services Agreement with Maze and Associates for accounting services to assist with the close of Fiscal Year 2022-23 and the preparation of the audit.

On April 10, 2024, the City amended the agreement with Maze and Associates to include additional technical staffing and extend the term through October 31, 2024.

April 30, 2024, the City entered into a second amendment with Maze and Associates to increase the maximum compensation and to add the option to extend the term through October 31, 2025.

August 6, 2024, the City entered into a third amendment with Maze and Associates to increase the maximum compensation and to exercise the option to extend the term through October 31, 2025.

January 23, 2025, the City entered into a fourth amendment with Maze and Associates to increase the maximum compensation.

Continuing the use of the consultant is critical to increase capacity while the department attempts to fill vacancies during its busiest times with the close of the prior year, annual audits, and the upcoming development of the mid-year budget.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

Approval of the recommended resolution achieves the City Council 2025 Strategic Goal of City Services ensuring fiscal responsibility and finance management.

DEPARTMENTAL COORDINATION:

This staff report was coordinated with the City Manager's Office and City Attorney's Office.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
1000	20.2031-63.5900	Outside services-Other professional	\$375,730	\$300,000

ATTACHMENTS:

Resolution
Amendment No. 5
Exhibit B