



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 10/20/2026

ITEM NO: 3

DATE: October 20, 2026
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: **Receive the August 2026 Expenditure and Revenue Reports**

RECOMMENDATION: Receive the August 2026 Expenditure and Revenue Reports.

FISCAL IMPACT:

This item has no fiscal impact. These monthly reports are intended to enhance transparency, support monitoring of townwide spending, and ensure timely administrative oversight.

STRATEGIC PRIORITY:

Revenue and expenditure reporting supports the Council's Strategic Priority of Fiscal Stability by ensuring timely monthly review of the Town's finances.

BACKGROUND:

As part of the Town's new ongoing monthly financial reporting process, staff is providing standardized expenditure and revenue reports that present financial activity by fund and expense and revenue category levels.

All the attached reports were provided to the Finance Commission in its October 12, 2026, meeting agenda packet. In addition, reports by department and by department and category were also provided. The Commission approved the August reports on consent. The monthly reporting format approved by the Town Council at the October 6, 2026 meeting was used.

Financial reporting is completed two months in arrears to allow the soft close of each accounting period, verification of transactions, and reconciliation of revenue postings. The August 2026 expenditure and revenue reports were agendaized for the October Finance Commission meeting, but that meeting was cancelled due to a lack of quorum. Finance

PREPARED BY: Kristina Alfaro
Administrative Services Director

Reviewed by: Town Manager, Assistant Town Manager, and Town Attorney

Commissioner comments were received for this item and are attached along with the staff response to the comments. These reports will come back to the Finance Commission at their next meeting.

DISCUSSION:

The August 2026 monthly financial reports provide expenditure and revenue information with the following breakdowns:

1. By Fund

Shows total expenditures and revenues for each Town fund, allowing for high-level review of fiscal performance across all funding sources.

2. By Fund and Category

Provides expenditures and revenues within each fund divided into major categories such as salaries, benefits, contracts, capital, town services, taxes, and other revenue and expense types.

CONCLUSION:

The August 2026 reports show total revenues at 7.4% of the revised budget and total expenditures and encumbrances at 21.1%. General Fund revenues are at 8.8%, and General Fund expenditures and encumbrances are at 14.7%. Staff recommends that the Town Council receive the reports.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Expenditure by Fund
2. Expenditure by Fund and Category
3. Revenue by Fund
4. Revenue by Fund and Category
5. Monthly Financial Report
6. Historical August Report
7. Finance Commission Desk Item