



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 06/02/2026

ITEM NO: 9

DATE: May 22, 2026
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: **Approve the Accounts Payable and Payroll Reports**

RECOMMENDATION: Approve the Accounts Payable Register and Payroll Report for May 15, 2026.

FISCAL IMPACT:

There is no fiscal impact with approving these reports. All payments that have been made are within approved budget appropriations.

STRATEGIC PRIORITY:

This initiative supports the Town's 2025 to 2027 Strategic Priority to "ensure prudent financial management to result in structurally balanced five-year forecasts and fully funded five-year Capital Improvement Plans, managing liabilities such as pension costs and leveraging the Town's assets, efficiencies, partnerships, and revenue streams.

BACKGROUND:

Per Town Manager direction, the Administrative Services staff reviewed both payroll and accounts payable reporting requirements and found the following:

Pursuant to Town Municipal Code section 2.30.020 (d) payroll warrants need not be audited by the Town Council prior to payment. Payrolls shall be presented to the Town Council for ratification and approval at the regular meeting after delivery of the payroll warrants.

The municipal code did not provide direction on accounts payable. However, Government Code Section 37208(c) provides the following guidance:

PREPARED BY: Name Kristina Alfaro
Administrative Services Director

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

SUBJECT: Accounts Payable and Payroll Register

DATE: June 2, 2026

37208. (a) Payroll warrants or checks need not be audited by the legislative body prior to payment. Payrolls shall be presented to the legislative body for ratification and approval at the first meeting after delivery of the payroll warrants or checks.

(b) Warrants or checks drawn in payment of demands certified or approved by the city clerk as conforming to a budget approved by ordinance or resolution of the legislative body need not be audited by the legislative body prior to payment.

(c) Notwithstanding subdivisions (a) and (b), budgeted payrolls and demands paid by warrants or checks may be presented to the legislative body for ratification and approval in the form of an audited comprehensive annual financial report.

DISCUSSION:

Administrative Services staff will begin providing biweekly payroll reports to the Council on consent, as prescribed in the Municipal Code.

Although not specially required under Municipal Code or the Government Code, it is considered good practice to report on checks paid by a government agency. As such, staff will begin to provide accounts payable check registers, along with payroll reports, on a biweekly basis as part of the consent calendar for regular council meetings.

Accounts payable and payroll for the following periods have been audited and approved by staff for the following payments:

<u>Type</u>	<u>Check Date</u>	<u>Amount</u>
Accounts Payable	May 15, 2026	\$321,017.75
Payroll	May 15, 2026	\$950,150.00

CONCLUSION:

Consistent and timely financial reporting aligns with the Municipal Code and Government Code guidance ensuring that payroll and accounts payable activities are brought forward for Council review and ratification as required. This supports transparency in governmental operations and reinforces best practices in public financial management.

ENVIRONMENTAL ASSESSMENT:

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

ATTACHMENTS:

1. Accounts Payable Register for 5/15/2026
2. Payroll by Department for 5/15/2026