



TOWN OF LOS GATOS
FINANCE COMMISSION REPORT

MEETING DATE: 09/14/2026

ITEM NO: 6

DATE: September 8, 2026
TO: Finance Commission
FROM: Chris Contantin, Town Manager
SUBJECT: Review Financial Reporting Suite Proposal and forward to Town Council for Approval

RECOMMENDATION:

Review staff recommendations to purchase the ClearGov Budgeting and Planning Suite and retain the pricing for all other products for potential contract amendment later if necessary.

BACKGROUND:

The Town of Los Gatos Finance Department creates and collates a robust and informative operating and capital improvement program (CIP) budgets that include annual adoption of the Town's revenues and expenditures for all its funds and the capital improvement program for the upcoming year's budget. The Town's budget document is over 400 pages of informational, narrative, and budgetary material, coming from the Town's Enterprise Resource Planning (ERP) software, Tyler Munis.

After the new ERP Software implementation was complete finance staff began to research the ability to automate the budget document and CIP.

In addition, as part of past Finance Commission meetings, staff were asked to research the possibility of bringing the production of the Annual Comprehensive Financial Report (ACFR) in house. Staff had originally explored the use of the Town's new ERP add-on ACFR Builder product. However, after a review of the product, it was determined that this product would not meet the Town's needs. As part of the review of ClearGov's suite of products staff were informed they also had an ACFR (Financial Report) product. Staff then included this product in their review.

The Town's current ERP system as purchased does not include the modules necessary to

PREPARED BY: Kristina Alfaro
Administrative Services Director

Reviewed by: Town Manager

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produce a budget/CIP book or ACFR.

DISCUSSION:

Currently, the annual budget is entered into Excel and then into the Town's ERP software, then downloaded back and organized with Excel and Word and then organized again into one Adobe PDF document, with page numbers and table of contents placed manually. ClearGov software would modernize the budget preparation process by preparing the budget with the software and transferring the information directly from Tyler to the Town's website into one document without all those additional steps. The CIP could also be compiled and completed with the software.

In preparation for the FY 2027-28 budgetary process, the Finance Department reviewed ClearGov's and two other vendors entire suite of solutions with a focus on the budget and CIP document solutions. ClearGov, in tandem with the Town's new ERP system, Tyler, could produce, condense, consolidate, and share the Town's budgetary and CIP financial information seamlessly on the Town's website and create a forward-thinking budget. The Town's Finance budget webpage would provide a menu for easy access to all information related to the budget. The webpage would also contain an "AI Assistant" to aid the public in accessing all the Town's budgetary and capital improvement program information. ClearGov software would also track those capital improvement projects. By transforming information directly from Tyler to the budget book on the webpage, room for error would drop significantly. This information would keep up to date with budgetary changes as it adaptive with the ERP system.

The Finance Department knows that ClearGov budget book software, working with Tyler, will accomplish transparency by presenting the Town's annual budget in a more informative, adaptive, user-friendly manner on the Town's website. The Table of Contents, PDF, and Share menu structure on the left of the screen page is a common website menu structure and is user-friendly. The budget is completely searchable, shareable, and contains a Reader's Guide for the website guest. The Clear Gov budget book software allows the public to ask specific questions in the Town of Los Gatos Assistant AI-generated box and finds answers in less than 2 seconds or points you to a Google search, if it is unable to find a particular subject.

The intent of the purchase of ClearGov Budgeting and Planning Suite software is to modernize the Town of Los Gatos's budgetary processes and presentation to the Finance Commission, Town Council, Town Departments, and the public, and to create an interactive transparent budget book on the Town's website. The Finance Department will also utilize the ClearGov book software to present the FY2027-28 and all upcoming years' budget books. ClearGov budget book will be helpful when the Town submits the budget for a future GFOA's Budget Distinction Award as it includes a checklist to ensure compliance. Two examples of budget books produced with ClearGov are the City of Campbell and the City of Manteca are linked below:

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- [City of Campbell FY 2026-27 Proposed Budget](#)
- [City of Manteca FY 2026-27 Final Proposed Budget](#)

Financial Reporting (ACFR)

ClearGov's suite of products also includes a Financial Reporting solution for the ACFR. Although staff found the software easy to use and implement, this change to internal reporting would result in additional costs related to the software implementation and annual software costs and additional staff time that might result in a reporting delay in the first year of ACFR production.

If purchased staff estimates the first ACFR to be produced by the ClearGov software would be the FY 2027-28 ACFR. Cost for this solution is \$21,440 for the first year including a one-time deployment fee and \$14,000+ in annual costs when a 5% escalation is included.

The proposed new Financial Auditor contract also on the agenda this evening has costs related to the production that could be reduced by \$3,998.50 annually should the Town decide to proceed with ACFR product. This would result in net increase contract costs to produce the ACFR is house of \$17,441.50. The ClearGov solution is being brought forward for Finance Commission's consideration based on prior recommendations that staff look for solution to bring the ACFR preparation in house to mitigate independence concerns from the Commission. This is due to the Town's external auditors preparing and reviewing the ACFR. It is important to note that the Town's auditors do have mitigating controls to maintain independence. This includes having an independent third party review of the ACFR. Two examples of ACFRs produced with ClearGov are the City of Janesville, Wisconsin and the City of Meridian, Idaho are linked below. ACFR production creates a static PDF of the document not an interactive book.

The Finance Commission may alternatively recommend that Town Council purchase both the Budgeting and Planning Suite and Financial Reporting (ACFR) and retain pricing for all other optional solutions. Or purchase all solutions included in the software proposal (Attachment 1).

The interactive book is only for the budget book:

- [City of Janesville, WI FY 2024-25 ACFR](#)
- [City of Meridian, ID FY 2024-25 ACFR](#)

The cost of various solutions over a five-year contract period with 5% annual increases are:

- Budget & Planning Solution Only - \$ 60,640 for year 1 and \$219,872 total over a 5-year agreement
- Budget & Planning, and Financial Reporting (ACFR) Solution - \$82,080 for year 1 and \$348,163 total over a 5-year agreement
- All Solutions - \$121,682 for year 1 and \$449,410 total over a 5-year agreement

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Attachments:

1. ClearGov Software Proposal