MINUTES
FINANCE COMMISSION MEETING

Wednesday, September 23, 2026 - 5:00 p.m.
City of Huntington Beach
Council Chambers
Huntington Beach, CA 92648

For the audio recording of the September 23, 2026, Finance Commission Meeting, please visit the City's website at: https://huntingtonbeach.legistar.com/Calendar.aspx

Chair Lo Grasso called the meeting to order at 5:00 p.m. and Commissioner LoGrasso led the Pledge of Allegiance.

MEMBERS PRESENT:	Frank Lo Grasso, Chair David Cicerone, Vice-Chair Paul Geery, Commissioner Dave Chennault, Commissioner Jon Boomgarden, Commissioner Tracey Pellman, Commissioner
MEMBERS ABSENT:	None
STAFF PRESENT	Zack Zithisakthanakul, Chief Financial Officer Robert Szilagyi, Finance Manager Shelby Nobles, Finance, Management Aide

PUBLIC COMMENTS

John Redaelli recommended that the City consider a 1% sales tax increase, stating that it could generate approximately $45 million for the General Fund. He suggested developing a plan to communicate the proposal to voters and the City Council. He also discussed his involvement in developing the basketball courts at Murdy Park, including advocating for a synthetic playing surface. He stated that problems with the courts emerged after approximately two years and attributed the issues to contractor vetting and construction-related concerns, which he previously documented and shared with City staff.

CONSENT ITEMS

1. Approve the Finance Commission Meeting Minutes of August 26, 2026

Motion: Moved by Chair LoGrasso and seconded by Commissioner Geery to approve the Finance Commission Meeting Minutes dated August 26, 2026.

The motion carried by the following votes: 6-0-0
Ayes: LoGrasso; Cicerone; Geery; Chennault; Boomgarden; Pellman
Noes: None
Abstain: None

DISCUSSION ITEMS AND POTENTIAL RECOMMENDATIONS

2. Item submitted by Commissioner Cicerone – Meadowlark Subcommittee

The Commission discussed advancing the golf course master plan to the City Council and maximizing future revenue opportunities. Discussion included involving the selected management team in the master planning process and considering its recommendations, commitments, and potential participation in associated costs as part of the procurement process. Commissioners expressed support for moving the process forward and discussed potential changes to the course configuration as part of future planning. The Commission also discussed existing drainage concerns at the golf course. It was noted that previous drainage features had been modified and that restoring or improving drainage should be considered when addressing future course improvements.

Motion: Moved by Chair LoGrasso and seconded by Commissioner Boomgarden to send Meadowlark Letter to City Council.

The motion carried by the following votes: 4-0-2
Ayes: LoGrasso; Cicerone; Geery; Boomgarden
Noes: None
Abstain: Chennault; Pellman

3. Item submitted by Commissioner Chennault – Sports Complex Subcommittee

The Commission discussed revisions to the recommendation regarding an audit of the sports complex books. Discussion included whether the audit should be conducted by an outside firm, City staff, or members of the Finance Commission with staff assistance. Commissioners discussed the cost-effectiveness of hiring an outside firm, staff availability and expertise, and whether the Finance Commission had the appropriate authority to participate in the audit. Staff noted that Finance has conducted audits in the past, but that staff availability and expertise would need to be considered. It was also clarified that the City Council could authorize the appropriate party to conduct the audit. The potential liability of Finance Commissioners participating in the audit was discussed, with the City Attorney indicating that the risk would be limited provided the audit was conducted using standard audit procedures. The recommendation was revised to provide an option for members of the Finance Commission to conduct the audit with the assistance of City staff, subject to City Council approval. The revised recommendation was moved, seconded, and approved.

Motion: Moved by Vice-Chair Cicerone and seconded by Commissioner Geery to recommend to City Council have the option to assign the sports complex audit/review to three Finance Commissioners, with assistance from City Staff, subject to City Council approval.

The motion carried by the following votes: 6-0-0
Ayes: LoGrasso; Cicerone; Geery; Chennault; Boomgarden; Pellman
Noes: None
Abstain: None

4. Item submitted by Commissioner Cicerone – Financial Forecast, FTE Costs, and Non-Departmental Budget

The Commission discussed ongoing efforts to improve the City's budget process and reviewed the long-range financial forecast previously presented to the City Council. Staff explained that the forecast is a planning tool intended to identify long-term revenue and expenditure trends and is not a measure of the City's immediate liquidity or solvency. Staff also discussed strategies being evaluated to address future financial trends, including revenue growth, operating efficiencies, expenditure management, asset optimization, economic development, and reserves. The Commission discussed how information from the Finance Commission and staff had been presented together at the City Council meeting. Commissioners expressed differing recollections regarding which financial forecast materials had been discussed or supported by the Commission and raised concerns that additional revenue options presented by staff could be interpreted as Finance Commission recommendations. Staff clarified that the additional revenue options were not recommendations from the Finance Commission. The Commission also discussed the distinction between budget projections and actual financial results. Staff stated that reserves may be identified to balance the adopted budget; however, recent year-end actuals have resulted in surpluses rather than requiring reserves to cover actual expenditures. The Commission discussed the need for clearer communication of the City's financial condition to the public. The Commission discussed developing a financial scorecard or similar reporting tool comparing forecasts with actual results to provide a clearer picture of the City's financial condition and identify potential financial concerns. A Commissioner agreed to return at a future meeting with an outline for forming a subcommittee and developing the proposed reporting tool.

5. Item submitted by Commissioner Chennault – Request to create 4th of July Subcommittee

The Commission discussed the City's upcoming RFP for management of the Fourth of July celebration and opportunities to improve the financial structure of the event. Discussion focused on increasing revenue opportunities, improving financial oversight, and incorporating lessons from previous agreements into the new RFP. The Commission discussed the best approach for providing input without delaying the RFP process and agreed that additional review could assist the City in developing the future agreement. The Commission approved forming a subcommittee to review the Fourth of July program and provide recommendations related to the RFP. A request regarding the proposed review and coordination with City staff was also approved for presentation to the City Council.

Substitute Motion: Moved by Chair LoGrasso and seconded by Commissioner Geery for Commissioner Chennault to request his city council member bring this up to this city council if they are interested in having the Finance Commission assistance in the 4th of July RFP.

The motion failed by the following votes: 3-3-0
Ayes: LoGrasso; Geery; Boomgarden
Noes: Cicerone; Chennault; Pellman
Abstain: None

Motion: Moved by Vice Chair Cicerone and seconded by Commissioner Pellman to create a 4th of July subcommittee.

The motion carried by the following votes: 5-1-0
Ayes: Cicerone; Geery; Chennault; Boomgarden; Pellman
Noes: LoGrasso
Abstain: None

Motion: Moved by Commissioner Chennault and seconded by Commissioner Pellman to send this letter to council to have presented at the next council meeting.

The motion carried by the following votes: 5-1-0
Ayes: Cicerone; Geery; Chennault; Boomgarden; Pellman
Noes: LoGrasso
Abstain: None

Motion: Moved by Commissioner Geery and seconded by Commissioner Pellman for Commissioner Chennault, Cicerone and Boomgarden to be on the 4th of July subcommittee.

The motion carried by the following votes: 6-0-0
Ayes: LoGrasso; Cicerone; Geery; Boomgarden; Pellman
Noes: None
Abstain: None

6. Item submitted by Commissioner Chennault – Request of legal guidance from City Attorney with Finance Commission Recommendations and Contract Violations

The Commission discussed the process for advancing Finance Commission recommendations to the City Council for action. It was clarified that recommendations may be submitted to the City Manager for placement on a City Council agenda or brought forward by a Council Member. The Commission was also advised that it does not have independent authority to take action and that decisions requiring City action must ultimately be authorized by the City Council. The Commission then reviewed concerns regarding the City's agreements with HBSC Partners, including operation of the concession facilities, third-party use of the sports complex, and field maintenance requirements. Potential compliance issues were discussed, including whether required City approvals had been obtained for third-party use. The City Attorney clarified that certain activities may be permitted if approved by the City and noted that additional information was needed to determine whether violations had occurred. The City Attorney agreed to review the agreements and concerns raised by the Commission, verify the relevant facts and approvals, and provide an update to the Commission.

7. Item submitted by Commissioner Chennault – Discussion of AI and review of Big Swann Consulting

Commissioner Chennault asked to table this item and bring back next Finance Commission meeting.

8. Item submitted by Commissioner Chennault – Budget Tool Update

The Commission discussed the City's use of Gravity software for budget preparation and explored options for providing budget information in a more accessible electronic format. Staff explained that the software generates the budget document in PDF format and agreed to look in to whether Finance Commissioners could obtain access through additional software licenses, subject to applicable access restrictions.

9. Item submitted by Commissioner Pellman – Discuss updating Procurement Procedures

The Commission requested an update on procurement procedures. Staff reported that some progress had been made; however, limited staffing and competing priorities have delayed completion. Staff explained that the department is currently in the audit cycle and will be transitioning into the budget cycle, with plans to revisit the procurement procedures as workload permits.

COMMISSIONER COMMENTS

Commissioner Boomgarden - emphasized the importance of improving communication and transparency regarding the City's financial condition. He suggested providing residents with brief financial updates through utility bills to help inform the public of the City's financial performance and accomplishments. Commissioner Geery indicated that improving public communication would be considered as part of the proposed financial dashboard.

Commissioner Chennault - requested volunteers to serve on the Fourth of July Subcommittee.

ADJOURNMENT

Motion: Moved by Chair LoGrasso and seconded by Commissioner Geery adjourn the meeting at 7:35 p.m.

The motion carried by the following votes: 6-0-0
Ayes: Lo Grasso; Cicerone; Geery; Chennault; Boomgarden, Pellman
Noes: None
Absent: None

Submitted by:
Zack Zithisakthanakul, Chief Financial Officer
By: Shelby Nobles, Management Aide