BENICIA INDEPENDENT
OVERSIGHT COMMITTEE
November 5, 2025

Group Discussions

Recent Events: PLLAD, Valero

The Committee discussed recent events, including the passage of the PLLAD assessment and Valero's likely departure. The purpose of this discussion was to create a base of understanding on the impact of these events on the tax revenue measures that fall under the IOC's oversight. Valero's exit will have a significant negative financial impact on the City's budget. Because revenues from measures A, B, C go to the General Fund these dollars will cover a small part of this loss. It was also noted that the City is actively lobbying the BAAQMD for a portion of the recent $82 million settlement funds from the Valero settlement be allocated to Benicia to help offset the loss. The Committee also discussed the revenue associated with recent passage of the Parks, Landscape, and Lighting District (PLLAD). PLLAD means that those dollars should not be drawn from the General Fund. The same goes for revenues from Measure F which should cover expenses for road related uses.

Budgets and Financial Reports: Tracking Changes

The Committee reviewed and discussed historical budget data that is publicly available to determine whether changes in spending patterns could help illustrate how tax revenue from Measures A and B has been allocated. The Committee was reminded that revenue from these two measures is part of the General Fund, making it difficult to determine precisely how those funds are spent—unlike Measure F, which is restricted to road-related uses and is not part of the General Fund. The Committee continued to discuss trends in the budget data, including the higher growth rate of expenses relative to property tax revenues, particularly the rising cost of Unfunded Pension Liabilities (UAL). Additional discussion focused on the application of tax revenue from Measures A and B could cover UAL expenses. The Committee continued to discuss trends in the budget data including the higher growth rate for expenses versus property tax revenue, in particular the cost of Unfunded Pension Liabilities (UAL).

Priority Based Budgeting (PBB)

The Committee was reminded that the City Manager is scheduled to attend the December meeting to provide an overview of the new PBB process. We will also follow up with him on discussions we had with him in September.