

CITY OF KERRVILLE, TEXAS EMPLOYEE BENEFITS TRUST JULY 23, 2019

On July 23, 2019, the City of Kerrville Employee Benefits Trust met at 5:20 p.m. in the City Hall Upstairs Conference Room, 701 Main Street, Kerrville, Texas.

COUNCILMEMBERS PRESENT:

Bill Blackburn	Mayor
Judy Eychner	Mayor Pro Tem
Gary Cochrane	Councilmember
Delayne Sigerman	Councilmember

COUNCILMEMBER ABSENT:

Kim Clarkson	Councilmember
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CITY EXECUTIVE STAFF PRESENT:

Mark McDaniel	City Manager
E.A. Hoppe	Deputy City Manager
Mike Hayes	City Attorney
Shelley McElhannon	City Secretary
Kim Meismer	Director of General Operations
Amy Dozier	Chief Financial Officer

GUEST/VISITOR:

Bob Tracey, Gallagher Benefits Services Consultants

CONSIDERATION AND POSSIBLE ACTION

Approval of the Fiscal Year 2020 employee benefit plans.

Kim Meismer noted that within Chapter 222.002 of the Texas Insurance Code, there is an annual tax in the amount of 1.75% imposed on insurers for gross premiums received from policyholders. Gross premiums paid by a municipality, county, or hospital district are exempt from the tax being collected by their insurer if the municipality, county, or hospital district establishes either a single entity benefit trust or establishes or participates in a Chapter 172 risk pool. In July 2008, City Council approved a resolution to create the Employee Benefit Trust (EBT). Since the inception of the EBT, the tax savings to the city has now totaled \$499,083.00.

Ms. Meismer noted that Blue Cross Blue Shield (BCBS) offered a final bid of .69% increase over FY2019, with a bundled benefits package and with medical plan design changes. Ms. Meismer recommended that council, acting as the trustees of the Employee Benefit Trust, approve the following:

- The city's contribution for employee benefits be budgeted at \$7,300 per employee for FY2020.
- Authorize the use of funds from the Employee Benefit Reserve account, if needed.
- Authorize the city manager to sign the contracts with the following providers:
 - Medical: Blue Cross Blue Shield of Texas
 - Dental: Blue Cross Blue Shield/Dearborn National

- Vision: Dearborn National
- Group Life & AD&D, Voluntary Life & AD&D, and Short Term Disability: Blue Cross Blue Shield/Dearborn National
- Voluntary Life & AD&D: Blue Cross Blue Shield/Dearborn National
- Voluntary Short Term Disability: Blue Cross Blue Shield/Dearborn National

Councilmember Judy Eychner moved to approve the recommendations as presented. Councilmember Delayne Sigerman seconded, and the motion passed 4-0.

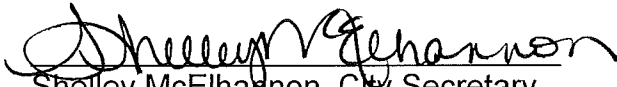
Adjournment

The City of Kerrville Employee Benefits Trust meeting adjourned at 5:42 p.m.



Bill Blackburn, Mayor/Chairman

ATTEST:



Shelley McElhannon, City Secretary

APPROVED: 8-13-19