

CITY OF KERRVILLE, TEXAS, EMPLOYEE BENEFITS TRUST MEETING JULY 26, 2022

CALL TO ORDER: On July 26, 2022, the City of Kerrville Employee Benefits Trust was called to order at 5:27 p.m. in the City Hall Upstairs Conference Room, 701 Main Street, Kerrville, Texas.

COUNCILMEMBERS/TRUST MEMBERS PRESENT:

Judy Eychner	Mayor/Chair
Kim Clarkson	Mayor Pro Tem/Trustee
Roman Garcia	Councilmember/Trustee
Joe Herring, Jr.	Councilmember/Trustee
Brenda Hughes	Councilmember/Trustee

COUNCILMEMBERS/TRUST MEMBERS ABSENT: None

CITY EXECUTIVE STAFF PRESENT:

E.A. Hoppe, City Manager	Kim Meisner, Assistant City Manager
Mike Hayes, City Attorney	Chad Hierholzer, Human Resource Coordinator
Shelley McElhannon, City Secretary	

VISITORS PRESENT: None

1. CONSIDERATION AND POSSIBLE ACTION:

1.A. Approval of the Fiscal Year 2023 employee benefit plans and rates.

Kim Meisner 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 City has saved over \$650,000 utilizing this strategy.

Ms. Meisner noted that Blue Cross Blue Shield (BCBS) offered a final bid of 5% increase over FY2022, with no plan changes; including dental, vision, life/AD&D, vol life/AD&D, and short term disability. BCBS has a high satisfaction rate among the City's plan members, and BCBS is well received by the area medical community. If approved, this will be the City's 10th year with BCBS.

Staff recommended Council, acting as Trustees of the EBT, approve the FY2023 employee benefit plans as presented and authorize the City Manager to sign the contracts with the providers. The employee benefit plan includes the following:

- The city's contribution for employee benefits be budgeted at \$9,107 per employee for FY2023.
- 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, Dental, Group Life & AD&D, and Short Term Disability; Voluntary Life & AD&D, and Voluntary Short Term Disability: Blue Cross Blue Shield of Texas
 - Vision: VSP
 - Long Term Disability: Lincoln

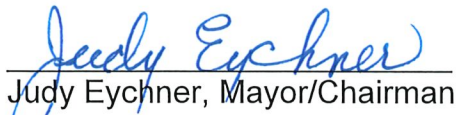
Trustee Roman Garcia moved that Council (acting as the Trustees of the Employee Benefit Trust) approve the FY2023 employee benefit plans as presented and authorize the City Manager to sign the contracts with providers, and Trustee Brenda Hughes seconded. The motion passed 5-0.

ADJOURN.

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

APPROVED BY CITY COUNCIL AS KERRVILLE EMPLOYEE BENEFITS TRUST BOARD: 8/09/2022

APPROVED:


Judy Eychner, Mayor/Chairman

ATTEST:


Shelley McElhannon, City Secretary