

**CITY OF KERRVILLE, TEXAS, EMPLOYEE BENEFIT TRUST MEETING  
JULY 25, 2023**

**CALL TO ORDER:** On July 25, 2023, the City of Kerrville Employee Benefit Trust meeting was called to order by Chair Judy Eychner at 4:57 p.m. in City Hall, 701 Main Street, Kerrville, Texas.

**COUNCIL/TRUST MEMBERS PRESENT:**

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

**COUNCIL/TRUST MEMBERS ABSENT:**

None

**CITY EXECUTIVE STAFF PRESENT:**

Kim Meismer, Interim City Manager  
Mike Hayes, City Attorney

Michael Hornes, Asst City Manager  
Shelley McElhannon, City Secretary

**VISITORS PRESENT:** Natalie Haskett, Gallagher Consulting

1. **PUBLIC COMMENTS:** None

2. **DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION:**

1.A. Approval of the Fiscal Year 2024 employee benefit plans, rates, and funding.

Kim Meismer provided information and responded to questions, and 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. Meismer noted that Blue Cross Blue Shield (BCBS) offered a final bid of 13.2% increase over FY2023, 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 11<sup>th</sup> year with BCBS.

Staff recommended Council, acting as Trustees of the EBT, approve the FY2024 employee benefit plans, rates, and funding as presented and authorize the Interim City Manager to execute the contracts with the providers.

Trustee Brenda Hughes made a motion that Council (acting as the Trustees of the Employee Benefit Trust) approve the FY2024 employee benefit plans as presented and

authorize the Interim City Manager to execute the contracts with the providers, seconded by Trustee Joe Herring, Jr. The motion passed 5-0.

**ADJOURN.** The City of Kerrville Employee Benefit Trust meeting adjourned at 5:11 p.m.

**APPROVED BY CITY COUNCIL AS KERRVILLE EMPLOYEE BENEFIT TRUST  
BOARD: 8/08/2023**

**APPROVED:**

  
Judy Eychner, Chair/Mayor

**ATTEST:**

  
Shelley McElhannon, City Secretary