

**CITY OF KERRVILLE, TEXAS, EMPLOYEE BENEFIT TRUST MEETING  
MINUTES** **JULY 23, 2024**

**CALL TO ORDER:** On July 23, 2024, the City of Kerrville Employee Benefit Trust meeting was called to order by Chair Joe Herring, Jr. at 4:01 p.m. in City Hall Council Chambers, 701 Main Street, Kerrville, Texas.

**COUNCIL/TRUST MEMBERS PRESENT:**

Joe Herring, Jr., Mayor/Chair  
Brenda Hughes, Mayor Pro Tem/Vice-Chair  
Delayne Sigerman, Councilmember/Trustee  
Jeff Harris, Councilmember/Trustee  
Kent McKinney, Councilmember/Trustee

**COUNCIL/TRUST MEMBERS ABSENT:**

None

**CITY EXECUTIVE STAFF PRESENT:**

Dalton Rice, City Manager  
Kim Meismer, Asst City Manager  
Shelley McElhannon, City Secretary

Michael Hornes, Asst City Manager  
Mike Hayes, City Attorney

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

**1. PUBLIC COMMENTS:** None

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

1.A. Consideration and approval of the Fiscal Year 2025 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 \$784,000 utilizing this strategy.

Ms. Meismer noted that Blue Cross Blue Shield (BCBS) offered a final bid of 3.7% increase over FY2024, noting a higher annual deductible per person of \$4,500, but deductibles are removed for prescriptions. 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 12<sup>th</sup> year with BCBS. Vision, life/AD&D, vol life/AD&D, and short term disability remain the same. MetLife for Dental offered a flat rate, no change rate.

Staff recommends Council, acting as Trustees of the EBT, approve the FY2025 employee benefit plans, rates, and funding as presented and authorize the City Manager

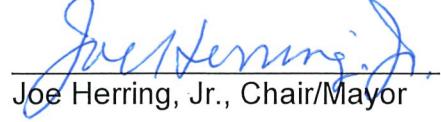
to execute the contracts with the providers.

Trustee Brenda Hughes made a motion that Council (acting as the Trustees of the Employee Benefit Trust) approve the FY2025 employee benefit plans as presented and authorize the City Manager to execute the contracts with the providers, seconded by Trustee Kent McKinney. The motion passed 5-0.

**ADJOURN.** The City of Kerrville Employee Benefit Trust meeting adjourned at 4:17 p.m.

**APPROVED BY CITY COUNCIL AS KERRVILLE EMPLOYEE BENEFIT TRUST  
BOARD:** 8/10/24

**APPROVED:**

  
Joe Herring, Jr., Chair/Mayor

**ATTEST:**

  
Shelley McElhannon, City Secretary