

**CITY COUNCIL MINUTES - EMPLOYEE BENEFIT TRUST KERRVILLE, TEXAS
JULY 22, 2025 4:00 PM**

CALL TO ORDER: On July 22, 2025 at 4:00 PM, Chair Joe Herring, Jr. called the Kerrville City Council Employee Benefits Trust to order in City Hall Council Chambers, 701 Main Street.

COUNCILMEMBERS PRESENT:

Mayor Joe Herring, Jr
Councilmember Delayne Sigerman
Councilmember Jeff Harris
Councilmember Kent McKinney
Mayor Pro-Tem Brenda Hughes

COUNCILMEMBERS ABSENT:

None

CITY EXECUTIVE STAFF:

Kim Meismer, Asst City Manager
Michael Hornes, Asst City Manager
Mike Hayes, City Attorney

Maya Johnson, Human Resource Manager
Shelley McElhannon, City Secretary

VISITORS PRESENT: A list of the citizen speakers present during the meeting is on file in the City Secretary's Office for the required retention period.

1. **PUBLIC COMMENTS:** No person(s) spoke.

2. **CONSIDERATION AND POSSIBLE ACTION:**

2.A Consideration and approval of the Fiscal Year 2026 employee benefit plans, rates, and funding. (Kim Meismer, Asst City Manager)

Kim Meismer provided information and responded to questions, and noted Chapter 222.002 of the Texas Insurance Code states that insurance companies have to pay a tax of 1.75% on the total premiums they collect from their policyholders each year. It also states that if a municipality sets up a single entity benefit trust, the premiums they pay are exempt from the 1.75% tax collected by their insurer.

In July 2008, City Council approved a resolution to create the single entity benefit trust called the "City of Kerrville Employee Benefit Trust". The City Council serves as the Trustees. Savings to date are \$860,177.

The City of Kerrville Employee Benefit Trust has a benefit reserve created from excess funds due to constant changes in number of employees due to hires and termination, employees changing benefit plans at open enrollment, and employees changing coverage and plans due to life status changes i.e. marriage, divorce, babies, etc.

Benefit reserve balance as of 07/16/2025 = \$319,220

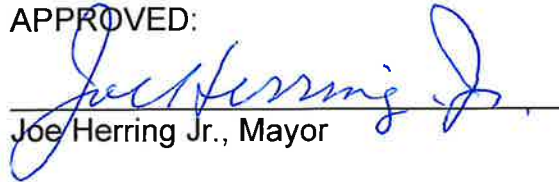
Staff recommends Council, acting as Trustees of the EBT, approve the FY2025 employee benefit plans, rates, and funding as presented and authorize the City Manager to execute the contracts with the providers.

Trustee Delayne Sigerman made a motion that Council (acting as the Trustees of the Employee Benefit Trust) approve the Fiscal Year 2026 employee benefit plans as presented and authorize the City Manager to execute the contracts with the providers, seconded by Trustee Jeff Harris. The motion passed 5-0.

ADJOURN. The Employee Benefit Trust meeting adjourned at 4:22 p.m.

APPROVED BY COUNCIL: 8/12/2025

APPROVED:


Joe Herring Jr., Mayor

ATTEST:


Shelley McElhannon, City Secretary