

**STATE OF TEXAS  
COUNTY OF HIDALGO  
CITY OF MCALLEN**

The McAllen Board of Commissioners convened in a Workshop on **Monday, April 14, 2025**, at 3:30 pm, at McAllen City Hall Third Floor (3<sup>rd</sup>) Commission Chambers.

Mayor Javier Villalobos, Mayor Pro Tem Omar Quintanilla, Commissioners Antonio "Tony" Aguirre, Jr., Joaquin Zamora, Rodolfo "Rudy" Castillo, Victor "Seby" Haddad were present.

Absent: Jose R. "Pepe" Cabeza de Vaca

Also, present City Manager Isaac Tawil, City Attorney Austin Stevenson, Assistant City Manager Michelle Rivera, Assistant City Manager Jeff Johnston, Assistant City Manager Juan Olaguibel, City Secretary Perla Lara.

**CALL TO ORDER**

Mayor Javier Villalobos called the meeting to order at 3:30 pm.

**1. PRESENT QUESTIONS TO STAFF RELATING TO THE APRIL 14<sup>th</sup> REGULAR MEETING AGENDA, TO BE DISCUSSED AT SUCH A MEETING.**

There were no questions relating to the regular meeting agenda.

**2. CITY OF MCALLEN EMPLOYEE 457 (B) PLAN DISCUSSION.**

Staff provided an update on the City of McAllen Employee 457(b) plan. It was mentioned that staff have been working with the following:

- Working on reviewing current providers and city processes surrounding the 457 (b) plans
- Presenting a drafted resolution for adoption by the City Commission establishing roles and responsibilities
- Creating a committee made up of employees to ensure that their voices are heard

It was noted that a 457 (b) investment committee was created that consisted of:

- Isaac Tawil, City Manager
- Jeffrey Johnston, Assistant City Manager
- Jolee Perez, Director of Benefits
- Sonia Resendez, Director of Finance
- Maria Chavero, Director of Finance/Utilities
- Mark Vega, General Manager MPU

It was noted that additionally, three members at Large, 1 police officer and 1 firefighter would serve on the committee.

Staff mentioned that the committee would review:

- Improve Governance
- Improve Plan Performance
- Increase Expertise
- Better Risk Management
- Regulatory Compliance

Discussion ensued. Comments and concerns were expressed by Council. Staff answered questions.

Mayor Javier Villalobos thanked staff for their presentation.

**3. CITY OF MCALLEN EMPLOYEE HEALTH PLAN REPORT.**

Staff discussed the Frontier Health Plan and details as follows:

- Utilization (October 2022 - December 2024)
- Outcomes (Engaged and Non-Engaged)
- Plan Spend Trend

The highlights of plan year 2023-2024 were discussed as follows:

- Medical expenses decreased 4.7%
- Pharmacy expenses increased 20.4%
- Budget was overly optimistic

Claims were listed as follows:

- High-Cost Claimants: Those exceeding \$50,000
- Pharmacy increases: Cancer, Anti-Viral, Anti-Inflammatory and Diabetes

Addressing the gap and recommendation to fill the deficit incurred from 23-24 in fiscal 24-25 through a series of fund transfers via mid-year amendment was discussed.

It was mentioned that the health plan continues to outperform local and state peers in both medical and pharmacy sectors. Medical costs have trended downward year after year since October 2022, while pharmacy remains the latest challenge and a top priority for the upcoming fiscal year.

Questions posed by Councilmembers were answered. Discussion followed.

Mayor Javier Villalobos thanked staff for their presentation.

**4. EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 (CONSULTATION WITH ATTORNEY), SECTION 551.072 (DELIBERATION REGARDING REAL PROPERTY), SECTION 551.074 (PERSONNEL MATTERS) AND SECTION 551.087 (ECONOMIC DEVELOPMENT)**

- A) DISCUSSION AND POSSIBLE LEASE, SALE OR PURCHASE OF REAL ESTATE PROPERTY, TRACTS 1 AND 2. TEX. GOV'T. CODE §551.072.
- B) CONSULTATION WITH CITY ATTORNEY REGARDING A RESOLUTION AUTHORIZING THE EXERCISE OF EMINENT DOMAIN AUTHORITY TO ACQUIRE TWO TRACTS OF LAND BEING: (1) ROBINSON LOT 1 LOCATED AT 3208 S. BUSINESS 83, MCALLEN, TEXAS AND (2) KING'S HIGHWAY 2.15 AC OUT OF 5.066 AC LOT 1 2.15 AC LOCATED AT 0 S. 33<sup>RD</sup> STREET, MCALLEN, TEXAS FOR PROVIDING, ENLARGING, OR IMPROVING AN AUDITORIUM, ROADWAY, PARK, RECREATIONAL FACILITY, CONVENTION FACILITY, OR OTHER PUBLIC USE. TEX. GOV'T. CODE §551.071.
- C) CONSULTATION WITH CITY ATTORNEY REGARDING LEGAL ASPECTS OF INFRASTRUCTURE DEVELOPMENT. TEX. GOV'T. CODE §551.071.
- D) CONSIDERATION OF ECONOMIC DEVELOPMENT MATTERS. TEX. GOV'T. CODE §551.087.

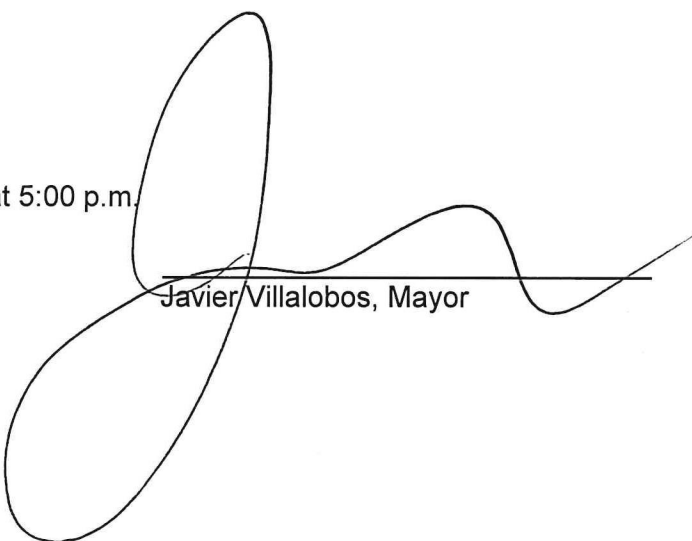
**PUBLIC COMMENT:** Mr. Taylor Cramer

**ADJOURN**

Without objection, the meeting adjourned at 5:00 p.m.

Attest:

  
 Perla Lara, TRMC/CMC, CPM  
 City Secretary

  
 Javier Villalobos, Mayor