

14. Consideration of allocating General Fund Undesignated Fund Balance for payment of death benefits for a firefighter (\$75,000).



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Suzanne Sherman, City Manager

THRU: Laura Clawson, Human Resources Director

DATE: November 7, 2024

RE: Consideration of allocating General Fund Undesignated Fund Balance for payment of death benefits for a firefighter (\$75,000).

SUMMARY:

Florida Statute 112.1816 was enacted by the Legislature and signed into law on July 1, 2019. The statute provides that firefighters who are diagnosed with certain cancers are entitled to receive certain disability and death benefits. Benefits under the statute include:

- A one-time \$25,000 cash benefit, paid upon the diagnosis of cancer.
- Reimbursement of covered out-of-pocket expenses related to the diagnosis of cancer.
- A \$75,000 cash benefit will be paid in the event of the firefighter's death due to complications associated with the diagnosed cancer.

To mitigate the financial risk associated with these benefits, the City maintains a specialized insurance policy designed to meet the statutory requirements. It is important to note that since the enactment of the statute, there have been limited insurance carriers offering this specialized coverage with limited coverage options and costs.

The case at hand involves a former city firefighter who was diagnosed with a statutory cancer in 2020 and passed away in 2023 due to complications from the disease. Although the firefighter was medically retired at the time of death, the statute classifies this as an "in-line-of-duty" death, which entitles the firefighter's beneficiary to a cash benefit payment of \$75,000.

The City's firefighter cancer insurance policy in effect at the time of firefighter's diagnosis did not include death benefit coverage. Additionally, the City's AD&D Insurance policy which covers in-line-of-duty deaths, specially excludes coverage for sickness and disease. Therefore, the City is statutorily responsible to provide a cash benefit payment of \$75,000 to the firefighter's beneficiary.

We respectfully request that the \$75,000 for this payment be allocated from the City's undesignated general fund balance.

Honorable Mayor and Members of the City Council

Legislative Memorandum

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REQUESTING DEPARTMENT:

Human Resources

FISCAL IMPACT:

Funding for the health benefit will be processed through an amendment to transfer monies from General Fund Undesignated Fund Balance, account 001-0000-392-1001, to 001-2510-513-4909.

STAFF RECOMMENDATION:

Motion to approve the allocation of \$75,000 from the undesignated general fund balance to satisfy the City's obligation under FL Statue 112.1816.

ATTACHMENTS: