



## CITY COMMISSION STAFF REPORT

**DEPARTMENT:** Administration

**DATE:** September 9, 2025

**SUBJECT:** Provide direction to the City Manager and City Attorney as to the continuation of Health Benefits for a group of retired Department Directors. - **Administration**

### BACKGROUND OF ITEM:

The four individuals listed below have been receiving retiree health benefits for themselves and their spouses since leaving City service, based on a benefit established in the City's personnel rules in a manner similar to how elected officials were previously granted the benefit.

The City Commission has officially re-authorized benefits for the elected official over the past year by approving an ordinance that authorizes them. However, a smaller group of individuals is receiving benefits without that formal approval.

RETIREE NAME	LENGTH OF SERVICE	COVERED DEPENDENT	AMOUNT PAID BY CC	COVERAGE
Michael Bailey	17 yrs	Wife (62)	2,347.25	CC insurance
Horacio Montes	20 yrs	Wife	875.74	Medicare
Ken Richardson	30 yrs	None	334.74	Medicare
Matt Wood	20 yrs	Wife (64) Son (26)	2655.26	Medicare + City Ins.

The annual cost of these benefits is approximately \$75,000. This level of benefit is not typical in the market for either Department Directors or City Managers due to the expense of providing such benefits. For example, the Florida Retirement System offers a benefit of \$10 per month for each year of service, so a person working 30 years in FRS would receive approximately \$3,600 annually.

The only requirement under State law, pursuant to Section 112.0801, Florida Statutes, is that all City employees who retire from City service are eligible to participate in the City's group health coverage at their own expense. Retirees and their eligible dependents shall be offered the same group health insurance coverage as provided to active employees.

The City has the option to adopt an ordinance to officially provide for those benefits or provide notice that, while they can continue to participate in the program, the cost will be covered by them.

**FISCAL IMPACT:**

Continuing these benefits costs the City approximately \$75,000 per year.

**ATTACHMENTS:**

1. Commission Policy 02-002
2. Receipt of PPM 2024