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Is the county commissioner simply a lousy bookkeeper, or is there reason for suspicion?

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BODY:

A criminal grand jury investigating Miami-Dade County Commissioner Pedro Reboredo and members of his staff has been weighing evidence regarding a shared bank account and unusual salary fluctuations involving at least two of the commissioner's employees. The Miami-Dade State Attorney's Office will not comment on the case, which has been under investigation for at least sixteen months. But defense attorneys believe it arose from efforts to determine whether two elderly Reboredo staff aides actually performed the work for which they were being paid. The two aides, 90-year-old Adelfa Perez-Cruz and 78-year-old Benito Mongeotti, have been employed in Reboredo's District 6 office since he was elected to the commission in 1993. (The 57-year-old Reboredo, whose district stretches from South Miami to West Miami and includes sections of Coral Gables, Miami, Miami Springs, Hialeah, and unincorporated Miami-Dade, won election in 1993, 1994, and 1998. He's up for re-election in 2002.)

New Times has learned that Perez-Cruz,

who earns \$17,000 per year as a commission aide, shares a joint bank account with Reboredo's 58-year-old wife, Norma. The county's personnel office confirms that Perez-Cruz's salary is deposited directly into the account. Perez-Cruz declined to comment on the bank account or the investigation. "I am not supposed to answer questions from people I don't know," she said. Her attorney, Jeffrey Feiler, said last week he was unaware of the arrangement.

Commissioner Reboredo's lawyer, well-known Miami criminal defense attorney Milton Hirsch, acknowledged the joint account but downplayed its significance. Perez-Cruz, he said, wanted the money to be used for charitable purposes in a post-Castro Cuba, but feared she might not live to see the day. "If you are 90 years old, it is prudent to have someone else to assist in handling your affairs," explained Hirsch. "Someday Adelfa will die, and someday Fidel will die, and in a free Cuba some good use will be made of the money."

If Reboredo is indicted by the grand jury, Hirsch will also likely have to explain payroll changes among his staff that one county administrator characterized as "baffling." The salary shifts involve current Reboredo aide Omar de Armas and former aide Michael Morejon. County records show dramatic swings in the two men's pay rates over short periods of time. De Armas's salary nearly doubled in October 1998, only to be reduced to its previous level four months later. Also in late 1998, Morejon's annual pay skyrocketed from \$28,000 to \$104,700 but just two weeks later dropped back to \$28,000.

Neither de Armas nor Morejon could be reached for comment, and last week attorney Hirsch said he knew nothing about the employees' salaries. (Mongeotti currently is

paid \$35,000 per year.) Hirsch did blame the allegations swirling around his client on poor recordkeeping. "My guess is that the prosecution will produce documentary evidence that will demonstrate that Commissioner Reboredo's bookkeeping for staff was abysmal," he offered. "We will reply that we are lousy bookkeepers, but we are damn good public servants."

An anonymous law-enforcement source quoted in the Miami Herald this past February characterized the case as spotty and expressed uncertainty as to whether any potential offense would be considered criminal or civil. Either way, Perez-Cruz lawyer Feiler expects his client to be indicted. (Mongeotti's lawyer, Arturo Alvarez, did not return repeated calls for comment.) Reboredo attorney Hirsch already has struck a deal with prosecutor Joe Centorino, head of the public corruption unit at the State Attorney's Office: Should Reboredo be charged, he will not be handcuffed and dragged out of county hall. "I have a gentleman's agreement with Joe Centorino to surrender him," Hirsch acknowledged.

Both defense attorneys agree that any problems involving Reboredo and his aides stem from the commissioner's handling of his office budget. According to Feiler: "The allegation is that the commissioner misused discretionary funds."

This fiscal year each of the county's thirteen commissioners received \$629,000, which was to be divided between their downtown and field offices -- \$487,971 and \$141,029 respectively. Aside from that mandatory division, commissioners are free to spend the money however they choose. Typically most of it is earmarked for employee salaries.

County officials, however, exercise virtually no oversight regarding the commissioners' office expenditures. The lack of procedures for disbursement and recordkeeping, argues Feiler, can lead to confusion. "There is no uniformity in the way people turn in their hours on time sheets," he said. "It might look like something is wrong compared to another office, when it is not."

But according to a county administrative aide familiar with commission budgets and staffing, the pay fluctuations experienced by two Reboredo employees are highly irregular. "These circumstances are very unique," observed the aide, who requested anonymity. "Why would Reboredo do that? I don't know."

Customarily commissioners grant nominal merit or cost-of-living raises to staff members, the county aide explained. And indeed the salary histories of Reboredo employees Omar de Armas and Michael Morejon reveal both received several such adjustments. But in 1996 and 1998 they got extraordinary raises -- extraordinary in both amount and duration. County personnel records indicate Reboredo personally authorized each salary change. When asked about these pay changes, Reboredo replied, "I shouldn't be talking about anything that is going on with the grand jury."

Omar de Armas, who is 54 years old, began working in Reboredo's office in 1995 and continues today as a special assistant. In those six years de Armas's salary has been through more ups and downs than Wall Street. Following are the dates on which his pay changed and his new annual salary: May 15, 1995: \$30,000

[#149]October 7, 1996: \$31,000

[#149]October 28, 1996: \$64,500

[#149] January 27, 1997: \$31,000

[#149] March 17, 1997: \$33,500

[#149] October 1, 1997: \$34,505

[#149] October 1, 1998: \$64,500

[#149] February 1, 1999: \$35,540

[#149] March 1, 1999: \$44,000

[#149] October 1, 1999: \$37,000

[#149] March 1, 2000: \$55,000

[#149] March 5, 2000: \$39,000

[#149] September 4, 2000: \$56,100 Another aide with an odd salary history is 25-year-old Michael Morejon, who began in 1995 as a part-time employee working 30 hours per week and left Reboredo's employment as a full-time aide last year. Morejon's pay raises were unremarkable until 1998, when he received the kind of salary boost most employees only dream about: [#149] September 25, 1995: \$12,496 (status: part-time)

[#149] May 6, 1996: \$16,500

[#149] June 3, 1996: \$18,500

[#149] August 12, 1996: \$35,437 (full-time)

[#149] September 16, 1996: \$18,500 (part-time)

[#149] January 27, 1997: \$21,000

[#149] May 19, 1997: \$24,500

[#149] October 24, 1997: \$24,000 (full-time)

[#149] December 1, 1997: \$24,720

[#149] October 1, 1998: \$25,481

[#149] November 1, 1998: \$28,000

[#149] November 30, 1998: \$104,700

[#149] December 14, 1998: \$28,000

[#149] March 1, 2000: \$50,000 (final day: March 17, 2000) Reboredo's own income has fluctuated over the years. In a financial-disclosure form filed with the county in June 1992, while he was running for commissioner, Reboredo declared a net worth of \$259,593. A little more than eighteen months later he reported his net worth had risen to \$424,500. The most recent disclosure form, filed in June 2000, puts his net worth at \$366,944.

In his disclosures from last June, Reboredo listed his primary source of income as \$68,700 from his building and consulting company, P&N Construction. As secondary sources of income he included \$83,170 from Modultecsa, a construction company based in Managua, Nicaragua; \$9840 in retirement benefits from his former employer Florida Power and Light; and his wife's work as a travel agent, which garnered the couple \$399. (County commissioners are paid \$6000 per year, along with perquisites worth \$30,000.)

Reboredo's business dealings in Nicaragua caught the attention of federal investigators both in the United States and in the Central American nation. The inquiries centered on Modultecsa, the company Reboredo managed with the son-in-law of Arnaldo Alemán, Nicaragua's president. Reboredo, a long-time Alemán friend, helped the president raise money in Miami for his political campaigns in Nicaragua.

In February 1999 a Nicaraguan

newspaper, La Tribuna, reported Modultecsa had won a \$1.8 million government contract to repair hurricane-damaged highways without competitive bidding. The paper questioned whether nepotism was a factor. Months later another Nicaraguan newspaper, El Nuevo Diario, reported allegations that the company had leased equipment to the government to repair fifteen kilometers of highway for \$700,000. According to the paper, only 1.8 kilometers were repaired despite full payment for the job.

Some of the money the Nicaraguan government paid to Modultecsa may have come from U.S. aid funds, but a federal investigation found no evidence of wrongdoing. In an interview with El Nuevo Herald, Reboredo described the allegations against him as Sandinista lies.