North Miami Beach elected officials will get free health insurance after a split vote

By Aaron Leibowitz

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The North Miami Beach City Commission meets on June 15, 2021. Screenshot

North Miami Beach officials were divided Tuesday on whether to award themselves free city-funded healthcare. But despite staunch opposition from several members, the city commission voted 4-3 in favor of the move.

The change comes less than two years after the city's elected officials voted to boost their compensation by about \$17,000 apiece, with the <u>stated purpose</u> of helping cover rising health insurance costs. The 2019 vote gave them the option to use the pay increase toward healthcare, although they could also use it however they saw fit.

A 2019 memo puts their direct compensation at around \$53,000 per year for the mayor and about \$48,000 each for six city commissioners. Now, they will also have their insurance costs entirely covered through the city's health, dental and life insurance plan, plus an option to receive partially subsidized insurance for their dependents.

City Manager Arthur "Duke" Sorey, who was <u>hired by the commission in April</u>, said he was aware of the 2019 change but felt that rising healthcare costs warranted a more generous offer.

He estimated that, if all seven elected officials choose to accept the benefit, the cost to the city through the end of this fiscal year would be about \$49,000. For the next full fiscal year, Sorey said, the cost could be between \$85,000 and \$166,000, depending on which premiums officials select and whether dependents are also enrolled in the city's plans.



Arthur "Duke" Sorey Courtesy

Still, those costs could be lower if some officials choose not to take the insurance — something Mayor Anthony DeFillipo vowed to do as he blasted the plan.

"I don't take the insurance now and I won't take it later," he said. "This is double dipping," he added, referring to the 2019 pay increase coupled with Tuesday's proposal.

Commissioners Barbara Kramer and Fortuna Smukler also voted against the measure. Smukler noted that it gives the city's elected officials a better deal on health insurance than the city's full-time employees, who get <u>a</u> portion of their insurance covered by the city but not the entire cost.

"Employees are contributing to their [own] insurance, we're not," Smukler said. "We're being treated above the employees and we're just a part-time position."

Commissioners McKenzie Fleurimond, Daniela Jean and Michael Joseph, along with Vice Mayor Paule Villard, voted in favor of the item, the latest split decision in a Northeast Miami-Dade city with increasingly <u>fractured</u> <u>politics</u>. Jean, who said she is not currently enrolled in the city's insurance plan, was elected in November and wasn't a member of the commission that voted for increased perks in 2019. Smukler was the only current commissioner to vote against the 2019 change.

Fleurimond suggested the city's current approach is flawed because every elected official gets the same amount of money, regardless of whether or not they're actually enrolled in the city's plan.

"I think this systematic way of doing it is the way most cities do it," Fleurimond said of Tuesday's proposal. "I support this."

Other cities' approaches vary. Scott Galvin, a city councilman in neighboring North Miami — where Sorey was a deputy city manager before being hired in North Miami Beach — told the Miami Herald that North Miami has fully subsidized its elected officials' health insurance costs for decades.

In the city of Miami, on the other hand, elected officials pay a portion of their own healthcare costs while the city covers the rest, mirroring what city employees are offered.

The proposal in North Miami Beach — coinciding with Sorey advocating to increase his own benefits and the city's recent move to provide part-time assistants for commissioners — was enough to prompt Miami-Dade County Commissioner Sally Heyman, a resident of the city, to chastise city officials Tuesday during the commission meeting.

"I encourage you to be respectful to your oath and be wise, and please spend the money on city needs instead of a few people at the top on personal wants," she said.

Heyman told the Herald last week that she has been "troubled" by recent developments in the city, including what she sees as a trend of commissioners using city events for self-promotion. On multiple recent occasions, she said, her office has turned down requests for county funds from city commissioners looking to host events.

"I'm going to continue to support city activities for the benefit of the whole city, but with great reserve now," Heyman said.



Miami-Dade Commissioner Sally Heyman Miami Herald file

New benefits for the manager

Also on Tuesday, the city commission voted to approve several new or increased benefits for Sorey, including a new \$700-per-month expense account and a \$150-per-month cellphone allowance, up from the \$100-per-month phone stipend that former City Manager Esmond Scott received.

Sorey agreed to modify some of his proposed contract amendments in response to pressure from commissioners, including Fleurimond and Jean, who supported his hire in April and commended the work he has done so far. Sorey initially asked for \$900 a month for expenses and \$200 a month for cellphone costs.

The manager also agreed to put off a request for deferred compensation that would cost the city about \$20,000 a year starting in 2022. Commissioners said they would consider that request during the upcoming budget cycle.

Sorey's concessions were enough to convince DeFillipo to vote in favor of Sorey's amended contract. Kramer and Smukler were the two commissioners to vote against it.

Still, Sorey defended his initial requests.

"This is standard stuff in managers' contracts," he said.

A comparison prepared by Human Resources and Risk Management Director Francisco Rios showed that Sorey was initially requesting about \$95,000 in benefits beyond his salary, about \$38,000 more in non-salary benefits than Scott received.

Under the revised deal that the commission approved, Sorey's annual benefits come to about \$72,000. Sorey's salary is \$240,000; Scott's was \$195,000.

Herald staff writer Joey Flechas contributed to this report.

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