

CHIEF FINANCIAL OFFICER  
**JIMMY PATRONIS'**

# WEEKLY RUNDOWN

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

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## Floridians,

Freedom isn't free. As Americans, these three words are part of who we are. They are words we say on patriotic holidays, but have you stopped to think about what these words mean? They represent the men and women who won't be with their families and friends at the next barbecue, Thanksgiving, or holiday dinner. These words stand in place of the embrace from a young wife, husband, mother or father.

If you've ever been to Arlington National Cemetery or the final resting place of a member of our armed forces, you know how overwhelmingly sad and beautiful seeing row after row of headstones jutting out of the ground, standing at attention, is. They are stark visual markers of the cost of freedom. This Memorial Day, remember those men and women of the U.S. Armed Forces who laid down their lives so we could live ours. And remember the people they left behind.



The cost of freedom is great, and we can never forget that.

Sincerely,

*Jimmy Patronis*  
Chief Financial Officer  
State of Florida

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## News of Interest

Panama City News Herald: ['More than a calling': Ceremony honors fallen law enforcement officers](#)

News 13 Panama City: [Governor Scott and CFO Jimmy Patronis Visit 'Rock the Kids' Fundraiser](#)

Insurance News Net: [OIR Staff Member Deploying to Puerto Rico to Provide Assistance](#)

WPLG Local 10 Miami: [Man sentenced to 20 years in prison for setting homes on fire in insurance fraud scheme](#)

Associated Press: [Florida's hurricane fund in good shape entering storm season](#)

WINK News: [Arson-for-profit crew arrested, accused of setting SWFL homes on fire](#)

Watchdog.org : [State catastrophe fund seeks to expand bonding capacity](#)

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## Report Suspicious Activity Surrounding Hurricane Damage Repairs

As the 2018 Hurricane Season approaches, Chief Financial Officer (CFO) Jimmy Patronis reminds Floridians to contact his Disaster Fraud Action Strike Team (DFAST) if they suspect they may have fallen victim to insurance fraud during their recovery after a hurricane. DFAST investigations stemming from the 2017 Hurricane Season have resulted in the arrest of 22 alleged insurance fraud criminals while nearly 100 investigations currently remain open and ongoing.

“Those who seek to take advantage of others during the recovery phase of a disaster are some of the worst types of criminals we see,” said CFO Jimmy Patronis. “As recovery efforts continue from last year, and the 2018 Hurricane Season quickly approaches, we must continue to look out for our families, friends and neighbors by reporting suspicious activity as soon as possible.”

### **Possible indicators of post-storm fraud include:**

- A contractor or restoration professional who offered to waive or discount your insurance deductible.
- A contractor or restoration professional that has received payment and has failed to provide any repairs to your home.
- A contractor or restoration professional who offered to provide repairs at a cash-only discounted rate and has failed to provide repairs to your home.
- A contractor or restoration professional who pressured you to sign an AOB and has failed to provide any repairs to your home or stopped responding to your contact attempts.

**Consumers who have experienced or witnessed these types of activity are encouraged to reach out to CFO Patronis' Fraud Tip Hotline by calling 1-800-378-0445. Callers can choose to remain anonymous.**

The Department's anti-fraud strike team consists of three teams that are working in areas heavily impacted by Hurricane Irma including but not limited to South Florida, Miami-Dade and Monroe counties; Southwest Florida, including Lee and Collier counties; and Central Florida, including Polk and Orange counties and Northeast Florida. They are trained insurance fraud investigators with specialized knowledge of property & casualty fraud and workers' compensation fraud. To ensure that law-breakers are prosecuted to the fullest extent of Florida law, CFO Patronis is working directly with dedicated prosecutors housed within each of the respective State Attorney's Offices.

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# Operation Rent-To-Burn: \$187,000 Arson-for-Profit Crime Ring Taken Down

Chief Financial Officer (CFO) and State Fire Marshal Jimmy Patronis on Wednesday announced the recent arrest of Yamina Grafal, Walther Avila Lainez and Gennie Avila Lainez following a joint investigation conducted by the Miami-Dade Police Department's Economic Crimes Bureau Arson Squad and CFO Jimmy Patronis' Bureau of Fire and Arson Investigations. Members of the crime ring allegedly played various roles when conducting an arson-for-profit scheme, fraudulently collecting at least \$187,000 in insurance payouts by setting seven residential structures on fire between 2009-2016 in Miami-Dade, Lee and Collier County.

"Insurance fraud, especially arson-for-profit schemes, can drive up Floridians' insurance rates and pose a direct threat to the safety and well-being of our neighborhoods and communities," said CFO and State Fire Marshal Jimmy Patronis. "Protecting Floridians is our top priority and the collaborative efforts exhibited during this investigation by state and local law enforcement is nothing short of remarkable."

The investigation was initiated after authorities received information from Citizens Insurance regarding falsified receipts in support of an insurance claim for a fire loss. This investigation revealed that multiple individuals had conspired to rent residential properties, and after obtaining renter's insurance, intentionally set the homes on fire for economic gain. The fires were set in such a manner that responding fire departments did not suspect criminal activity.

The investigation revealed the following locations were intentionally set on fire:

- October 11, 2009** - Residential fire at 2161 41 Street SW, Naples, FL
- February 16, 2010** - Residential fire at 3116 NE 7th Place, Cape Coral, FL
- June 28, 2012** - Residential fire at 3415 SW 13th Terrace, Miami, FL
- October 31, 2014** - Residential fire at 901 NW 50th Street, Miami, FL
- December 28, 2014** - Residential fire at 674 Pine Cone Lane, Naples, FL
- April 4, 2015** - Residential fire at 5621 NW 10th Avenue, Miami, FL
- December 13, 2016** - Planned residential fire at 1850 NW 112th Terrace, Miami, FL

The following individuals have been arrested:

- Gennie Avila Lainez** – arrested 05-17-2018: Racketeering/Rico, Racketeer/Conspire To, Insurance Claims/False, Arson 1st Degree
- Walther Avila Lainez** – arrested 05-17-2018: Racketeering/Rico, Racketeer/Conspire To, (3) Insurance Claims/False, Arson 1st Degree, Grand Theft 1st Degree, Grand Theft 2nd Degree.
- Yamina Grafal** – arrested 05-18-2018: Racketeering/Rico, Racketeer/Conspire To, (2) Insurance



**Yamina Grafal**

Arrested 05-18-2018: Racketeering/Rico, Racketeer/Conspire To, (2) Insurance Claims/False/Fraudulent



**Vicente Olana**

Arrested 07-08-2016: Grand Theft 1st Degree, (2) Insurance Claims/False, Arson 1st Degree, Grand Theft 2nd Degree



**Walther Avila Lainez**

Arrested 05-17-2018: Grand Theft 1st Degree, (2) Insurance Claims/False, Arson 1st Degree, Grand Theft 2nd Degree



**Kenia Martinez-Rosales**

Arrested 12-15-2016: Insurance Claims/False/Fraudulent



**Gennie Avila Lainez**

Arrested 05-17-2018: Racketeering/Rico, Racketeer/Conspire To, Insurance Claims/False, Arson 1st Degree



**Luis Rosales**

Arrested 09-30-2015: Grand Theft

Claims/False/Fraudulent

**Vicente Olana** – arrested 07-08-2016: Grand Theft 1st Degree, (2) Insurance Claims/False, Arson 1st Degree, Grand Theft 2nd Degree

**Kenia Martinez-Rosales** – arrested 12-15-2016: Insurance Claims/False/Fraudulent Luis Rosales – arrested 09-30-2015: Grand Theft

Walther Avila Lainez was taken into custody May 17, 2018 in Tennessee by ATF agents and the Hamilton County Tennessee Sheriff's Office. He is in custody pending extradition to Florida.

The Bureau of Fire and Arson Investigations is a law enforcement branch of CFO and State Fire Marshal Jimmy Patronis' Division of Investigative and Forensic Services that conducts statewide fire, arson and explosives investigations. The Bureau encourages Floridians who believe they may have information surrounding these fires to contact the Arson Tip Hotline by calling 1-877-662-7766. Callers can choose to remain anonymous and any information that leads to a prosecution may be eligible for a cash reward.

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## Brandon Woman Charged with Public Assistance Fraud After Collecting \$90,000 in Public Assistance Benefits While Earning Six-Figure Salary

Chief Financial Officer (CFO) Jimmy Patronis on Wednesday announced the recent arrest of Nadia Caraballo, 41, after a public assistance fraud investigation revealed that Caraballo submitted false applications to the Department of Children and Families in order to qualify for Food Stamps and Medicaid assistance. As a result, Caraballo fraudulently obtained more than \$93,000 in public assistance benefits.

"Public assistance fraud is not a victimless crime," said CFO Jimmy Patronis. "Every dollar taken by criminals who lie to obtain public assistance they are not entitled to is a dollar not going to a family or consumer who truly needs it. This type of activity is disgustingly unfortunate."

CFO Patronis' Division of Public Assistance Fraud identified that from 2012 to 2017, Caraballo completed and submitted annual applications indicating that she was unemployed and in need of supplemental nutrition and healthcare assistance.

The investigation revealed that Nadia Caraballo was employed by Citigroup Technology, Incorporated, from September 5, 2012 through at least November 1, 2017. Nadia Caraballo earned an annual salary of \$110,000.00 to \$139,050.00 and earned gross wages of \$735,669.10 for the pay period of January 11, 2013 through October 20, 2017. Caraballo failed to report this information to the Department of Children and Families.

As a result of her actions, Caraballo fraudulently received \$40,070.00 in Supplemental Nutrition Assistance Program (SNAP) benefits from January 2013 through October 2017 and \$53,159.35 in Medicaid assistance from February 2013 through October 2017, for a total of \$93,229.35 in assistance to which she was not legally entitled.

Caraballo was arrested February 22, 2018 by Hillsborough County Sheriff's Office and was charged with one count of public assistance fraud. Caraballo has been placed in an Extended Pre-trial Intervention program, disqualified from participating in the Food Stamp program and ordered to make full restitution to the state.

This case was prosecuted by the Hillsborough County State Attorney's Office, 13th Judicial Circuit.

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# Florida Economic Briefs

## **Unemployment rates were stable in Florida in April at 3.9 percent**

Unemployment rates were lower in April in 4 states and stable in a total of 46 states and the District of Columbia, the U.S. Bureau of Labor Statistics reported. Twelve states had jobless rate decreases from a year earlier and 38 states and the District had little or no change. The national unemployment rate edged down from March to 3.9 percent and was 0.5 percentage point lower than in April 2017.

Source: **U.S. Bureau of Labor Statistics**

## **Consumer prices up 2.5 percent over year ended April 2018**

Over the 12 months from April 2017 to April 2018, the Consumer Price Index increased 2.5 percent, not seasonally adjusted. The Consumer Price Index for the South increased 0.4 percent in April, the U.S. Bureau of Labor Statistics reported. The energy index advanced 3.0 percent over the pricing period. The index for all items less food and energy inched up 0.1 percent in April, while the food index edged up 0.2 percent.

Source: **U.S. Bureau of Labor Statistics**

## **\$3.5 million awarded for community projects at military installations**

The 2018-2019 Defense Infrastructure Grants, to improve areas surrounding military installations, were awarded to defense partners in Bay, Brevard, Clay, Duval, Escambia and Santa Rosa counties. Defense Reinvestment Grants are provided to communities to help support the needs of a military installation or to help expand the community's non-defense economy. The 2018-2019 Defense Reinvestment Grants, to help support the needs of a military installation or expand the community's non-defense economy, were awarded to defense partners in Bay, Brevard, Clay, Duval, Escambia, Hillsborough, Miami-Dade, Okaloosa, Orange, Santa Rosa and Walton counties.

Source: **Florida Department of Economic Opportunity**