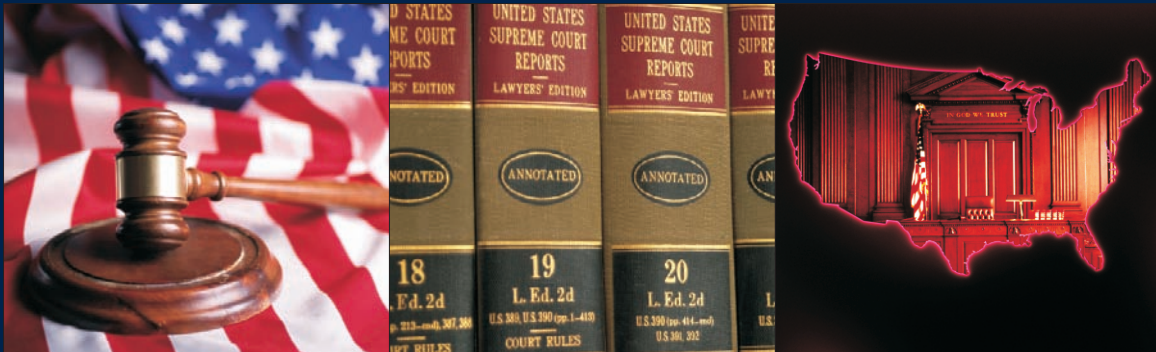




2007 ANNUAL REPORT



Statewide Prosecutor's Foreword



William Shepherd

I am proud to present this Annual Report that provides an overview of our achievements in 2007. With the help and support of Attorney General Bill McCollum, 2007 has been an excellent year. Last year marked the twentieth year of Statewide Prosecution's efforts to serve Florida by aggressively attacking organized, multi-circuit, criminal activity. That work has continued to focus on white collar crime in the areas of health care fraud, securities fraud, identity theft, and insurance fraud. But we have also redoubled our efforts to address the growing problem of mortgage fraud that has impacted our state's housing market and economy. Of course, the war on drugs has remained a priority as we have investigated and prosecuted traffickers who profit on misery from Jacksonville to Miami. And we have been, and will remain, vigilant in our efforts to protect Florida's children from online predators who travel our country in search of victims.

As we strive to continue the work from years past, this year's accomplishments have been bolstered by the impanelment of the Eighteenth Statewide Grand Jury to confront the rapidly growing problem of gangs in Florida. Our partnership with the State Attorneys has been critical to this effort, and it is work that will undoubtedly be a focus of the Office in the years ahead.

As we reflect on the accomplishments of the Office for the twentieth anniversary year, it is truly a remarkable continuum of effort that has driven the Office from its inception to today. The Office is nothing more than its people - those drawn from our communities who seek to serve. The high caliber professionals who make up the Office of Statewide Prosecution are driven by their shared desire to serve our state with the highest standards, to aggressively pursue the guilty, and to always seek justice. Our success is our teamwork, and it's represented by our insignia and our maxim: *Eight - Fighting as One - for Florida!*



TWENTY YEARS OF STATEWIDE PROSECUTION



John Hogan

John Hogan was Florida's first Statewide Prosecutor and began the tradition of aggressively pursuing multi-circuit organized criminal activity. He left the Office to join newly appointed United States Attorney General Janet Reno in numerous senior Justice Department positions including Counselor to the Attorney General and Chief of Staff. After his time in Washington, DC, he returned to Florida and went into private practice. John is a partner at Holland & Knight and serves as Chair of the firm's South Florida Litigation Practice Group.

In 1988, Pete Antonacci was appointed Florida's Statewide Prosecutor. Over the next three years, he focused the Office on complex white collar crimes including securities fraud, ponzi schemes, insurance fraud and pyramid marketing schemes. Under Pete's leadership, Florida was the only state to successfully extradite Columbian Nationals to face drug smuggling charges in a state court. At the end of his first term, Pete took on additional responsibilities as Deputy Attorney General for General Butterworth and is now in private practice with the Gray Robinson firm where he concentrates on white collar defense, governmental lobbying, civil litigation, and administrative law.



Pete Antonacci



Melanie Hines

Melanie Hines is Florida's longest serving Statewide Prosecutor and led the expansion and growth of the Office during her twelve year tenure. She continued the focus on narcotics investigations and white collar crime, with emphasis on government contract fraud, and developed strategies to combat computer crimes. She made regular use of the Statewide Grand Jury for both Indictments and Presentments and regularly offered testimony before the State Legislature. She also developed an organizational structure, practices, and procedures that helped systemize and automate the Office for years to come. Melanie practices white collar criminal defense, administrative law, and complex civil litigation with the law firm of Berger Singerman.

Pete Williams served as Statewide Prosecutor under Attorney General Charlie Crist. Pete brought his business and prosecution background to the position and fostered strong relationships with our State Attorney partners throughout the State. Pete led the Seventeenth Statewide Grand Jury, and their report was instrumental in helping Florida take the lead in attacking prescription drug diverters and enacting laws requiring prescription pedigree papers. Pete focused the Office on health care fraud, the developing area of child sexual predators moving to the internet, and he played an important role in the development of the anti-murder legislation targeting career offenders.



Pete Williams

Mission of the Office

The mission of the Office is to investigate and prosecute multi-circuit organized crime and to assist other law enforcement officials in their efforts against organized criminal activity. The Office was created by the Voters of Florida through a Constitutional Amendment passed in 1986. That 1986 amendment was a response to the increasing evidence that those who are in the business of organized criminal activity do not respect the geographic boundaries imposed by judicial circuit lines. The Office utilizes a team approach with the state's elected State Attorneys, Florida's federal prosecutors, the Florida Department of Law Enforcement and other state law enforcement agencies, Florida's Sheriff's Offices, our Chiefs of Police and various other state and federal agencies in law enforcement to attack multi-offender, multi-offense, and multi-jurisdictional crime.

Under Section 16.56, Florida Statutes, the Office's jurisdiction to investigate and prosecute cases is limited to certain enumerated crimes as well as racketeering (RICO) offenses, and is also limited to crimes committed in more than one judicial circuit. The Office may also proceed where the enumerated crimes are committed within one judicial circuit by members of an organized conspiracy affecting more than one judicial circuit, in furtherance of their common scheme or plan.

The Statewide Prosecutor also serves as legal advisor to the Statewide Grand Jury as provided for in Section 905.31, et seq., Florida Statutes. The Statewide Grand Jury is charged with detecting and eliminating organized criminal activity in matters which transpire or have significance in more than one circuit. The Statewide Grand Jury is likewise limited to an enumerated list of criminal offenses contained in Section 905.34, Florida Statutes.

Pursuant to Section 16.56 (2), Florida Statutes, this report is hereby respectfully submitted to the Governor Charlie Crist and Attorney General Bill McCollum . Special thanks to Denise Hair, Office Automation Specialist, for her work in designing and producing this report.

Partnership with Law Enforcement Agencies

The Office of Statewide Prosecution's jurisdiction is limited by statute into specific subject matter areas. Our key priorities are: (1) criminal gangs and violent crime, (2) narcotics trafficking, (3) fraud, and (4) sexual predators. Each area is important for the Office of Statewide Prosecution and although each Assistant may have a concentration of cases in one specific area, we have no organizational impediment to allowing Assistants to have a diverse caseload in their legal practice.

Law Enforcement Agencies

Agency for Health Care Administration
Alachua County Sheriff's Office
Albany County District Attorney's Office (NY)
Altamonte Springs Police Department
Atlantic Beach Police Department
Baker County Sheriff's Office
Bal Harbour Police Department
Bay County Sheriff's Office
Boca Raton Police Department
Boynton Beach Police Department
Bradford County Sheriff's Office
Brevard County Sheriff's Office
Broward County Sheriff's Office
Bureau of Alcohol Tobacco and Firearms
Cape Coral Police Department
Casselberry Police Department
Central Florida Internet Crimes Against
Children Task Force
Charlotte County Sheriff's Office
Child Predator Cybercrime Unit
City County Investigative Bureau
Citrus County Sheriff's Office
City of Homestead Police Department
City of Miami Police Department
Clay County Sheriff's Office
Clearwater Police Department
Cleveland Police Department (OH)
Cocoa Beach Police Department
Collier County Sheriff's Office
Columbia County Sheriff's Office
Commission on Elections
Commission on Ethics
Coral Gables Police Department
Coral Springs Police Department
Daytona Beach Police Department
Deland Police Department
Delray Beach Police Department
Desoto County Sheriff's Office
Division of Insurance Fraud
Doral Police Department
Edgewater Police Department
Eustis Police Department
Federal Bureau of Investigation
Financial Institutions Security Association
(FISA)
Flagler County Sheriff's Office
Florida Atlantic University Police Department
Florida Attorney General's Medicaid Fraud
Control Unit
Florida Department of Agriculture and
Consumer Services
Florida Department of Business and
Professional Regulation
Florida Department of Children and
Families

Florida Department of Corrections
(VOP/VOCC)
Florida Department of Education
Florida Department of Environmental
Protection
Florida Department of Financial Services
Florida Department of Health
Florida Department of Highway Safety
and Motor Vehicles
Florida Department of Juvenile Justice
Florida Department of Labor
Florida Department of Law Enforcement
Florida Department of Lottery
Florida Department of Management Services
Florida Department of Revenue
Florida Department of Transportation
Florida Fish and Wildlife
Florida Gang Investigators Association (FGIA)
Florida Highway Patrol
Florida Office of Financial Regulation
Florida Office of Insurance Regulation
Florida Office of the Solicitor General
Florida Real Estate Commission
Florida's State Attorneys
Florida State Fire Marshal
Florida State University Police Department
Ft. Lauderdale Police Department
Ft. Myers Police Department
Gadsden County Sheriff's Office
Gainesville Police Department
Glades County Sheriff's Office
Haines City Police Department
Hallandale Police Department
Harris County Sheriff's Office
(Houston, Texas)
Hendry County Sheriff's Office
Hernando County Sheriff's Office
Hialeah Gardens Police Department
Hialeah Police Department
High Intensity Drug Trafficking Areas
(HIDTA)
Highlands County Sheriff's Office
Hillsborough County Consumer Protection
Agency
Hillsborough County Sheriff's Office
Holly Hill Police Department
Hollywood Police Department
Houston Police Department (TX)
Indian River County Sheriff's Office
Internal Revenue Service
Interpol
Jacksonville Sheriff's Office
Jupiter Police Department
Key Biscayne Police Department
Key West Police Department
Kissimmee Police Department

Law Enforcement Agencies

Lake City Police Department
Lake County Sheriff's Office
Lake Mary Police Department
Lake Wales Police Department
Lake Worth Police Department
Lakeland Police Department
Largo Police Department
Lee County Sheriff's Office
Leesburg Police Department
Leon County Sheriff's Office
Levy County Sheriff's Office
Lighthouse Point Police Department
Los Angeles Police Department (CA)
Madison County Sheriff's Office
Manatee County Sheriff's Office
Marco Island Police Department
Marion County Sheriff's Office
Martin County Sheriff's Office
Melbourne Police Department
Metropolitan Bureau of Investigation
Miami Beach Police Department
Miami-Dade Community College Police
Department
Miami-Dade County Office of the
Inspector General
Miami-Dade County Public Schools
Police Department
Miami-Dade Police Department
Miramar Police Department
Monroe County Sheriff's Office
Multi-Agency Gang Task Force
Naples Police Department
Nassau County Sheriff's Office
National Insurance Crimes Bureau
New York City Police Department
New York Department of Health/Bureau of
Drug Enforcement
New York Medicaid Fraud Control Unit
North Bay Village Police Department
North Florida Internet Crimes Against
Children Task Force
North Miami Beach Police Department
North Port Police Department
Oakland Police Department
Ocala Police Department
Ocean Ridge Police Department
Ocoee Police Department
Okeechobee County Sheriff's Office
Orange County Sheriff's Office
Orlando Police Department
Osceola County Investigative Bureau
Osceola County Sheriff's Office
Palatka Police Department
Palm Beach County Sheriff's Office
Palm Beach Gardens Police Department
Palm Beach Police Department

Palm Springs Police Department
Palmetto Police Department
Panama City Police Department
Pasco County Sheriff's Office
Pembroke Pines Police Department
Perry Police Department
Pinecrest Police Department
Pinellas County Sheriff's Office
Pinellas Park Police Department
Pittsburgh Police Department (PA)
Plant City Police Department
Plantation Police Department
Polk County Sheriff's Office
Port St. Lucie Police Department
Punta Gorda Police Department
Putnam County Sheriff's Office
Rockledge Police Department
Sanford Police Department
Sarasota County Sheriff's Office
Seminole Police Department
South Florida HIDTA
South Florida Money Laundering Strike Force
South Florida Violent Crimes Task Force
South Florida Water Management District
South Miami Police Department
St. Johns County Sheriff's Office
St. Lucie County Sheriff's Office
St. Petersburg Police Department
Stuart Police Department
Sumter County Sheriff's Office
Sunny Isles Police Department
Tallahassee Police Department
Tampa Police Department
Tarpon Springs Police Department
Taylor County Drug Task Force
Taylor County Sheriff's Office
Tequesta Police Department
Texas Attorney General's Office
Texas Bureau of Health Services
Titusville Police Department
Transportation and Safety Administration
Union County Sheriff's Office
University of Florida Police Department
University of Miami Police Department
US Air Force
US Attorney's Office Eastern District
of California
US Attorney's Office Eastern District
of Tennessee
US Attorney's Office Middle District
of Florida
US Attorney's Office Northern District
of Alabama
US Attorney's Office Northern District
of Florida

Law Enforcement Agencies

US Attorney's Office Northern District
of New York
US Attorney's Office Southern District
of Florida
US Attorney's Office Southern District
of Texas
US Attorney's Office Western District
of Missouri
US Coast Guard
US Commodity Futures Trading Commission
US Department of Education
US Department of Health and Human Services
US Department of Homeland Security Bureau
of Immigration and Customs Enforcement
US Department of Housing and Urban
Development
US Department of Justice
US Drug Enforcement Administration
US Food and Drug Administration
US General Services Administration
US Marshal's Service
US Postal Inspection Service
US Secret Service
US Social Security Administration Office
of the Inspector General
Venice Police Department
Volusia Bureau of Investigation
Volusia County Sheriff's Office
West Melbourne Police Department
Winter Park Police Department

Criminal Gangs and Violent Crime

In the last several years, Florida has seen an increase in the effects of gang violence. Criminal street gangs have been identified in every judicial circuit in Florida and their dangerous impact is seen on Florida's front-pages every day. Because of that escalation, the Office of Statewide Prosecution turned its focus to gangs. In 2007, the Office of Statewide Prosecution partnered with Florida's Sheriffs and State Attorneys to investigate and prosecute gangs under the Racketeering Influenced Corrupt Organization Act (RICO).



Using the tools provided by the RICO statute, the Office of Statewide Prosecution is able to investigate gangs as a complete enterprise and attack them as a group. Instead of reactively charging individual gang members in a piecemeal fashion, we have charged entire organizations arresting ten to fifteen gang members in a single sweep.

A major advantage to our RICO strategy is that it allows the Office of Statewide Prosecution to use previous convictions to demonstrate that the individual defendant is a member of the RICO enterprise. The reason this is so significant in gang cases is because it protects witnesses from threats and violence. The justice system, and the fundamental rule of law, is challenged every time a witness is intimidated. Unfortunately, this is an all too common tactic for violent gangs and it significantly hampers efforts to confront gangs. RICO allows prosecutors to couple prior criminal acts with current criminal activity to give a jury the complete picture of a defendant's role in a criminal enterprise. This approach lessens the risk to witnesses because it supplements their testimony with indisputable, proven fact that cannot be intimidated. We will continue to aggressively pursue live witness cases, with irrefutable evidence of past convictions.



The gang initiative began out of our Tampa Bureau. This was a natural consequence of the large influx of gang activity on Florida's West Coast and a good match with the Office of Statewide Prosecution personnel.

The first gang RICO we filed in 2007 was in Manatee County against members of the Brown Pride Locos. This group had been involved in regular narcotics trade at the street level and numerous firearm crimes. Nine members of the gang were arrested with the cooperation of Sheriff Stuebe's gang unit at the Manatee County Sheriff's Office.

This case resulted in 9 convictions and 97.47 years in prison. The other main component in our gang strategy is that each defendant must provide law enforcement with truthful testimony about his own criminal activities and those of the rest of his gang. This cooperation component is key because it undermines the gang and makes it collapse upon itself. The members can no longer trust each other and their gang's ineffectiveness is then public.



The second gang RICO of the initiative was also in Manatee County and that was filed against 14 members of SUR-13 operating in Manatee. Like their Brown Pride rivals, they were also involved in the narcotics trade and violent firearm cases. Their most heinous predicate acts involve homicide and assaults.

This Brown Pride Locos case led to the first defendant who sought to contest the charges at trial. Chief Assistant Thomas Smith, and Assistant Diane Croff were very ably assisted by Virginia Caswell in a trial before the Honorable Janet Dunnigan. After four days of testimony from witnesses, including an expert witness on gangs, the jury returned a guilty verdict on the charges of RICO and Conspiracy to Commit RICO. Immediately following the verdict, the defendant was sentenced to serve 30 years, each count concurrent, in a Florida State Prison.

The third RICO charge filed against a gang in 2007 was filed against a gang that calls themselves the Black MOB operating in Plant City in Central Florida. That group is also very active in the drug trade and has a remarkably violent history with gun crimes. This operation was a joint effort between

the Florida Department of Law Enforcement and the Plant City Police Department. This case is still pending.



The last RICO case filed against a gang in 2007 was filed in Palm Beach County against the SUR-13 gang operating in Broward and Palm Beach. This gang virtually controlled the Westgate neighborhood just west of the City of West Palm Beach. SUR-13 was involved in the drug trade and purchase and use of illegal firearms. They were also involved as a gang in a number of convenience store robberies with masks and firearms.

SUR-13 showed another common trait of criminal street gangs - witness intimidation. Through their mannerisms, threats, and graffiti, they passively showed their dominance of the neighborhood and their threats to those who would challenge their control. But through house arsons and individual beatings, they showed that they were not going to behave by any societal norm. The fully loaded Tec-9 assault weapon seized on the morning of the arrest at the home of one of the defendants shows that not only do they pose a serious threat to law abiding citizens, but they also had the means to carry out great levels of violence.

Grand Jury

Because of the escalating gang violence outlined above, the Office of Statewide Prosecution worked with Governor Charlie Crist to petition the Florida Supreme Court to convene the 18th Statewide Grand Jury. In August of 2007, selection began in Palm Beach County for 18 jurors to serve one year to study the problem of gang violence. The individual cases discussed above are an important effort to stop and reverse the trend of gang growth in Florida, but the real solution requires a thoughtful analysis and review of gang reduction efforts.



Grand Jury Report Released

In December 2007, the Statewide Grand Jury completed its work on the First Interim Report on Gangs and Gang Violence. The Report, incorporated by reference here, outlines key areas for systemic improvement through legislative action and through policy and procedure improvements. The Report focuses on improved education and information sharing as well as a strengthening of existing

gang statutes under §874 as well as a new provision creating a gang kingpin penalty, better witness protection statutes, and enhanced career offender and firearm punishments for gang offenders.

The Statewide Grand Jury has already issued one Indictment (SUR-13 Palm Beach) and will be presented with testimony for possible other indictments on gangs operating throughout Florida.

The Statewide Grand Jury project has been a significant undertaking for the Office of Statewide Prosecution. Since there had not been a call for a Statewide Grand Jury in nearly four years, it has been an excellent experience for the lawyers in the Office who did not have any prior grand jury experience. In addition to the regular functioning of the Office, this has been a significant workload for the Office of Statewide Prosecution staff and attorneys. It would not be possible to operate without the help of our partners in the Fifteenth Judicial Circuit who serve as hosts for its operation. This includes the work of Chief Judge Kathleen Kroll and Clerk and Comptroller Sharon Bock.

The work of the Statewide Grand Jury continues and will be a prominent feature of the Office of Statewide Prosecution practice in the coming year.

[Narcotics Trafficking](#)

The drug trade continues to operate throughout Florida. Because of the multi-circuit nature of the Office of Statewide prosecution practice, we are most usually involved in the wholesale end of the business instead of the street level retail side of narcotics sales. Although the bulk of our narcotics investigations and prosecutions center on cocaine, we are also very involved in the break up of marijuana grow house operations run throughout our state and the illegal prescription trade - both on the drug trafficking side and the drug diversion side.



As mentioned above, wiretaps continue to be an important proactive investigative tool and that is nowhere more true than in combating drug traffickers. In 2007, the Office sought and utilized twenty-four judicially authorized wire taps on criminal organizations throughout Florida. We also had trials in both North Florida and Central Florida that involved wiretap evidence used in trial.

In Jacksonville, we closed down the Bodoy trafficking operation that was responsible for importing approximately 100 kilos of cocaine into the Jacksonville area every month. That investigation, which was a joint effort with the Drug Enforcement Administration and North Florida HIDTA, led to the seizure of sixteen kilos with a street value of \$1.4 million.

In Central Florida, the Office of Statewide Prosecution regularly works with the Metropolitan Bureau of Investigation and the Drug Enforcement Agency. We see those efforts continuing through 2008 and increasing, particularly in South Florida.

White Collar Crime

Mortgage Fraud

The housing boom and the availability of capital in the mortgage market drew a number of fraudsters into that arena. Mortgage fraud continues to escalate beyond an individual mortgage applicant who exaggerates income to purchase his own home and instead into an area of organized criminal behavior. Identity theft became a common tool in the mortgage fraud area when criminals took over the identity of home owners to apply for limited documentation equity loans on properties they did not even own.

In another recurring pattern, we have seen groups recruit straw purchasers for schemes. These operations team with corrupt appraisers and title companies to inflate home values for loan purposes. Often times multiple HUD-1's are produced and the "buyer" walks away from the closing table with a check and a loan for more than the house is worth.

No case is more a mark of the complex and corrupt nature of these schemes than Operation Florida Beautiful. In this case being prosecuted

by Assistant Statewide Prosecutor Michael Williams from the Tampa Bureau, a sub-prime lender was used by its Tampa executives to steal millions for loans made to people. The scheme involved a corrupted construction loan process to people who were desperate for storm repairs but did not have the financial wherewithal for such work. Incomes were falsified, values overstated, and payoffs made to complicit employees in the New York home office. In what was the first case against a sub-prime lender, executives in Tampa were charged with RICO for these criminal schemes. The charges have already resulted in a number of guilty pleas and prison sentences.

As the housing and lending market continues its adjustment, we will see the extent of the impact that fraud had on the problem. Our South Florida Bureaus are set to attack the brunt of this problem in 2008 as the criminal cases continue, and we will also work with our civil law counterparts in the Office of the Attorney General to monitor consumer concerns from fraudsters.



Health Care Fraud

As the state's Medicaid budget grows in dollar and percentage of overall budget, no type of fraud could be more important in its overall impact for all Floridians than that generated through health care fraud. Criminal organizations continue to operate through bogus clinics that are enabled by licensed doctors who ignore not only their Hippocratic duties, but also their fiduciary responsibilities as the gate keeper against fraud in the state and federal health benefit programs.

The Office of the Inspector General of Health and Human Services issued a report on HIV infusion fraud that was startling but emblematic of Florida's problem. In 2005 Dade, Broward, and Palm Beach Counties represented 72% of all claims for HIV infusible treatments even though those counties are home to only 8% of HIV beneficiaries. The vast majority of that billing was all fraudulent - theft from all taxpayers.



Statewide Prosecution has played an important role supporting our federal partners in their efforts to attack the problem. We filed and prosecuted two RICO cases in South Florida

addressing this problem and will continue to attack this problem whenever and wherever that is possible.

Health care fraud also continues in the PIP context for those criminals who stage false traffic accidents to bilk insurance companies for fraudulent treatments.



Although the bulk of these crimes are single circuit and therefore fall outside of the jurisdiction of Statewide Prosecution, when there are rings that cross circuit lines, the Office does get involved. In two separate PIP fraud trials last year, the Broward and Miami Bureaus tried cases to guilty verdicts. In one case tried by Special Counsel Oscar Gelpi, organized groups were charged and convicted of posing as a media outlet to buy accident reports to solicit drivers for their fraudulent schemes. In another case, Chief Assistant Lisa Porter and Assistant Statewide Prosecutor Laude McDonald convicted a player in a staged accident ring. This dangerous fraud has become such a problem in South Florida that it played a significant role in the Florida Legislature's debate this year on the reauthorization of PIP insurance in Florida. Statewide Prosecution will work with our State Attorney partners to prosecute these crimes when



detected so that we can take the financial incentive away.

An aspect of health care fraud that is not directly related to patient care comes in prescription drug diversion. Statewide Prosecution has been

involved in fighting drug diversion and drug counterfeiting for a number of years and formally since the Seventeenth Statewide Grand Jury. Drug diverters purchase prescription drugs from "patients" off the street and repackage and resell those into the wholesale market. The would-be patients are selling their medications strictly for profit and often times are working with corrupt pharmacies or doctors to acquire Medicare or Medicaid funded medicines that are not even medically necessary. The other side of that same coin involves criminal groups who do not buy medicines from the street, but "manufacture" their own medicines for resale. Often times these may involve some of the legitimate active ingredient, but they are almost entirely outside the supervision of the Food and Drug Administration. These criminals put their own illicit profits ahead of a community's health. Because of the dangers they pose, these groups are prosecuted aggressively and are the target of a Task Force run out of Statewide's Ft. Lauderdale Bureau.

2007 also marked another solid year of work with our internal partners in the Medicaid Fraud Control Unit of the Attorney General's Office. We have worked to handle their operations whenever Statewide Prosecution lawyers are needed and also continued to cross-swear Medicaid Fraud Control Unit prosecutors when that meets our shared goals. That partnership is a valuable one and will certainly remain strong in the years ahead. As the state looks at lower budget forecasts, it will be more important than ever to fight fraud in our health care system.



Securities Fraud

Protecting Florida investors continues to be an important component of our white collar crime efforts. Because of the large investment pool in Florida, particularly of our senior retirees, it is important to work with our regulatory and law enforcement partners at DFS. Together with the work of the Securities and Exchange Commission, and our state partners, we work to investigate securities frauds of all kind.



In years past, Statewide Prosecution has handled cases against hedge fund operators and fraudulent operations selling fictitious certificates of deposit. This year's cases and trials have focused on schemes that sought to defraud would-be investors in foreign currencies. In reality, these unlicensed salesmen were selling fictitious currency notes to unsophisticated investors. In what turned into an operation that more truly represented a Ponzi scheme, investor money went to the criminal operation and to pay off earlier investors in the form of phony profits.

Statewide Prosecution lawyers and analysts worked with detectives to gather key documents and prospectus papers that were sent to victims around the state and around the country. Assistant Statewide Prosecutor Marjo Lexa, who was later assisted in trial by Deputy Chief Jim Cobb, pursued the case for years and tried it over

a period of several weeks before a Broward County Jury that returned a verdict of guilty.

In Operation Offshore Financial prosecuted by Assistant Statewide Prosecutor Kathy George, defendants engaged in a scheme to defraud victims who were called and asked to invest \$5,000.00 to 10,000.00 in the purchase of foreign currency options. Over fifty victims filed complaints amounting to over \$1,000,000.00 in losses. One Defendant recently pled "Guilty" to all charges and is awaiting sentencing.

Fraud against the State

Although our jurisdiction restrictions limit the number of state fraud cases that meet the multi-circuit requirements, there are occasions in which government contracting fraud cases impact multiple circuits. This year saw the trial of one defendant who was involved in fraud against the Department of Transportation in Orlando and a second case against another defendant who had defrauded DOT in Tampa and Tallahassee.

As is typical of cases that fall into this category, government contractors submitted false affidavits for work that was never performed. These cases are very labor intensive for investigators and analysts, but once the records are culled and the witnesses are able to piece the history together for the jury, the picture becomes clear.

Chief Assistant Statewide Prosecutor Thomas Smith and John Roman were ably assisted by federal and state investigators and by Yvonne Funes a Certified Criminal Analyst with the Office of Statewide Prosecution. They were able to show an Orlando jury that over a course of years defendants bid on road work that they were not certified to perform. The Defendants used other individuals' certifications and even forged certifications. One Defendant pled to the charges and the other was found guilty in a jury trial.

In the Tallahassee case, the Department of Transportation and the Office of the Inspector General worked with Chief Assistant Ron Lee and Assistant Statewide Prosecutor Ed Iturralde to investigate fraud related to a contract in Tampa. That case was aided by the invaluable assistance of Steve Yoakum who used technology to make a complex series of financial transactions very straight forward. The visuals and chronology he prepared simplified the complexities and played a key part in Statewide Prosecution's ability to prevail.

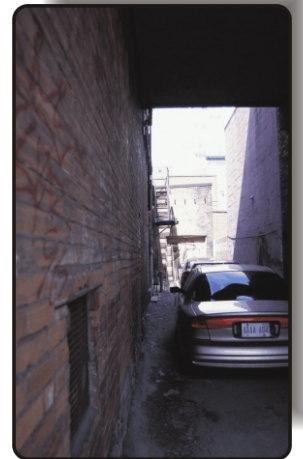
Theft Rings

Statewide continues to focus on groups throughout the state who make large illicit profits through organized theft and dealing in stolen property. They are all opportunists who would rather take from someone else than work to earn something of their own. The level of

sophistication has grown over the years, but many of the basics remain the same.

Auto Theft still remains a tremendous national problem costing the US more than \$7 Billion a year according to the National Insurance Crime Bureau. Statewide is well suited to target professional rings that steal high dollar vehicles, renumber them and then sell the cars to willing buyers or even to unwitting buyers. Operation Road Runner which began in Miami in 2005 and continued with convictions through 2006 is winding down with only one defendant remaining set for trial in Stuart. That group was responsible for the theft of several hundred vehicles. The main defendants are all now serving lengthy prison sentences.

Cars are not the only target of these types of thieves. The Lee County Sheriff's Office was recently recognized by the Florida Auto Theft Intelligence Unit for a case being handled by the Ft. Myers Bureau and Assistant Statewide Prosecutor Chene Thompson. That case has targeted a motorcycle theft ring in Southwest Florida. The case resulted in the recovery of bikes from around the state and in the conviction and prison sentence of the group's leaders.



Florida's trucking industry is often the target of cargo theft. The vast network of highways that makes commerce flow through our state so freely is a great temptation to those who would steal their cargo



loads. The Florida Highway Patrol and the Department of Transportation work with Florida's Sheriffs to apprehend those who would make off with valuable cargo. In addition to the loss of cargo, another cost of this crime is the loss of a driver's truck. Many independent truckers operate as small business owners and the loss of their truck can have a dramatic impact on their ability to stay in business. Although 2007 was not a year with a number of cargo theft cases filed, we are partnering on a number of investigations that may fall into Statewide's multi-circuit jurisdiction. Whether or not we are the ultimate prosecuting authority, we will certainly continue to offer our assistance to target cargo theft rings.

Internet Child Predators

Those people who stalk our children on the internet are some of the most dangerous criminals we target. Their crimes are horrific in their nature and cowardly in their commission. These predators will always be dealt with in an appropriate and aggressive manner when we are asked for assistance in the prosecution of these cases. In the last year, Statewide has had a number of these cases in our docket and there is no indication that the numbers will slow in the year ahead.

Attorney General McCollum's Child Predator Cybercrime Unit is a regular partner in investigations and prosecutions. When Statewide's jurisdiction is the proper forum, we work with the Unit's lawyers and investigators to handle specific cases. We also cooperate with one another through the cross swearing of lawyers from the Child Predator Cybercrime Unit when that is appropriate. As that Unit continues to expand to address the growing demand for trained investigators, we will provide whatever assistance we can to further the goal of stopping these predators.



We have also had a particularly strong partnership with Sheriff Judd in his efforts in Polk County and Statewide has cooperated with his agency in several decoy house operations that have led to the arrest of would-be predators who are stopped before they can get to a child. We have also worked with FDLE and Sheriff Campbell in Leon County in similar operations.

When these child predator cases go to trial, the efforts of the Office require the whole team to contribute. Assistant Statewide Prosecutors Dan Mosley and Lawrence Collins tried a case to a successful guilty verdict as did Chief Assistant Lisa Porter and Deputy Chief Jim Cobb. Assistant Statewide Prosecutor Brian Fernandes also tried one of these cases as a cross-sworn Assistant State Attorney in Palm Beach.

Legislative Affairs

Because of Statewide's subject matter expertise in given areas, we are sometimes called upon to offer legislative suggestions or support on matters relating to criminal justice. This year prosecutors from Statewide Prosecution have worked with Attorney General McCollum, Legislators, and Staff to respond to the gang problem and the increasing problem of marijuana grow houses.

The hard work of the Statewide Grand Jurors, as represented by the First Interim Report of the Eighteenth Statewide Grand Jury on Gangs and Gang Violence, has provided Recommendations that have been incorporated into the Gang Bill (SB 76/HB 437) that is currently pending before the Legislature. The bill streamlines the existing gang law, enhances witness protection, and provides additional tools for law enforcement in their efforts against gang violence.



The Marijuana Grow House Eradication Act (SB 390/HB 173) is also supported by the Office and addresses the for profit growers who are currently exploiting Florida's marijuana laws. This bill will lower the second degree felony threshold level to 25 plants to make growing unprofitable, and it will protect children by increasing penalties for those who seek to raise small children in the middle of a drug harvesting operation that is not only hazardous because of the conditions, but also dangerous because of the risk of armed home invasion from drug rivals.

When called upon to do so, Statewide will continue to assist in the legislative process. We are truly fortunate to have the experience and support of General Counsel Jim Schneider in all of these efforts.

In addition to the work represented in the individual cases of each Assistant in the Office, our lawyers are very involved in a number of associations for the betterment of the legal profession and the advancement of capabilities and professionalism in the law enforcement community. The lawyers within the Office were members of the following criminal justice associations in 2007:

- American Bar Association
- The Florida Bar
- Florida Prosecuting Attorneys Association
- National District Attorneys Association
- National Association of Attorneys General
- League of Prosecutors
- Florida Intelligence Unit

Gangs and Violence

- Florida Gang Investigators Association
- Florida Violent Crime Drug Control Council
- Multi-Agency Gang Task Force
- South Florida Human Trafficking Task Force

Narcotics Investigations

- Central Florida High Intensity Drug Trafficking Area
- North Florida High Intensity Drug Trafficking Area
- Metropolitan Bureau of Investigation (Orlando)
- Multi-jurisdictional Counterdrug Task Force (FI National Guard)
- Prescription Drug Diversion Response Team

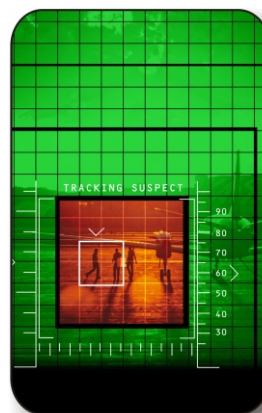
- Prescription Drug Task Force
- South Florida High Intensity Drug Trafficking Area

Fraud and White Collar Crime

- Association of Certified Fraud Examiners
- Big Bend Fraud Task Force
- Central Florida Fraud & Forgery Unit
- Division of Insurance Fraud/Special Investigation Unit
- Fraud Net - Florida Bankers' Association
- INFRAGARD
- National White Collar Crime Center
- South Florida Mortgage Fraud Working Group

Computer Crimes

- FBI Cyber Crime Task Force
- Florida Association of Computer Crime Investigators
- Miami Electronic Crimes Task Force
- North Florida ICAC (Internet Crimes Against Children)
- Secret Service High Technology Task Force



Appendix

Below is a list of the Assistant Statewide Prosecutors assigned to each Office as of December 31, 2007. All Office Chiefs report directly to the Statewide Prosecutor.

Tallahassee	Jacksonville	Orlando	Tampa	Ft. Myers	Ft. Lauderdale	Miami	West Palm Beach
Ron Lee Office Chief	Luis Bustamante Office Chief	John Roman Office Chief	Thomas Smith Office Chief	George Richards Office Chief	Lisa Porter Office Chief	Carlos Guzman Office Chief	Todd Weicholz Office Chief
Edward Iturralde	Jason Lewis	Lawrence Collins	Harold Bennett	Owen Kohler	Jim Cobb Assistant Chief	Kelly Eckley	Brian Fernandes
	Shannon MacGillis	Robert Finkbeiner	Diane Croff	Chene Thompson	Oscar Gelpi Special Counsel	Jonathan Granoff	Stacey Ibarra
	John Wethington	David Gillespie	Cathy McKyton		Kathleen George	Laudelina McDonald	Luis Martinez
		HeatherLee	Michael Schmid		Julie Hogan		
		Anne Wedge-McMillen	Thomas Smith		Stephen ImMasche		
		Dan Mosley	Michael Williams		Margery Lexa		
		Jim Schneider General Counsel			Ed Pyers		

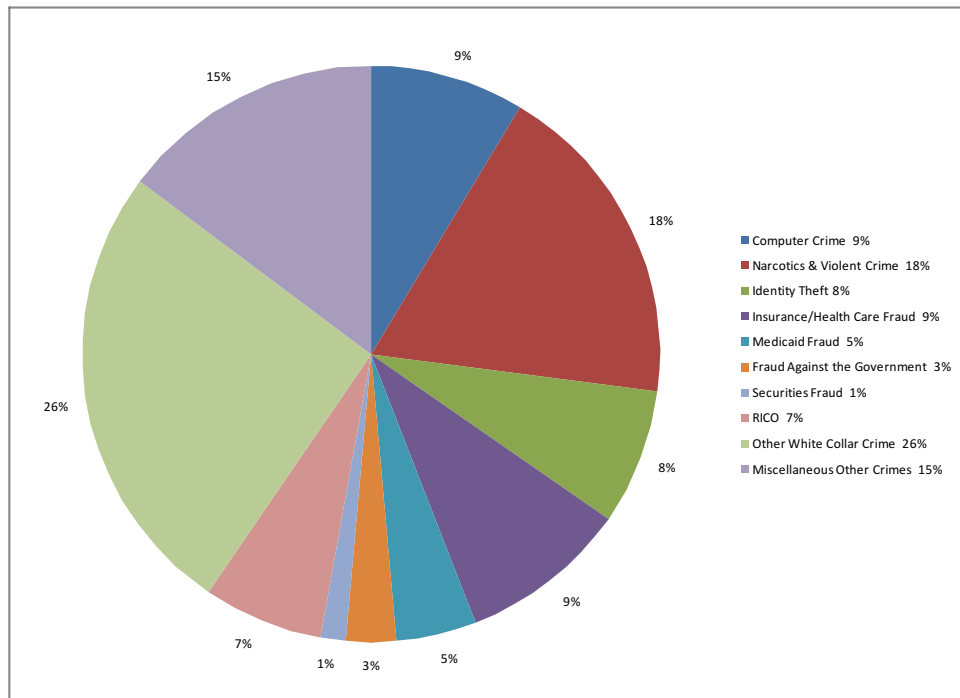
Below is a list of support staff assigned to each Office as of December 31, 2007.

Tallahassee	Jacksonville	Orlando	Tampa	Ft. Myers	Ft. Lauderdale	Miami	West Palm Beach
Jacqueline Perkins-McDaniel, Executive Director	Christopher Floyd, Criminal Financial Analyst	Sherrie Cheeks, Criminal Financial Analyst	Delores Funes, Criminal Financial Analyst	Rebecca Tyrrell, Criminal Financial Analyst	Barbara Goodson, Criminal Financial Analyst	Georgina Clinche, Sr. Executive Secretary	Lisa Cushman, Sr. Executive Secretary
Tammy Peterson, Criminal Financial Specialist	Connie Bland, Sr. Executive Secretary	Theresa Ronnebaum, Victim Advocate	Virginia Caswell, Administrative Assistant	Dawn Andrews, Executive Secretary	Thelma Alvarado, Research Associate	Barbara Rodriguez, OPS Secretary	Shena Matter, Executive Secretary
Lula Weston, Sr. Executive Secretary		Amy Romero, Administrative Assistant	Debra Kersting, Executive Secretary		Noemi Hernandez, Administrative Assistant		
		Shirley Moton, Executive Secretary	Omayra Kohler, Executive Secretary		Denise Greene, Executive Secretary		
		Jessica Watkins, Executive Secretary	Michele Stano, Executive Secretary		Rimma Romashova, Executive Secretary		
		Myrlande Guillaume, OPS Secretary	Nataya Birdsong, OPS Secretary		Omarelis Jimenez, Executive Secretary		
		Christine Samuels, OPS Secretary					

Sentencing Data 2007

Total Number of Years in Prison	1,156
Total Number of Life Sentences	2
Total number of Days in Jail	12,189
Total Number of Years on Probation	1,377
Total Number of Years on Community Control	50
Total Number of Hours on Community Service	7,505
Total Number of Defendants Charged	456
Total Number of Cases Filed	241
Total Number of Citizen Victims	822
Total Number of Government Victims	24
Total Amount of Restitution Ordered	\$33,155,270
Total Amount of Fines Ordered	\$4,707,395
Total Amount of Court Costs Ordered	\$118,374
Total Amount of Costs of Prosecution Ordered	\$1,223,842
Total Amount of Costs of Investigation Ordered	\$1,467,574
Total of All Monies Ordered	\$40,715,482

2007 Caseload Statistics





**Office of the Attorney General
PL-01, The Capitol
Tallahassee, Florida 32399-1050
(850) 414-3300**