



Miami-Dade Commission on Ethics & Public Trust

Report of Preliminary Investigation

Investigator:

Case PI13-009	Case Name: Isaac Aelion Alleged Insurance Fraud	<u>Date Open:</u>	<u>Date Closed:</u>
Complainant(s): Magaly Gordo	Subject(s): Sunny Isles Beach Vice Mayor Isaac Aelion	June 27, 2013	Aug. 14, 2013

Allegation(s):

It had been brought to the attention of COE Executive Director Joseph Centorino that allegations had been made concerning the conduct of Sunny Isles Beach Vice Mayor Isaac Aelion ("Aelion") in his capacity as an officer in the Sands Pointe Ocean Beach Resort Condominium Association. Specifically, it was alleged Aelion participated in a scheme to defraud the association out of insurance proceeds. A preliminary inquiry was opened to see if the allegations had been examined by the appropriate agency.

Relevant Ordinances:

The main allegations involved possible criminal misconduct under Florida Statutes governing theft and fraud, though COE's jurisdiction would cover any possible violation of the Miami-Dade County Conflict of Interest and Code of Ethics Ordinance, especially pertaining to Exploitation of Official Position.

Investigation:

Interviews

On or about June 27, COE contacted police Det. Wastine Allen of the Public Corruption Investigations Bureau. Det. Allen was the detective who took the initial complaint from Magaly Gordo (hereinafter "Gordo"). Corporate records show Gordo serves on the Sands Pointe condo board along with Aelion.

Det. Allen advised that he interviewed Gordo back on or about September 2012, and that she alleged Aelion was involved in official misconduct and insurance fraud. He said that at the time of the interview, Gordo was running against Aelion for a condo board seat. He said Gordo was asked to provide additional information relating to the alleged fraud. He said that Gordo did not provide the requested information and, moreover, that, since no allegations had been made regarding Aelion's actions as a public official, PCIB determined that the allegations did not fit its "criteria" and he said the matter was referred to the Insurance Fraud Unit, part of the Florida Department of Financial Services.

Det. Allen also suggested contacting his supervisor, Sgt. Dawn Colon, and requesting a copy of his contact report detailing his interview with Gordo and subsequent disposition of the matter. A copy of said report was requested that same day.

On Aug. 8, 2013, COE contacted Lt. Bill Sanders of the Division of Insurance Fraud. He said he was referred the Aelion matter and, after speaking with Gordo, determined that there was no evidence of insurance fraud and his agency decided not to pursue it. He noted that members of condominium boards frequently attempt to involve his agency in internal disputes.

Lt. Sanders noted that, as a condo board officer, Gordo should have access to financial records and insurance documents and should be able to conduct her own review. He said the board, if it suspects misuse of funds, should hire a forensic accountant to look into the matter. He said he considers it a civil matter. He reiterated that he had not been presented with any evidence of insurance fraud.

Document/Audio/Video Review:

On or about July 10, 2013, COE received a copy of the PCIB contact report from Sgt. Colon regarding the Sands Pointe allegations. In the report, Gordo accuses Aelion of withholding information about contracts and other condominium business. She further alleged that Aelion may have diverted funds from an insurance settlement for personal use. She stated the condo association submitted a claim for \$5.1 million and only received \$2.1 million, adding she suspected "money may have been transferred to Aelion via a third party." The report notes that, upon further review, PCIB decided the information provided did not relate to Aelion's office and declined to look into the matter, referring it instead to the

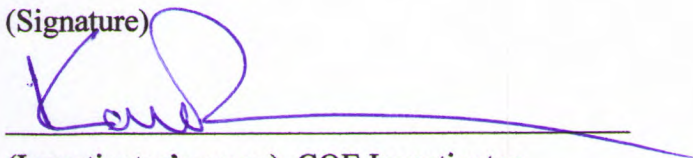
On or about Aug. 14, COE reviewed state incorporation records to verify that Aelion was a past president of the Sands Pointe condominium and that he currently serves as secretary. The records also show that Gordo was identified as a director of the same condominium board. Attempts were made to reach Gordo on her home and cell phone during the week of August 11-16, but COE was advised by someone who answered the phone at her residence that she was on vacation.

Conclusion(s):

Based on the preliminary inquiry, it would appear that allegations about Aelion's suspected involvement in a scheme to defraud his condominium were routed to the appropriate investigation agency, the Division of Insurance Fraud. The preliminary inquiry did not find allegations of a nature that would be covered under the county ethics code.


After consultation with the Ethics Commission Advocate it was determined that this matter would be closed with no further action and a copy of the report would be sent to Ms. Gordo.

(Signature)

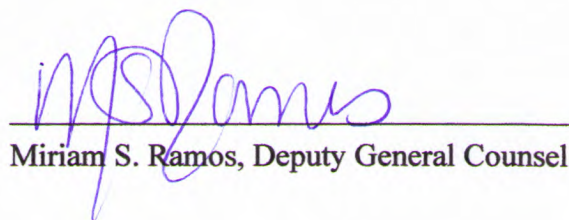


(Investigator's name), COE Investigator

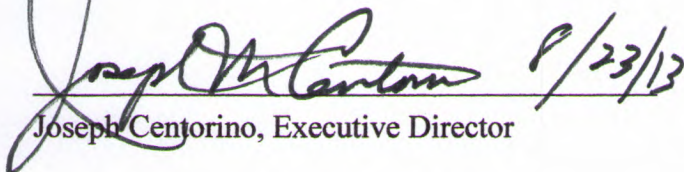
Approved by:

 8/16/13

Michael Murawski, Advocate



Miriam S. Ramos, Deputy General Counsel

 8/23/13

Joseph Centorino, Executive Director