



2016

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Arizona Automobile Theft Authority Mission Statement

To deter vehicle theft through a statewide cooperative effort by supporting law enforcement activities, vertical prosecution, and public education & prevention programs.



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Executive Director

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Chief Financial Officer

Ann Armstrong
Grant Administrator

Bree Boehlke
Administrative Assistant III

Amanda O'Halloran
Administrative Assistant II

Letter to the Governor

The Honorable Douglas A. Ducey
Governor of Arizona
1700 West Washington
Phoenix, AZ 85007



Dear Governor Ducey:

The Arizona Automobile Theft Authority (AATA) is pleased to present its 2016 Annual Report.

Arizona continues to be a leader in auto theft reduction and prevention strategies. The foresight of the Arizona Legislature in the 1990's has been a tremendous asset to Arizona citizens. As the Agency heads into its 25th year, (1992-2017) we look forward to continued service to Arizona as we work to reduce crime in all communities.

In 2015, there were 16,785 reported total stolen vehicles, a slight one percent (1%) increase from 2014. Once the #1 state for vehicle thefts, Arizona currently ranks fifteenth (15th) in the U.S., for vehicle thefts per capita; ninth (9th) in the nation for total number of vehicle thefts. Since AATA's inception, Arizona has seen a 57% decrease in vehicle thefts, a winning improvement for our state. The fight, however, is not over – an increase in doing business and a funding shortage is close to changing the direction of progress that's been made. The AATA is once again requesting an appropriation increase for FY'18, which does NOT affect the Arizona General Fund, from \$5.3 million to \$6.5 million for FY'18.

The AATA is a unique agency, using NO State General Fund monies, we self-fund through an annual assessment of more than 400 insurance companies that write auto policies in Arizona. The AATA's current strategies and programs emphasize funding for effective statewide law enforcement, prosecution and prevention efforts to combat auto theft crimes across Arizona. The insurance industry remains a vital partner in Arizona's fight to combat auto theft, insurance fraud, and related crimes across our state.

The Agency continues to allocate resources and develop expertise to stay a step ahead of today's sophisticated and organized thefts rings. In 2016, our largest grantee, the Arizona Vehicle Theft (RATTLER) Task Force, experienced increased arrests, recoveries, and convictions across the state. This year, Task Force Detective Danny Garcia, with Apache Junction PD, was awarded the AACOP "Officer of the Year" for his exemplary service on several high-profile cases, including apprehension of a bank robbery suspect last year in Tempe.

We look forward to continued service to the citizens of Arizona and we thank you for your support.

Respectfully,
Frederick W. Zumbo
AATA Executive Director

2016 AATA Board of Directors

The AATA Board of Directors includes twelve (12) members, appointed by the Governor and other organizations; representatives include: two police chiefs, two sheriffs, two county attorneys, two insurance industry representatives, two members of the general public, and the Directors of the Arizona Department of Public Safety and Arizona Motor Vehicle Division.



Dean C. Butler
Chairman
Farmers
Insurance

Chief Daniel G. Sharp
Vice-Chairman
Oro Valley Police
Department

Sheriff Joe Arpaio
Maricopa County
Sheriff's
Department

Sheriff Paul Babeu
Pinal County
Sheriff
Department

Joe Brosius
Public Member

Frank L. Milstead
Director
AZ. Dept. Of
Public Safety

Chief Roy W. Minter
Peoria Police
Department

Bill Montgomery
Maricopa County
Attorney

Matt Reed
State Farm
Insurance

Mary Snider
Public Member

Eric Jorgensen
Director of
Motor Vehicle
Division with the
AZ. Dept of
Transportation

M. Lando Voyles
Pinal County
Attorney



September 16, 2016
AATA Board Meeting

Pictures provided by
Laurence Franklin Gariffo

Agency Overview

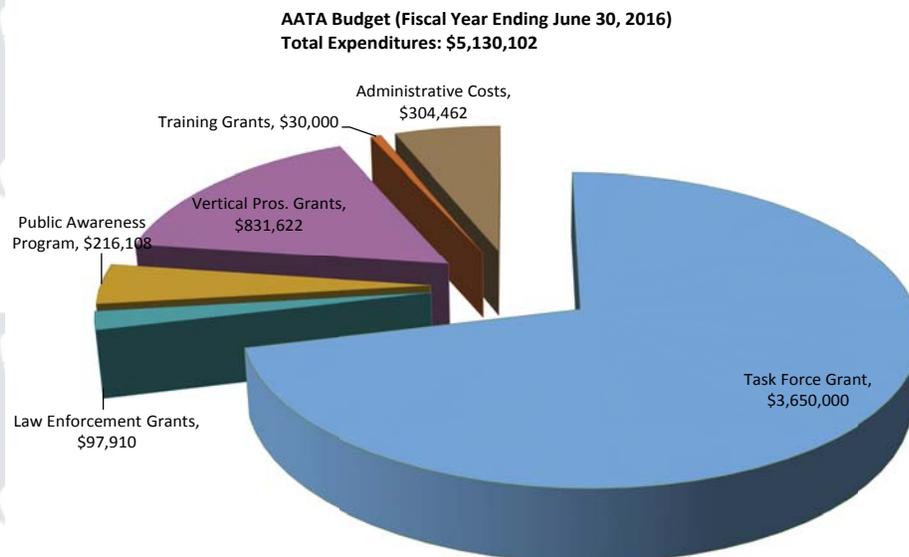
The Arizona Automobile Theft Authority (AATA) was established by the Arizona Legislature in 1992 to create a statewide effort to reduce auto theft. The AATA is funded through semi-annual assessments of over 400 insurance companies doing business in Arizona. The Agency does not receive ANY funding from the State's General Fund.

The foresight of the Arizona Legislature in creating the AATA has placed Arizona as the leader in methodology and successful results in combating vehicle theft. The AATA serves as a unique example of an effective public/private and consumer partnership and is viewed as a national and international model for sustainable auto theft reduction strategies.

Per A.R.S. § 41-3451, the Agency is governed by a 12-member Board of Directors, appointed by the Governor, statute, and/or law enforcement organizations. The AATA currently has a 5-member staff responsible for executing the Agency's strategic plan, including statewide auto theft reduction programs as well as grant funding, program review & compliance reporting. In 2012, the Arizona Legislature passed Senate Bill 1042, which continues the AATA through July 1, 2022.

Over 91% of collected funds are issued for Law Enforcement, Vertical Prosecution and Public Awareness Grant programs administered by AATA Staff. The Arizona Vehicle Theft Task Force remains our largest project, followed by Vertical Prosecution grants to County Attorney's offices for specialized Auto Theft Prosecutors across the state. Public Awareness grants are also issued for prevention campaigns and VIN etching equipment. In addition, the AATA administers the free, statewide Watch Your Car decal program, sponsors free VIN Etching events, and numerous community & police-based prevention projects. Our message encourages the public to be diligent about practicing theft prevention and utilize a "layered approach" to protection.

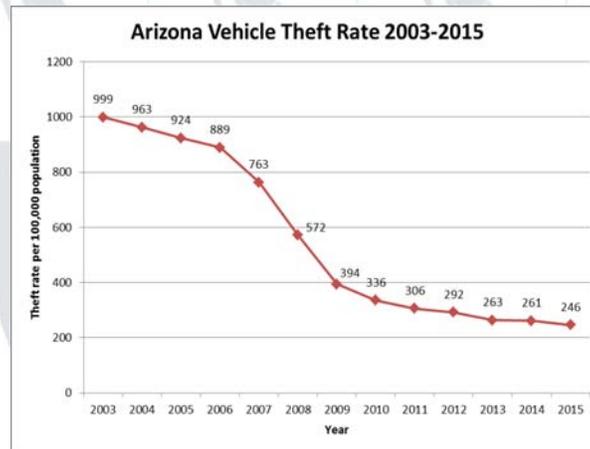
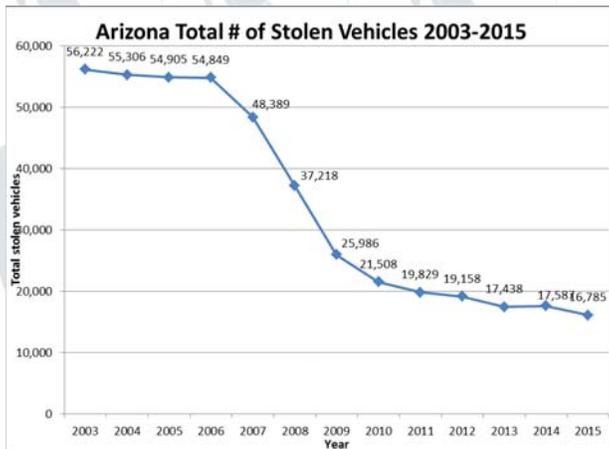
In FY16, the AATA continued to focus a majority of its resource allocation (\$3,650,000 or 71% of total budget) to the AZ. Vehicle Theft Task Force for its continued statewide enforcement and investigative efforts. Since 2000, the AATA has provided annual grant funding to law enforcement agencies and county attorney offices across Arizona with the highest auto theft rates. This year, the AATA has been actively expanding its reach to smaller Arizona counties to provide financial and/or resource support for their jurisdictional auto theft problems.



Motor Vehicle Theft in Arizona and the United States

In 2015, Arizona reported 16,785 stolen vehicles; a slight 1% increase from 2014 and an \$85 million economic loss for the state of Arizona.

Once the #1 state for vehicle thefts, Arizona currently ranks fifteenth (15th) in the U.S., for vehicle thefts per capita; ninth (9th) in the nation for total number of vehicle thefts behind California, Texas, Florida, Washington, Georgia, Illinois, Ohio, and Missouri.



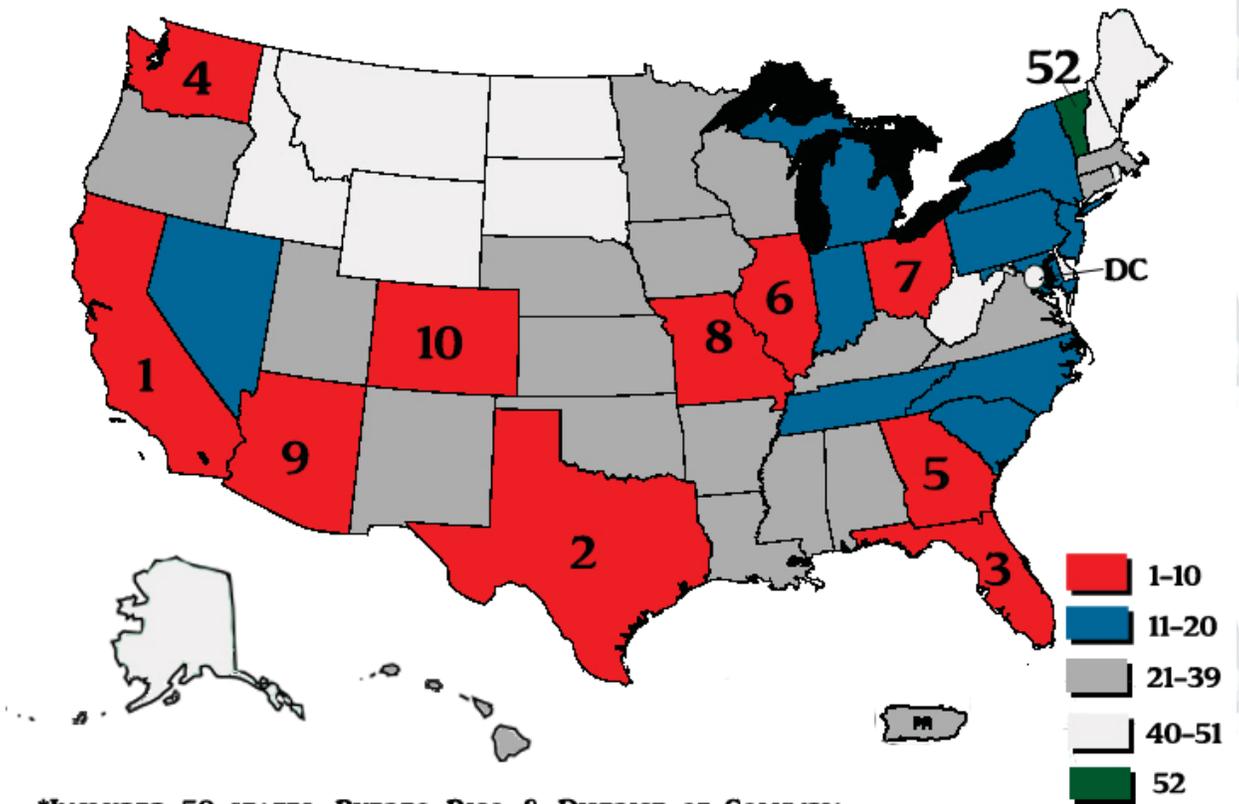
Nationwide in 2015, there were 707,758 motor vehicle thefts. The estimated rate of motor vehicle thefts was 220.2 per 100,000 inhabitants. Vehicle thefts increased 3.1 percent in 2015 when compared with the 2014 estimates. Additionally, more than \$4.9 billion was lost nationwide to motor vehicle theft in 2015; the average dollar loss per stolen vehicle was \$7,001. In 2015, of all motor vehicles stolen, 74.7 percent were automobiles.

Auto theft has increasingly become a Transnational Crime, featuring very sophisticated Organizations (TCO's) stealing vehicles in Arizona to conduct illicit activities on both sides of the border. Stolen vehicles are destined for foreign countries; crossing the Mexico border to the south or in shipping containers sent out of state from/to port cities. Additionally, INTERPOL, the international intelligence community, has identified vehicle theft and related criminal activity, including insurance fraud, as one of the primary funding sources for international terrorism.

Insurance fraud remains another troubling aspect of auto theft and often perceived as a victimless crime, however, the estimated losses from this crime exceed \$100 Billion annually. According to the Arizona Department of Insurance, ten percent (10%) of all types of insurance claims (property & casualty, health, life, workers' compensation) are suspected to be fraudulent. The losses from fraudulent auto insurance claims in Arizona cost policyholders an estimated average of \$167 to \$200 in higher annual premiums.

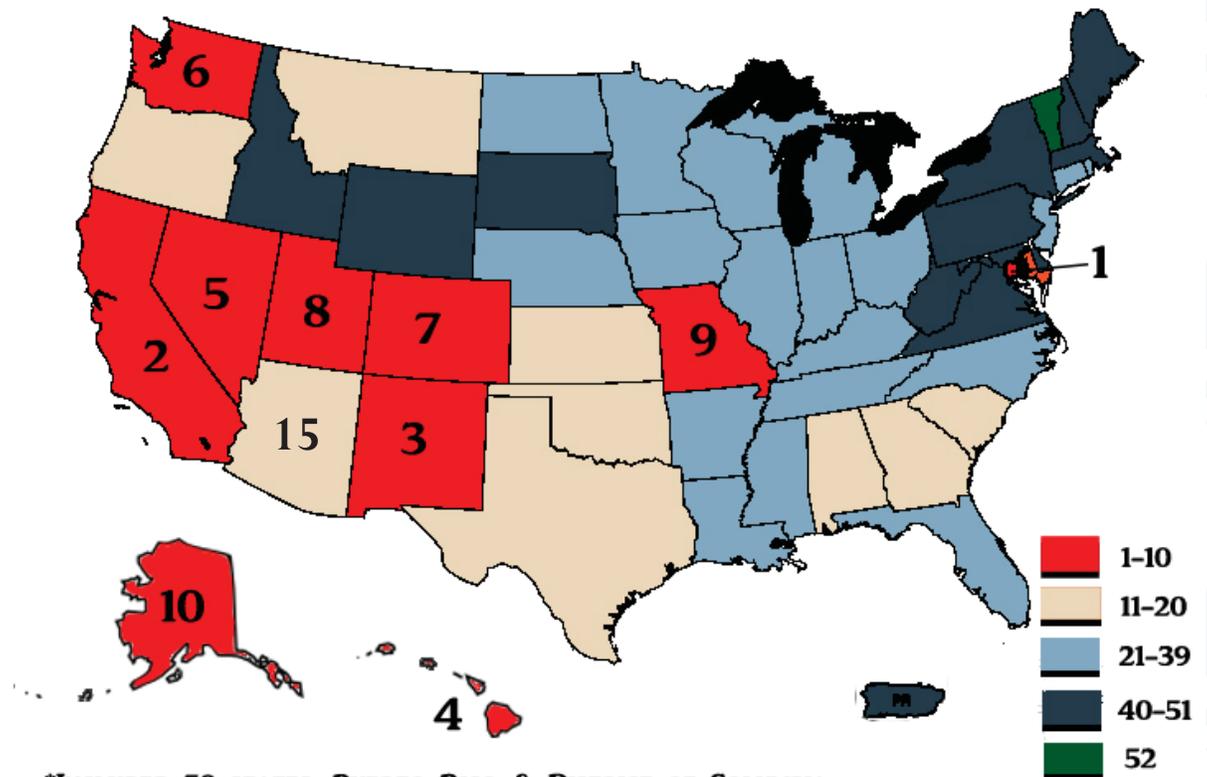
* According to the 2015 AZ. DPS Crime in Arizona Report, "Motor vehicles that were stolen in conjunction with a more "serious" index offense such as robbery, burglary, carjacking are not included in this count. This count represents only those instances in which a motor vehicle theft was the only or most "serious" offense committed."

2015 TOTAL STOLEN VEHICLES



*INCLUDED 50 STATES, PUERTO RICO & DISTRICT OF COLUMBIA

2015 THEFT RATE U.S. RANKINGS



*INCLUDED 50 STATES, PUERTO RICO & DISTRICT OF COLUMBIA

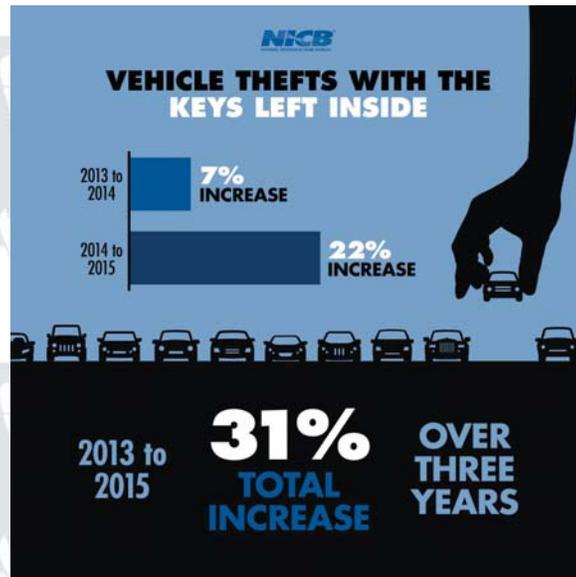


2015 Hot Spots Report– According to the National Insurance Crime Bureau (NICB), in 2015, eight out of ten MSA’s (Metropolitan Statistical Area), with the highest theft rates were in California. The Phoenix MSA once ranked the #1 “Hot Spot” for auto theft just over ten years ago, plunged down the list to 80th place. Tucson, which previously held the #2 spot, fell to #99 during that period; Yuma #103.

Top 10 MSA’s with the Highest Vehicle Theft Rates - 2015

Rank	MSA Name	Theft Rate
1	Modesto, CA	756
2	Albuquerque, NM	734
3	Bakersfield, CA	680
4	Salinas, CA	676
5	San Francisco-Oakland-Hayward, CA	656
6	Stockton-Lodi, CA	641
7	Pueblo, CO	601
8	Merced, CA	598
9	Riverside-San Bernardino-Ontario, CA	557
10	Vallejo-Fairfield, CA	539

80	Phoenix-Mesa-Scottsdale, AZ	264
99	Tucson, AZ	240
103	Yuma, AZ	229
111	Lake Havasu City-Kingman, AZ	217
265	Sierra Vista-Douglas, AZ	111
271	Flagstaff, AZ	106
300	Prescott, AZ	87



Law Enforcement Programs



Arizona Vehicle Theft Task Force

A critical role in the AATA's mission is to support proactive, law enforcement activities throughout Arizona. The AATA partners with the Arizona Department of Public Safety, state, local, and county law enforcement agencies to fund the Arizona Auto Theft Task Force, or "RATTLE" (Regional Auto Theft Team Law Enforcement Response) which is the AATA's largest grantee annually (\$3.65 Million - 71% of AATA's annual budget).

The Task Force is comprised of local, county, state, and federal law enforcement agencies as well as agents from the National Insurance Crime Bureau participating in a cooperative effort to identify, apprehend, and prosecute individuals and criminal organizations that profit from vehicle theft and related crimes. They serve as a statewide resource for the investigation of vehicle thefts, chop shops, insurance fraud, and the organized, criminal organizations. The Auto Theft Task Force serves as a statewide resource to provide technical expertise, criminal analysis, training and investigative support to law enforcement agencies targeting vehicle theft in their jurisdictions. In 2016, the Task Force experienced increased arrests, recoveries and convictions across the state. In addition, this year's Task Force Detective Danny Garcia (Apache Junction PD) was awarded the AACOP "Officer of the Year" for his exemplary service on several high-profile cases, including apprehension of a bank robbery suspect last year in Tempe.

2016 Arizona Vehicle Theft Task Force - Case Highlight:

In FY2016, the Vehicle Theft Task Force recovered 1,238 stolen vehicles worth \$13.1M (a four year high for both); completed 57 business inspections and investigated 24 alleged Chop Shop operations (a four year high); arrested or charged 252 suspects (a five year high); made 969 agency assists; and, provided 24 training sessions to law enforcement agencies (a five year high). Training included teaching advanced auto theft investigations to seasoned law enforcement personnel and county attorneys, including case reporting and management, as well as teaching hundreds of local and federal Mexican law enforcement personnel basic stolen vehicle identification techniques in Mexico.



MOHAVE COUNTY DETAIL
BUSINESS INSPECTION OF A SALVAGE YARD



RECOVERED STOLEN MAZARATI WORTH \$132,000 STOLEN IN A CAR-JACKING FROM NEW JERSEY. TWO SUSPECTS ARRESTED.

AZ. VEHICLE THEFT TASK FORCE FY'16 RESULTS

JULY 1 – JUNE 30

	Number	2015-2016 Estimated Value
Combined Activity		
Stolen Vehicles Recovered	1238	\$13,133,765.00
Stolen Vehicle Locates	298	\$2,497,077.00
“Chop Shops” Investigated	24	
Altered/Switched VIN’s	147	
Felony Arrests	252	
Adults	241	
Juveniles	11	
Insurance Fraud Cases	10	
Business Inspections	57	
Border Interdiction Programs	16	
CORE Programs	6	
Training Provided	24	
Assist to Other Agencies	969	



2015 HOT WHEELS- MOST STOLEN VEHICLES LIST

TOP 10 IN UNITED STATES:

1. HONDA-ACCORD
2. HONDA CIVIC
3. FORD PICKUP (FULL SIZE)
4. CHEVROLET PICKUP (FULL SIZE)
5. TOYOTA CAMRY
6. DODGE PICKUP (FULL SIZE)
7. TOYOTA COROLLA
8. NISSAN ALTIMA
9. DODGE CARAVAN
10. CHEVROLET IMPALA

TOP 10 IN ARIZONA

1. CHEVROLET PICK UP (FULL SIZE)
2. FORD PICKUP (FULL SIZE)
3. GMC PICKUP (FULL SIZE)
4. HONDA CIVIC
5. HONDA ACCORD
6. DODGE PICKUP (FULL SIZE)
7. FORD EXPLORER
8. JEEP CHEROKEE/ GRAND CHEROKEE
9. FORD PICKUP (SMALL SIZE)
- 10 CHEVROLET PICKUP (SMALL SIZE)

2016 Auto Theft Reduction Programs

AATA's three strategic initiatives - law enforcement, vertical prosecution and public awareness and prevention all work together to combat auto theft throughout Arizona. Since 2000, the AATA has issued annual grant funding to law enforcement agencies across the state to proactively combat auto theft in counties with the state's highest auto theft rates.

The citizens of Arizona can expect that our state will remain on the forefront of combating vehicle theft and the associated crime that has plagued our communities. The AATA, the Arizona Vehicle Theft Task Force, and the AATA's law enforcement partners continue to recognize the organized crime and drug cartel impact on vehicle theft rates in Arizona and diligently battle the foundations of this gateway crime.

The AATA has worked to provide statewide resources where they'll have the greatest impact, while paying attention to the needs of smaller communities in the state. By taking a comprehensive statewide approach, working with local, county, state and federal law enforcement agencies, the AATA is able to allocate funding dedicated to combat vehicle theft in a strategic and tactical manner.

Arizona's Bait Car Program

Arizona's Bait Car program began as a pilot AATA Grant project in 2003 by a handful of Valley law enforcement agencies then soon expanded across the state. Vehicles are donated by the National Insurance Crime Bureau (NICB) and its member companies, equipped with bait car systems funded by the AATA. Bait cars are used by law enforcement agencies across the United States and Canada and have proven to be an effective tool in Arizona's auto theft reduction strategy. Police bait cars are deployed in strategic locations by law enforcement agencies. After a bait car is stolen, the location of the vehicle is monitored by police dispatchers through GPS tracking.

Recent advances in Bait Car technology, in conjunction with other related advances in GPS, wireless Bluetooth, geo-fencing, and countless technological developments, allow for a new era of bait cars that are more effective and cost efficient.

The program continues to demonstrate successful results; as of December 2015, the program has over 500 arrests since the program began. The AATA credits the program with helping drive down Arizona's auto theft rate to its lowest level since the mid-1990's.

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License Plate Readers

License Plate Reader (LPR) technology is an important tool in the detection and apprehension of auto thieves and has improved the success in the recovery of stolen vehicles. A single LPR system has the capability of scanning thousands of plates on daily basis, sweeping parking lots, streets and highways to identify and recover stolen vehicles. The LPR technology continues to improve and operates in a manner that does not impact the privacy of individuals, but identifies license plates that have been flagged as being associated with a stolen vehicle.

Vertical Prosecution Programs

Vertical Prosecution refers to the concept of utilizing dedicated, specially trained deputy county attorneys to address all phases of the criminal justice process regarding vehicle theft and related crimes from the investigative phase through sentencing. The AATA has identified Vertical Prosecution as a vital component of a comprehensive vehicle theft reduction strategy for Arizona. Vertical Prosecution has been highly successful in dealing with other criminal activities such as, homicide, narcotics, organized crime, sexual assault and crimes against children. The AATA provides annual grant funding to the county attorney offices with the highest vehicle theft rates.

In FY'16, the AATA's Vertical Prosecution Programs remained the agency's second largest annual grant program. Grant funded prosecutors and support staff are currently located in Maricopa, Pima, Pinal, Santa Cruz, La Paz and Mohave counties. Future plans include expanding the Vertical Prosecution program to additional, smaller counties across the state.

Numerous success stories are a result of the AATA's Auto Theft Vertical Prosecution Grant program; this year some Vertical Prosecution efforts include the following:

Maricopa County Attorney's Office- State v. Invan Tineor Figueroa

The defendant car-jacked a group of victims at gunpoint and fled in their vehicle, as he fled, the defendant encountered another set of victims and opened fire on them, hitting their vehicle. The defendant abandoned the first stolen vehicle and ran onto several properties where he attempted to gain access to several occupied homes. Two of the homes that he entered were occupied by minor children-- a six year old boy and his mother in one and a two year old girl and her mother in the other. The defendant eventually took a set of vehicle keys from another victim at gunpoint and fled. After abandoning the second stolen vehicle, the defendant again began approaching victims, attempting to steal a third vehicle at gunpoint. He was ultimately apprehended by police and charged with 34 felonies and 1 misdemeanor. At trial, the defendant claimed he was on the run from two 'hit men' hired by his ex-wife and her husband. The Jury did not believe the defendant's version of events and convicted him of 31 of the 34 charges. The Jury also found multiple aggravators, and found that the dangerous allegations and dangerous crimes against children allegations were proven beyond a reasonable doubt. The defendant was sentenced in March 2016 and his current department of corrections release date is in 2056.

Pima County Attorney's Office - State v. Timothy Christopher Gyuro

The defendant was on felony probation for a Burglary. During a probation search of his house, the Counter Narcotics Alliance found four ounces of methamphetamine in his room and was subsequently charged with meth sales. He was released on bond when his probation terminated. On July 10, 2016 victim reported her 1999 Dodge Durango stolen. Two days later, Auto Theft Task Force detectives saw Defendant driving the car. As they approached to arrest, he tried to throw a bottle of heroin out the window. He was apprehended and had methamphetamine on his person. The car had significant ignition damage, was force-rotated with a cracked column; and the car started without a key. Defendant admitted the truck was stolen. He has 5 prior felony convictions dating back to 1991 for forgery, theft, fraud schemes, theft of a credit card, and burglary. Defendant was sentenced to 4.5 years in prison for Theft of Means of Transportation, a Class 3 Felony by the Honorable Judge Butler.

Pinal County Attorney's Office – State v. Renato Bojorquez.

Two trials were against Renato Bojorquez who committed a string of auto thefts and vehicle burglaries in the Coolidge area. In the first case, the Pinal County Sheriff's Office found Mr. Bojorquez slumped over in the driver's seat of a recently stolen Ford Mustang that had been spray-painted purple to disguise its identity. In the second case, Mr. Bojorquez stole an irrigation truck from a farm in Florence. In both cases, jurors convicted Mr. Bojorquez of theft of means of transportation. He was sentenced to 11.25 years in the Arizona Department of Corrections on the first case, and he is awaiting sentencing on the second case.

Santa Cruz County Attorney's Office - State v. Joshua Ezra Sitts.

On December 5, 2016, the defendant, Joshua Ezra Sitts, was convicted of Theft of Means of Transportation, a Class 3 Felony, and ordered to serve a 4 year term of probation for taking a Toyota Tacoma into Mexico through the DeConcini Port of Entry in Nogales, Arizona on August 17, 2015. The defendant was stopped by U.S. customs officials prior to entering Mexico. They noticed that the truck's ignition was punched out, but the truck did not appear as a stolen vehicle when they ran its VIN on their system (the registered owner had initially given TPD mistakenly given Tucson Police Department (TPD) officers the VIN of another non-stolen truck when reporting the Toyota Tacoma stolen on August 16, 2015). The U.S. customs officials allowed the defendant to proceed into Mexico. In Mexico, the defendant was stopped by Mexican customs officials, who seized the truck and impounded it because the defendant lacked appropriate paperwork for it. In the meantime, the registered owner contacted TPD to give them the correct VIN of the Toyota Tacoma that had crossed into Mexico and this information was passed along to U.S. Customs officials. Shortly thereafter, the defendant was stopped at the DeConcini Port of Entry as he attempted to cross back into the U.S. from Mexico. He was stopped and detained by U.S. Customs officials and subsequently interviewed and arrested by detectives of the Arizona Vehicle Theft Task Force. As the case was being prosecuted, the Toyota Tacoma was successfully repatriated into the U.S. from Mexico and it made its way back to the registered owner's custody.

 Awarded
\$4.6 million
in grants for 2016

Professional Training
Vertical Prosecution
Public Outreach

www.AZWatchYourCar.com

Combating Auto Crime since 1992.

Thank you
to every
Law Enforcement
Criminal Justice &
Industry Partner
along the way!



AATA Professional & Industry Awareness Training Grant Programs

A vital role of the AATA is to provide auto theft training and an array of experience and specialized resources in areas such as technical developments, trends, cooperation, intelligence information and investigative assistance to statewide law enforcement and criminal justice agencies.

November 9 – 10, 2016 the first Metal and Auto Theft Symposium was held at the Marriot Star Pass Resort in Tucson, Arizona. The AATA teamed up with the Arizona Auto Theft Investigators Association (AATIA) and the Marana Police Department who hosted this free two day training event. The AATA provided training grants to the police agencies to cover the costs of the law enforcement officers attending the training from the funds awarded to them. There is definitely a direct collation between auto theft and metal theft. The AATA saw this as an opportunity to provide great training to law enforcement personnel on both issues.



AATA Public Awareness & Prevention Programs

The AATA's public awareness and prevention efforts continue to focus on strategic partnerships and collaborative efforts with statewide law enforcement and criminal justice agencies, community organizations, corporations and businesses. This year, the AATA partnered with AAA Arizona, AARP, the Arizona Crime Prevention Association (ACPA), Maricopa County Attorney's Office, SunWest Federal Credit Union and numerous corporations to promote auto theft and burglary prevention programs. The AATA provides grant funding and resource support to law enforcement agencies across the state to implement (and sustain) community-based public awareness programs.

Our goal is to educate and empower Arizona vehicle owners to protect and secure their vehicles and valuable at all times.

Annual Auto Theft Prevention Month in March

March 2016, the AATA sponsored the 11th Annual Statewide Auto Theft Prevention & Awareness Month in partnership with statewide law enforcement & community partners. Agencies host Free Auto Theft Prevention & VIN Etching events to increase public awareness about auto theft/burglary prevention. Events are posted on Social Media and AATA's website -

aata.az.gov/upcoming-events.

Tailgate Theft Prevention – Got Trucks??

According to a report from NICB, a national trend continuing across the U.S. is the theft of pick-up truck and SUV tailgates. The top five states for tailgate thefts—2014 and 2015 combined—were: Texas (1,421), California (875), Florida (252), Arizona (204), and Pennsylvania (68). The top five cities for tailgate thefts during these years were: Houston (300), Dallas (276), San Antonio (141), Phoenix (68), and Fresno, Calif. (51). In addition, the Phoenix area ranks among the top 10 loss cities, with its #4 ranking last year.



Tailgates can be stolen in less than 30 seconds, making them prime targets of opportunity. With replacement costs reaching \$1,300 or more, it makes sense for pickup owners to make their tailgates less attractive to thieves. To protect from thieves, there are numerous anti-theft tailgate locking devices available.

VIN (Vehicle Identification Number) Etching Program

VIN etching involves marking the vehicle identification number into the window glass of the vehicle, making the vehicle less valuable to thieves who may want to steal it. This also acts as a deterrent to chop shop operators and provides a valuable means for law enforcement to identify vehicles that have been VIN switched or cloned. The AATA provides grant funding for VIN etching equipment and supplies needed to perform this service. The AATA owns equipment and regularly loans out to law enforcement agencies across the state. The AATA also sponsors VIN etching events that are conducted by agency staff and volunteers.



Watch Your Car Program

The Watch Your Car program is one element of a “layered approach” to protection recommended by the AATA to effectively deter vehicles from being stolen. The Watch Your Car program is a FREE, voluntary enrollment program designed to deter vehicle theft, assist in the recovery of stolen vehicles, and apprehend auto thieves. After enrolling and signing an application form, participants in the program affix Watch Your Car decals to their vehicle, which authorizes law enforcement officials to stop the vehicle between the program hours of 1:00 AM and 5:00 AM, when most vehicle thefts occur, or within one mile of the international border. Enrollment forms are obtained by contacting the AATA by phone or accessing the Agency’s web site at www.azwatchyourcar.com. The Watch Your Car program is available to all citizens with cars registered in the State of Arizona.

To promote the Watch Your Car program along with proactive auto theft prevention tips, the AATA partners with law enforcement agencies throughout Arizona and participates in auto theft prevention events and safety fairs as well as homeowner’s association and Block Watch meetings. Information displays are also located at every Motor Vehicle Division and AAA Arizona Travel Office statewide as well as at insurance company claims offices and apartment community rental locations. As of December 2016, the AATA has approximately 40,000 vehicles enrolled in the program.

Youth Auto Theft Deterrent Programs

AATA has developed Youth Deterrent Programs for middle school (“A Ride For Life: The Consequences of Auto Theft”) and high school students (“Park Smart, New Driver”). The programs are made available to educators, School Resource Officers (SRO’s) and community organizations as a partnership to divert young offenders and promote auto theft prevention practices for new drivers on the road. The accompanying videos, “A Ride For Life” & “Park Smart” have now up uploaded to [YouTube](#) .



“A Ride For Life”



“Park Smart”

Bait Car & Auto Theft Deterrent Signs

Arizona police departments and local businesses have employed the use of signs in their parking lot indicating it’s a “Bait Car Deployment Area.” This not only serves as a deterrent to would-be auto thieves, but also reminds vehicle owners to secure their vehicles and protect themselves from becoming a theft victim.

Building Auto Theft & Crime Prevention Partnerships

The AATA continues to partner with community organizations, corporations and businesses, including AAA Arizona, AARP, the Arizona Crime Prevention Association (ACPA), Arizona Insurance Council, SunWest Federal Credit Union, Valley Metro, and numerous others to promote auto theft and burglary prevention. The AATA continues to conduct auto theft prevention presentations and provides resources to residents at Multi-housing and rental communities. We continue to participate in auto theft and ID theft prevention events featuring free VIN etching and secure document shredding services.

2016 AUTO THEFT PREVENTION DAY at the ARIZONA STATE CAPITOL
March 28th



Financial Report

For the Year Ended June 30, 2016

Arizona Automobile Theft Authority Fund

The Automobile Theft Authority Fund is a special revenue fund, which was established by the Arizona Legislature and is the only operating fund of the Automobile Theft Authority. The AATA does not receive any tax dollars or appropriations from the General Fund of the State of Arizona. All revenues received by the Authority, including investment income and monetary gifts, are deposited in the Automobile Theft Authority Fund. With the exception of grant or court ordered awards to the Authority, expenditures of the Authority are appropriated by the Legislature and paid from collected monies in the Fund. The financial statements for the fiscal year ending June 30, 2016 of the AATA have been audited by the accounting firm of Heinfeld, Meech & Co., P.C., Certified Public Accountants in accordance with generally accepted accounting principles and government auditing standards. Their report gave an unqualified opinion of the Authority's financial statements.

Revenue

The revenue of the AATA is derived from a statutory semi-annual assessment of 50 cents per vehicle paid by each insurance company writing automobile liability coverage in Arizona on motor vehicles weighing 26,000 pounds or less, gross vehicle weight (GVW). Current year revenue collections from insurance assessments for the fiscal year ending June 30, 2016 were \$ 6,146,592, an increase of \$480,141 or 8.47% from the prior year. All excess cash is invested with the State Treasurer and the Authority earned \$29,686 in investment income during the current fiscal year.

Expenditures

Total expenditures for the current year were \$5,130,102, an increase of \$63,279 from the total expenditures from the previous year of \$5,066,823. The Arizona Revised Statutes, A.R.S. §41-3451.H requires that "The costs of administration shall not exceed ten percent of the monies in the fund in any one year so that the greatest possible portion of the monies available to the authority is expended on combating motor vehicle theft." Accordingly, the Arizona Automobile Theft Authority tightly controls its administrative costs. Administrative expenses of the Authority are limited by statute and are not to exceed 10% of the revenue collected by the Authority. For the fiscal year ending June 30, 2016, the Authority was in compliance with this statute with "costs of administration" being 4.92%, of "the monies in the fund" as verified by the audit. The AATA's administrative costs for the fiscal year were 5.93% of total expenditures. The AATA ended the year with cash and investments with the State Treasurer of \$3,690,097.

Revenue Forecast

The AATA reviewed and analyzed the revenue collection trends for several of the previous years in determining revenue projections, there are two collection periods per fiscal year. This analysis showed a small increase in revenue in each year over the previous year. The rate of revenue growth has increased slightly in FY13, FY14, FY15 and FY16. Therefore, in going forward the AATA was cautious in its revenue projections. For the fiscal year ending June 30, 2017 (FY17), the agency projects revenue growth of 1.50% (over the previous year), this means that the anticipated revenue in FY17 from insurance collections should be approximately \$5,991,453, (\$88,543 above the revenue received in the FY16). Going forward, the agency expects revenue to increase slightly (approximately 2.00%) for the fiscal year ending June 30, 2018 (FY18), with a projected revenue of \$6,111,282. The AATA reviews each assessment submitted by an insurance company and verifies statutory compliance.

Arizona Auto Theft Authority Fund

Statement of Operations by Program for the Fiscal Year Ended June 30, 2016

	June 30, 2015	June 30, 2016
Revenue		
Current Year Collections	5,666,451	6,146,592
Prior Year Collections	-	-
Investment Income	17,702	29,686
Grants	-	-
Refund of Unused Grant Funds/Miscellaneous Income	7,943	8,213
Total Cash Collections	5,692,096	6,184,491
Change in Revenues Accrued	94,290	176,432
Total Revenue	\$5,786,386	\$6,360,923
Expenditure by Program		
Administrative Costs (1,2)	254,287	304,462
Arizona Vehicle Theft Task Force Grant	3,943,000	3,650,000
Vertical Prosecution Program	526,346	831,622
Public Awareness	236,510	216,108
Law Enforcement Grant Program	78,619	97,910
Professional Training & Special Grant Program	22,771	30,000
Emergency/Discretionary Grant Program		
Investigator Projects	290	
Reimbursable Programs	5,000	
Miscellaneous	-	-
Total Expenditures (3)	5,066,823	5,130,102
Transfer to Primary Government		
Excess of Expenditures Over Revenues	719,563	1,230,821
Beginning Fund Balance (4,5)	4,958,893	5,678,456
Ending Fund Balance (4,5)	\$5,678,456	\$6,909,277
Footnotes		
1. Administrative Costs as a Percentage of Cash Collections	4.47%	4.92%
2. Administrative Costs as a Percentage of Total Expenditures	5.02%	5.93%
3. Actual Expenditures by Category per Audited Financial Statements		
Appropriated Current Operating Expenses		
Personal Services	222,295	270,228
Employee related expenses	90,056	104,123
Professional services	25,232	21,989
Travel-in-State	685	3,529
Travel-out-State	3,397	3,961
Aid to Organizations	4,584,747	4,595,727
Other Operating	120,534	73,363
Capital Outlay	19,877	27,182
Total Expenditures	\$5,066,823	\$5,100,102
Non-appropriated Expenses		
Other Travel		-
Miscellaneous		-
Aid to Organizations		30,000-
Total Non-appropriated Expenditures		-
4&5. Fund balance includes accrued income as per the audited financial statements		
Total Expenditures	\$5,066,823	\$5,130,102
Cash invested with the State Treasurer as of June 30th	\$2,439,845	\$3,690,097
Report based on audited financial statements		

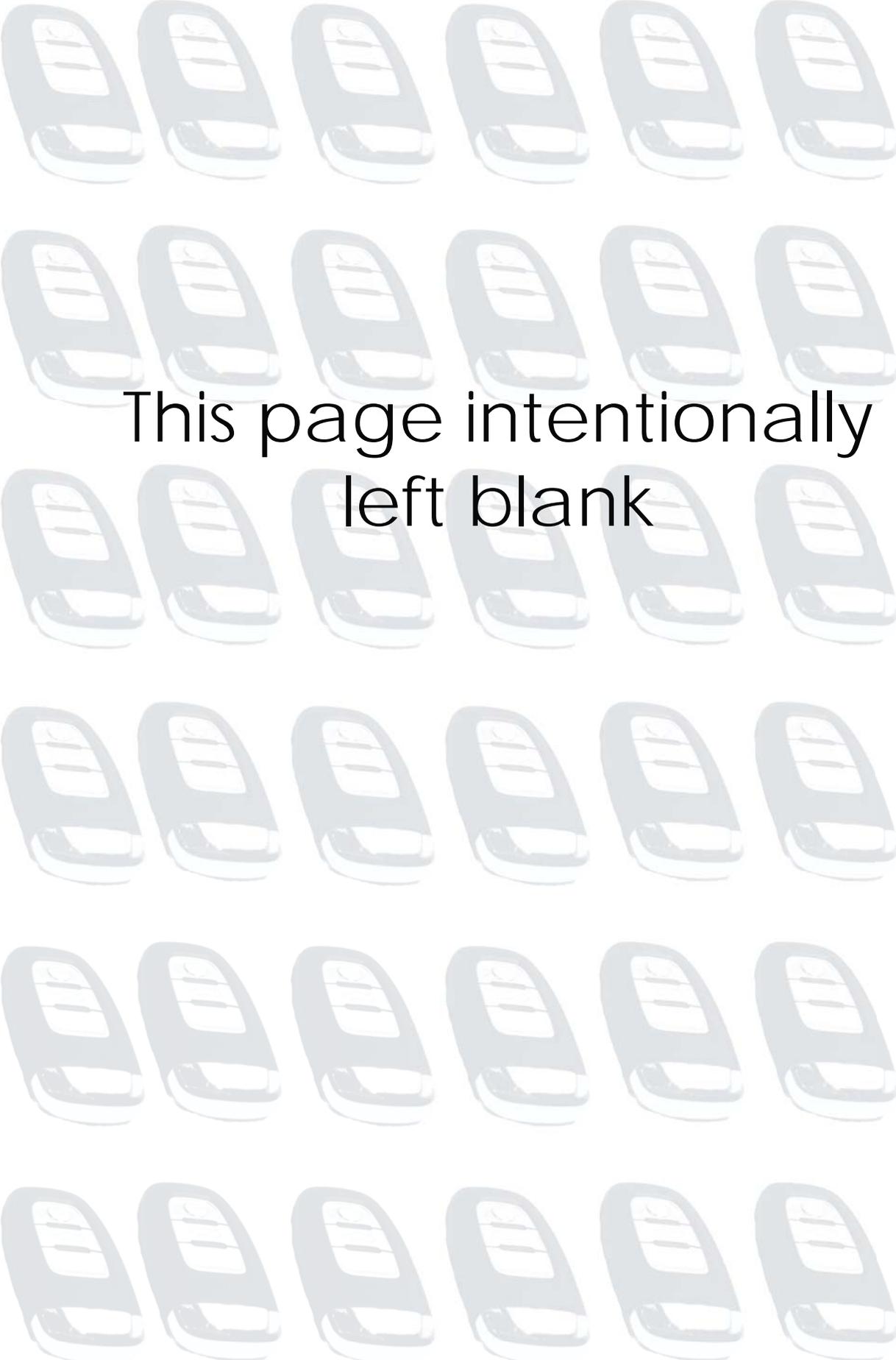
Special Thanks

The Arizona Automobile Theft Authority Board of Directors and Staff would like to thank the following individuals and organizations for their continued support and assistance.

Arizona Auto Theft Investigators Association (AATIA)
International Association of Auto Theft Investigators (IAATI) & Western Region Chapter (WRC)
National Insurance Crime Bureau (NICB)
Policia International Arizona-Sonora (PISA)
Arizona Insurance Institute (AII)

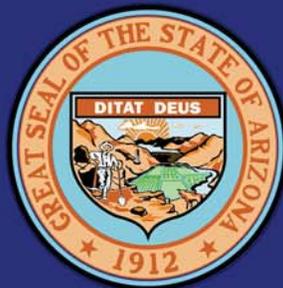
Celine Baker, GAO, Central Services Bureau
Eric Billings, Analyst, Joint Legislative Budget Committee
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Captain Sean Carney, AZ. DPS/Arizona Vehicle Theft Task Force
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Thank you to the state's criminal justice agencies for their continued participation in the Arizona Vehicle Theft Task Force and partnership with the Arizona Automobile Theft Authority.



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ARIZONA AUTOMOBILE THEFT AUTHORITY



An Equal Employment Opportunity Agency

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