

Arizona Automobile Theft Authority

2009 Annual Report



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Mission Statement

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

State of Arizona
Arizona Automobile Theft Authority
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Letter to the Governor

The Honorable Janice K. Brewer
Governor of Arizona
1700 West Washington
Phoenix, AZ 85007

Dear Governor Brewer:

It is with great pleasure that we present the Arizona Automobile Theft Authority's (AATA) 2009 Annual Report.

The AATA is pleased to report Arizona experienced a 12.25% reduction in stolen vehicles in 2008; the sixth (6th) consecutive year for a posted decrease and a reduction in vehicle theft over 40% since 2003. In addition, many Arizona law enforcement agencies have also reported decreases in vehicle thefts for the first ten months of 2009.

The Phoenix-Mesa-Scottsdale and Tucson MSA's (metropolitan statistical areas) are no longer on the top ten auto theft hot spots list for U.S. cities. In 2008, Phoenix dropped to #19 (from #8 in 2007) on the list; Tucson dropped to #13 (from #10 in 2007).

Our Agency believes the continuing decrease is a positive sign that the fight against auto theft by law enforcement and criminal justice agencies, the insurance industry and the AATA continues to be effective. Overall, Arizona consumers are impacted by reduced insurance rates and personal and financial victimization.

The AATA will continue its commitment to further reducing the incidence of vehicle theft in the state with support from our partners and looks forward to continued service to the citizens of Arizona.

Respectfully,



Dean C. Butler
Chairman of the Board

Board of Directors June 30, 2009



Dean C. Butler, Chairman of the Board
Farmers Insurance Company

Dean Butler was appointed to the AATA Board of Directors on January 5, 2001. Mr. Butler is a Farmers Insurance Agent with over 25 years of experience in the insurance industry; serving in several capacities with the Farmers Phoenix Service Center. Mr. Butler represents one of two insurance industry positions on the AATA Board and has served as the Board Chairman since 2007.



Chief Sherry Kiyler, Vice-Chair
Chandler Police Department

Chief Sherry Kiyler was appointed to the AATA Board of Directors in 2004 by the Arizona Chiefs' of Police Association and represents a city with a population of one hundred thousand or more. Chief Kiyler was appointed Chandler Police Chief on February 2, 2004. Prior to her appointment as Chandler Police Chief, she served the citizens of Phoenix and the Phoenix Police Department for over thirty-one years.



Sheriff Joe Arpaio
Maricopa County Sheriff's Office

Sheriff Joe Arpaio was appointed to the AATA Board of Directors in February 2003 by the Arizona Sheriff's Association. Sheriff Arpaio occupies one of two Sheriff positions on the AATA Board, representing a county with a population of five hundred thousand or more. Sheriff Arpaio has been the Sheriff of Maricopa County since 1993 and brings with him over 40 years of law enforcement experience.



Joe Brosius
Public Member

Governor Napolitano appointed Joe Brosius to the AATA Board of Directors in 2004. Mr. Brosius occupies one of two public member positions on the AATA Board. He is a retired sergeant with the Tempe Police Department, with over 20 years experience in the area of vehicle theft investigations.



Brian L. Garrett
State Farm Insurance Company

Brian Garrett was appointed to the AATA Board of Directors in 2005. Mr. Garrett represents one of two insurance industry positions on the AATA Board. Mr. Garrett has been with State Farm Insurance Company since 1982 and is currently the Section Manager of the Special Investigative Units (SIU) in Arizona, Nevada and New Mexico.



Sheriff Ralph E. Ogden
Yuma County Sheriff's Office

Sheriff Ralph Ogden was appointed to the AATA Board of Directors in 1997 by the Arizona Sheriff's Association. Sheriff Ogden occupies one of two Sheriff positions on the AATA Board, representing a county with a population of five hundred thousand or less. Sheriff Ogden began his career in law enforcement more than 30 years ago and was elected Yuma County Sheriff in 1993. His experience includes four years in the Marine Corps, Chief Deputy for the Yuma County Sheriff's Office and a graduate of the FBI National Academy.



Chief Daniel G. Sharp
Oro Valley Police Department

Chief Sharp was appointed to the AATA Board of Directors in October 2000 by the Arizona Chiefs' of Police Association and represents a city with a population of one hundred thousand or less. Chief Sharp has served as Oro Valley Police Chief since January 2000 and had been with the Tucson Police Department prior to his appointment. Chief Sharp brings over 25 years of law enforcement experience to the AATA Board.



Mary Snider
Public Member

Mary Snider was appointed to the AATA Board of Directors in 2008 and is one of two public members on the AATA Board. Ms. Snider is a resident of Oro Valley and is a community volunteer who founded Project Graduation in Oro Valley in 2002. Ms. Snider's career has consisted of 29 years in the health care industry. She attended Mt. Hood Community College and Portland Stat University in Portland, Oregon.



Director Stacey K. Stanton
Motor Vehicle Division, Arizona Department of Transportation

Stacey Stanton has been a member of the AATA Board of Directors since 1999. Ms. Stanton was appointed to lead the Arizona Department of Transportation's Motor Vehicle Division in December 1999. She has worked with the Motor Vehicle Division for many years, overseeing the division's customer service program in Phoenix and later, heading the division's legislative program and policy unit. Ms. Stanton has a bachelor's degree from Arizona State University.



Director Roger Vanderpool
Arizona Department of Public Safety

Roger Vanderpool was appointed Director of the Department of Public Safety by Governor Napolitano in March 2005. Director Vanderpool is the former Pinal County Sheriff. Prior to being first elected Sheriff, Director Vanderpool served 20 years with DPS and had been a police officer in Indiana. Director Vanderpool is a U.S. Army veteran, having served in Germany. He serves on over 40 different state boards and commissions.



Andrew P. Thomas
Maricopa County Attorney

Andrew Thomas was appointed to the AATA Board of Directors on January 19, 2007. Mr. Thomas occupies the County Attorney position on the AATA Board, representing a county with a population of one million or more. Mr. Thomas was elected Maricopa County Attorney in November, 2004. He is a former prosecutor and published author. He received his B.A. in Political Science from the University of Missouri in 1988 and his law degree from Harvard Law School in 1991.



James P. Walsh
Pinal County Attorney

Governor Napolitano appointed Mr. Walsh to the AATA Board of Directors on June 29, 2007. Mr. Walsh occupies the County Attorney position on the AATA Board, representing a county with a population of one million or less. Mr. Walsh became the Pinal County Attorney on May 18, 2007 after being appointed by the Pinal County Board of Supervisors. Before the Pinal County Attorney position, he served as Chief Deputy and Special Counsel for Southern Arizona in the Arizona Attorney General's Office.

Arizona Automobile Theft Authority Staff

Brian R. Salata
Executive Director

Arthur Myer
Administrative Services Officer

Ann Armstrong
Public Affairs Officer

John Rares Almasan
Public Information Officer

Nichole Thompson
Administrative Assistant

Agency Summary

Introduction

The Arizona Automobile Theft Authority (AATA) is supported by semi-annual assessments from auto insurance companies doing business in Arizona. These dedicated funds facilitate a cooperative effort by the insurance industry, law enforcement & criminal justice agencies and the citizens of Arizona. The AATA's fiscal year is from July 1st to June 30th and our budget is appropriated biannually by the Arizona Legislature.

The AATA exists to establish, coordinate and fund activities to prevent, combat and reduce vehicle theft in Arizona. By focusing resources in enforcement/investigative units, prosecution efforts, and aggressive public education programs, the AATA, in partnership with statewide law enforcement partners, has led the charge to reduce auto theft in Arizona. AATA serves as a unique example of public/private and consumer partnership and is viewed as a national model for effective auto theft reduction strategies.

The prime beneficiaries, specifically the insurance industry and vehicle owners/insurance consumers totally support the government services from which they benefit. Last year's stolen vehicle recovery rate by the Az. Auto Theft Task Force resulted in nearly \$44 million recovered for victims and insurance companies.

All motor vehicle theft statistics included in this report are based

on the 2008 calendar year, including those statistics cited from the *2008 Uniform Crime Report*, published by the Federal Bureau of Investigation (FBI) and the 2008 Crime in Arizona Report published by the Arizona Department of Public Safety.

Vehicle Theft in Arizona & the U.S.

Vehicle theft facilitates and is associated with a wide range of criminal activity in Arizona and the U.S. It accounts for significant economic loss and affects the overall quality of life in our communities. The AATA is working on local, state, national and international level to develop, implement and support law enforcement activities, border interdiction, vertical prosecution and public education program to deter vehicle theft.

In 2008, Arizona reported 37,218 stolen vehicles, which reflects a 25% decrease in the theft rate from 2007. The FBI's 2008 Uniform Crime Report (UCR) indicates there were an estimated 956,846 of motor vehicle thefts in the United States in 2008, with an estimated value of approximately \$6.4 billion dollars.

The AATA remains diligent despite the continued reduction in vehicle thefts and continue to remain concerned about the moderate recovery rate of stolen vehicles (61.7% - see chart on page 16) in Arizona. Our state's proximity to Mexico and homeland security concerns mandate employing partnerships on a national and international level to curtail vehicle theft by organized criminal groups and deter exportation of stolen vehicles to finance other criminal activities and international terrorism.



2008 ARIZONA CRIME CLOCK

one
MAJOR CRIME
every 1 min. 49 sec.

one
VIOLENT CRIME
every 18 min. 11 sec.

one
PROPERTY CRIME
every 2 min. 00 sec.

one
MURDER
every 21 hrs. 44 min.
one
FORCIBLE RAPE
every 5 hrs. 17 min.
one
ROBBERY
every 55 min. 34 sec.
one
AGGRAVATED
ASSAULT
every 31 min. 15 sec.

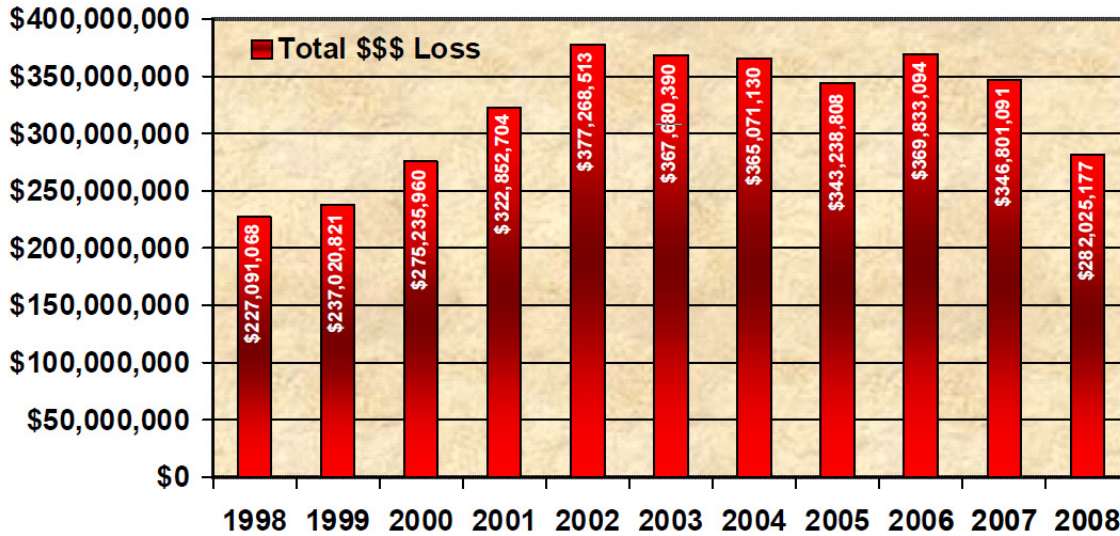
one
BURGLARY
every 9 min. 26 sec.
one
LARCENY — THEFT
every 3 min. 8 sec.
one
MOTOR VEHICLE
THEFT
every 14 min. 17 sec.
one
ARSON
every 4 hrs. 40 min.

The crime clock should be viewed with care. Being the most aggregate representation of UCR data, it is designed to convey the annual reported crime experience by showing the relative frequency of occurrence of the Offenses. This mode of display should not be taken to imply regularity in the commission of the Offenses; rather, it represents the annual ration of crime to affixed time intervals.

The FBI's UCR reflects that in 2008 the Western United States had approximately 23% of the U.S. population and accounted for 34% of all motor vehicle thefts in the Nation. The estimated number of stolen vehicles in the U.S. in 2008 dropped 12.7%

from the previous year. In addition, the U.S., motor vehicle theft rate, estimated at 314.7 thefts per 100,000 inhabitants, had a decrease of 13.4%.

Arizona Economic Loss: 1998-2008

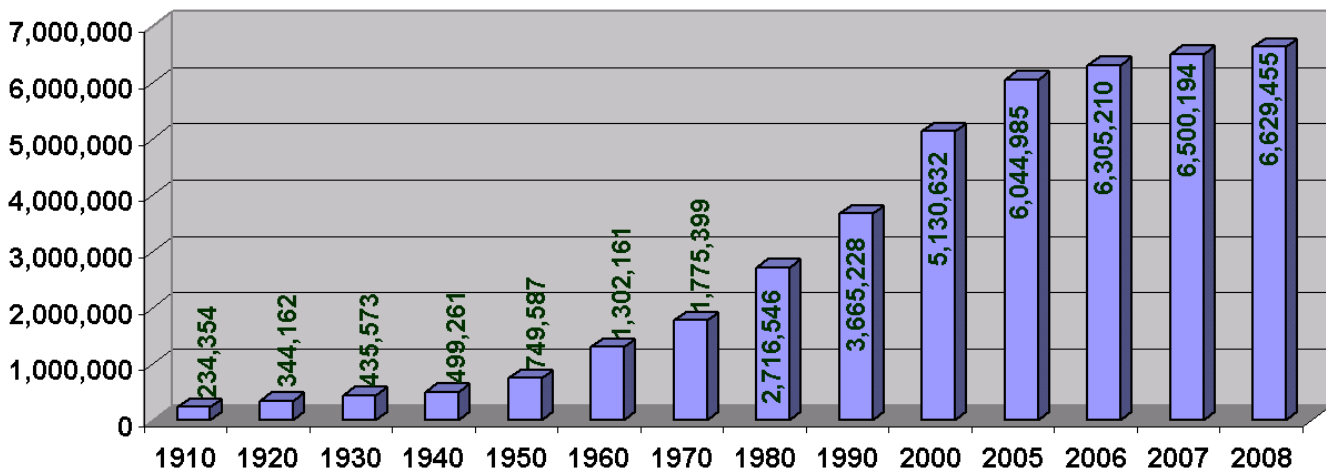


The UCR also shows that all eight states in the West Mountain Region experienced two digit decreases in the total number of vehicle thefts.

Arizona's population growth and our proximity to Mexico, remain primary factors that significantly impact the vehicle theft rate and other criminal activity. Despite the tremendous growth in population, the 2008 UCR report shows that Arizona's theft rate decreased over 25 percent from 2007 and remained number two in the nation, behind Nevada.

According to the Arizona Department of Commerce, Arizona's population for 2008 is 6,629,455 which reflects an increase of over 1,498,823 people, or 29.2 percent, since 2000.

Arizona Population: 1910 - 2008



*Arizona's estimated population as of 07/01/2008 (6,629,455)
 Note: Source — Arizona Department of Commerce

Vehicle Theft in AZ and U.S. - continued


Arizona ranks fifth (5th) in the nation in total number of vehicles stolen, and remained in third (3rd) place in the United States for vehicle thefts per capita, behind Washington, D.C., and Nevada. Arizona experienced a significant decrease in total vehicle thefts as well as the theft rate for 2008, while other states posted lower percentage decreases as demonstrated on the tables below.



Motor Vehicle Theft by State

Comparison 2007/2008

Ranked by **Vehicle Theft Rate** for Calendar Year 2007 to 2008

RANK	STATE	TOTAL# in 2008	TOTAL# in 2007	% CHANGE	2008 THEFT RATE*	2007 THEFT RATE*	% CHANGE
1	District of Columbia	6,465	7,600	-14.93%	1,092.4	1,291.9	-15.44%
2	Nevada	15,903	22,331	-28.79%	611.6	870.5	-29.74%
3	Arizona 	37,218	48,389	-23.09%	572.6	763.4	-24.99%
4	California	192,527	219,392	-12.25%	523.8	600.2	-12.73%
5	Maryland	25,333	28,393	-10.78%	449.7	505.4	-11.02%
6	Washington	28,331	37,622	-24.70%	432.6	581.6	-25.62%
7	Georgia	39,628	42,594	-6.96%	409.1	446.3	-8.34%
8	New Mexico	8,004	8,939	-10.46%	403.4	453.8	-11.11%
9	Hawaii	5,133	6,715	-23.56%	398.5	523.2	-23.83%
10	South Carolina	17,652	17,026	3.68%	394.0	386.3	1.99%
11	Michigan	36,241	42,151	-14.02%	362.3	418.5	-13.43%
12	Missouri	20,765	23,784	-12.69%	351.3	404.6	-13.17%
13	Texas	85,350	93,899	-9.10%	350.8	392.8	-10.69%
14	Florida	63,509	73,656	-13.78%	346.5	403.6	-14.15%
15	Louisiana	13,743	15,180	-9.47%	311.6	353.6	-11.88%
16	Tennessee	19,224	21,658	-11.24%	309.3	351.8	-12.08%
17	Rhode Island	3,200	3,226	-0.81%	304.5	305.0	-0.16%
18	Oregon	11,331	14,549	-22.12%	299.0	388.2	-22.98%
19	Oklahoma	10,881	13,459	-19.15%	298.7	372.1	-19.73%
20	Delaware	2,541	2,316	9.72%	291.0	267.8	8.66%
21	North Carolina	26,743	27,966	-4.37%	290.0	308.6	-6.03%
22	Alabama	13,458	14,230	-5.43%	288.7	307.5	-6.11%
23	Indiana	17,455	19,557	-10.75%	273.7	308.2	-11.19%
24	Colorado	13,519	16,792	-19.49%	273.7	345.4	-20.76%
25	Kansas	7,395	8,564	-13.65%	263.9	308.5	-14.46%
26	Utah	7,195	8,812	-18.35%	262.9	333.1	-21.07%
27	Connecticut	8,963	9,167	-2.23%	256.0	261.7	-2.18%
28	Illinois	32,572	33,887	-3.88%	252.5	263.7	-4.25%
29	Ohio	28,532	33,779	-15.53%	248.4	294.6	-15.68%
30	Alaska	1,638	2,418	-32.26%	238.7	353.8	-32.53%
31	Nebraska	4,188	5,201	-19.48%	234.8	293.1	-19.89%
32	New Jersey	20,180	21,953	-8.08%	232.4	252.7	-8.03%
33	Arkansas	6,511	7,010	-7.12%	228.0	247.3	-7.80%
34	Mississippi	6,352	7,381	-13.94%	216.2	252.9	-14.51%
35	Wisconsin	11,520	13,433	-14.24%	204.7	239.8	-14.64%
36	Massachusetts	12,737	14,992	-15.04%	196.0	232.4	-15.66%
37	Minnesota	10,078	12,526	-19.54%	193.1	241.0	-19.88%
38	Pennsylvania	22,471	26,461	-15.08%	180.5	212.8	-15.18%
39	Kentucky	7,667	8,675	-11.62%	179.6	204.5	-12.18%
40	Puerto Rico	7,003	7,822	-10.47%	177.1	198.5	-10.78%
41	West Virginia	3,204	3,492	-8.25%	176.6	192.7	-8.35%
42	Virginia	13,259	14,054	-5.66%	170.7	182.2	-6.31%
43	Montana	1,573	1,755	-10.37%	162.6	183.2	-11.24%
44	Iowa	4,332	4,885	-11.32%	144.3	163.5	-11.74%
45	North Dakota	882	914	-3.50%	137.5	142.9	-3.78%
46	Wyoming	713	796	-10.43%	133.9	152.2	-12.02%
47	New York	25,114	28,030	-10.40%	128.9	145.3	-11.29%
48	Idaho	1,668	2,226	-25.07%	109.5	148.5	-26.26%
49	New Hampshire	1,387	1,299	6.77%	105.4	98.7	6.79%
50	South Dakota	800	735	8.84%	99.5	92.3	7.80%
51	Vermont	585	641	-8.74%	94.2	103.2	-8.72%
52	Maine	1,176	1,259	-6.59%	89.3	95.6	-6.59%

*Motor Vehicle Theft Rate Per 100,000 Inhabitants


Information obtained from the U.S. Department of Justice Federal Bureau of Investigation 2008 Uniform Crime Report



Motor Vehicle Theft by State

Comparison 2007/2008

Ranked by **Vehicle Theft Rate % Change** for Calendar Year 2007 to 2008

RANK	STATE	TOTAL# in 2008	TOTAL# in 2007	% CHANGE	2008 THEFT RATE*	2007 THEFT RATE*	% CHANGE
1	Delaware	2,541	2,316	9.72%	291.0	267.8	8.66%
2	South Dakota	800	735	8.84%	99.5	92.3	7.80%
3	New Hampshire	1,387	1,299	6.77%	105.4	98.7	6.79%
4	South Carolina	17,652	17,026	3.68%	394.0	386.3	1.99%
5	Rhode Island	3,200	3,226	-0.81%	304.5	305.0	-0.16%
6	Connecticut	8,963	9,167	-2.23%	256.0	261.7	-2.18%
7	North Dakota	882	914	-3.50%	137.5	142.9	-3.78%
8	Illinois	32,572	33,887	-3.88%	252.5	263.7	-4.25%
9	North Carolina	26,743	27,966	-4.37%	290.0	308.6	-6.03%
10	Alabama	13,458	14,230	-5.43%	288.7	307.5	-6.11%
11	Virginia	13,259	14,054	-5.66%	170.7	182.2	-6.31%
12	Maine	1,176	1,259	-6.59%	89.3	95.6	-6.59%
13	Arkansas	6,511	7,010	-7.12%	228.0	247.3	-7.80%
14	New Jersey	20,180	21,953	-8.08%	232.4	252.7	-8.03%
15	Georgia	39,628	42,594	-6.96%	409.1	446.3	-8.34%
16	West Virginia	3,204	3,492	-8.25%	176.6	192.7	-8.35%
17	Vermont	585	641	-8.74%	94.2	103.2	-8.72%
18	Texas	85,350	93,899	-9.10%	350.8	392.8	-10.69%
19	Puerto Rico	7,003	7,822	-10.47%	177.1	198.5	-10.78%
20	Maryland	25,333	28,393	-10.78%	449.7	505.4	-11.02%
21	New Mexico	8,004	8,939	-10.46%	403.4	453.8	-11.11%
22	Indiana	17,455	19,557	-10.75%	273.7	308.2	-11.19%
23	Montana	1,573	1,755	-10.37%	162.6	183.2	-11.24%
24	New York	25,114	28,030	-10.40%	128.9	145.3	-11.29%
25	Iowa	4,332	4,885	-11.32%	144.3	163.5	-11.74%
26	Louisiana	13,743	15,180	-9.47%	311.6	353.6	-11.88%
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46	Oregon	11,331	14,549	-22.12%	299.0	388.2	-22.98%
47	Hawaii	5,133	6,715	-23.56%	398.5	523.2	-23.83%
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51	Nevada	15,903	22,331	-28.79%	611.6	870.5	-29.74%
52	Alaska	1,638	2,418	-32.26%	238.7	353.8	-32.53%

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9	Washington	28,331	37,622	-24.70%	432.6	581.6	-25.62%
10	North Carolina	26,743	27,966	-4.37%	290.0	308.6	-6.03%
11	Maryland	25,333	28,393	-10.78%	449.7	505.4	-11.02%
12	New York	25,114	28,030	-10.40%	128.9	145.3	-11.29%
13	Pennsylvania	22,471	26,461	-15.08%	180.5	212.8	-15.18%
14	Missouri	20,765	23,784	-12.69%	351.3	404.6	-13.17%
15	New Jersey	20,180	21,953	-8.08%	232.4	252.7	-8.03%
16	Tennessee	19,224	21,658	-11.24%	309.3	351.8	-12.08%
17	South Carolina	17,652	17,026	3.68%	394.0	386.3	1.99%
18	Indiana	17,455	19,557	-10.75%	273.7	308.2	-11.19%
19	Nevada	15,903	22,331	-28.79%	611.6	870.5	-29.74%
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26	Oregon	11,331	14,549	-22.12%	299.0	388.2	-22.98%
27	Oklahoma	10,881	13,459	-19.15%	298.7	372.1	-19.73%
28	Minnesota	10,078	12,526	-19.54%	193.1	241.0	-19.88%
29	Connecticut	8,963	9,167	-2.23%	256.0	261.7	-2.18%
30	New Mexico	8,004	8,939	-10.46%	403.4	453.8	-11.11%
31	Kentucky	7,667	8,675	-11.62%	179.6	204.5	-12.18%
32	Kansas	7,395	8,564	-13.65%	263.9	308.5	-14.46%
33	Utah	7,195	8,812	-18.35%	262.9	333.1	-21.07%
34	Puerto Rico	7,003	7,822	-10.47%	177.1	198.5	-10.78%
35	Arkansas	6,511	7,010	-7.12%	228.0	247.3	-7.80%
36	District of Columbia	6,465	7,600	-14.93%	1,092.4	1,291.9	-15.44%
37	Mississippi	6,352	7,381	-13.94%	216.2	252.9	-14.51%
38	Hawaii	5,133	6,715	-23.56%	398.5	523.2	-23.83%
39	Iowa	4,332	4,885	-11.32%	144.3	163.5	-11.74%
40	Nebraska	4,188	5,201	-19.48%	234.8	293.1	-19.89%
41	West Virginia	3,204	3,492	-8.25%	176.6	192.7	-8.35%
42	Rhode Island	3,200	3,226	-0.81%	304.5	305.0	-0.16%
43	Delaware	2,541	2,316	9.72%	291.0	267.8	8.66%
44	Idaho	1,668	2,226	-25.07%	109.5	148.5	-26.26%
45	Alaska	1,638	2,418	-32.26%	238.7	353.8	-32.53%
46	Montana	1,573	1,755	-10.37%	162.6	183.2	-11.24%
47	New Hampshire	1,387	1,299	6.77%	105.4	98.7	6.79%
48	Maine	1,176	1,259	-6.59%	89.3	95.6	-6.59%
49	North Dakota	882	914	-3.50%	137.5	142.9	-3.78%
50	South Dakota	800	735	8.84%	99.5	92.3	7.80%
51	Wyoming	713	796	-10.43%	133.9	152.2	-12.02%
52	Vermont	585	641	-8.74%	94.2	103.2	-8.72%

*Motor Vehicle Theft Rate Per 100,000 Inhabitants


Information obtained from the U.S. Department of Justice Federal Bureau of Investigation 2008 Uniform Crime Report



Motor Vehicle Theft by State

Comparison 2007/2008

Ranked by **Total Vehicle Thefts % Change** for Calendar Year 2007 to 2008

RANK	STATE	TOTAL# in 2008	TOTAL# in 2007	% CHANGE	2008 THEFT RATE*	2007 THEFT RATE*	% CHANGE
1	Delaware	2,541	2,316	9.72%	291.0	267.8	8.66%
2	South Dakota	800	735	8.84%	99.5	92.3	7.80%
3	New Hampshire	1,387	1,299	6.77%	105.4	98.7	6.79%
4	South Carolina	17,652	17,026	3.68%	394.0	386.3	1.99%
5	Rhode Island	3,200	3,226	-0.81%	304.5	305.0	-0.16%
6	Connecticut	8,963	9,167	-2.23%	256.0	261.7	-2.18%
7	North Dakota	882	914	-3.50%	137.5	142.9	-3.78%
8	Illinois	32,572	33,887	-3.88%	252.5	263.7	-4.25%
9	North Carolina	26,743	27,966	-4.37%	290.0	308.6	-6.03%
10	Alabama	13,458	14,230	-5.43%	288.7	307.5	-6.11%
11	Virginia	13,259	14,054	-5.66%	170.7	182.2	-6.31%
12	Maine	1,176	1,259	-6.59%	89.3	95.6	-6.59%
13	Georgia	39,628	42,594	-6.96%	409.1	446.3	-8.34%
14	Arkansas	6,511	7,010	-7.12%	228.0	247.3	-7.80%
15	New Jersey	20,180	21,953	-8.08%	232.4	252.7	-8.03%
16	West Virginia	3,204	3,492	-8.25%	176.6	192.7	-8.35%
17	Vermont	585	641	-8.74%	94.2	103.2	-8.72%
18	Texas	85,350	93,899	-9.10%	350.8	392.8	-10.69%
19	Louisiana	13,743	15,180	-9.47%	311.6	353.6	-11.88%
20	Montana	1,573	1,755	-10.37%	162.6	183.2	-11.24%
21	New York	25,114	28,030	-10.40%	128.9	145.3	-11.29%
22	Wyoming	713	796	-10.43%	133.9	152.2	-12.02%
23	New Mexico	8,004	8,939	-10.46%	403.4	453.8	-11.11%
24	Puerto Rico	7,003	7,822	-10.47%	177.1	198.5	-10.78%
25	Indiana	17,455	19,557	-10.75%	273.7	308.2	-11.19%
26	Maryland	25,333	28,393	-10.78%	449.7	505.4	-11.02%
27	Tennessee	19,224	21,658	-11.24%	309.3	351.8	-12.08%
28	Iowa	4,332	4,885	-11.32%	144.3	163.5	-11.74%
29	Kentucky	7,667	8,675	-11.62%	179.6	204.5	-12.18%
30	California	192,527	219,392	-12.25%	523.8	600.2	-12.73%
31	Missouri	20,765	23,784	-12.69%	351.3	404.6	-13.17%
32	Kansas	7,395	8,564	-13.65%	263.9	308.5	-14.46%
33	Florida	63,509	73,656	-13.78%	346.5	403.6	-14.15%
34	Mississippi	6,352	7,381	-13.94%	216.2	252.9	-14.51%
35	Michigan	36,241	42,151	-14.02%	362.3	418.5	-13.43%
36	Wisconsin	11,520	13,433	-14.24%	204.7	239.8	-14.64%
37	District of Columbia	6,465	7,600	-14.93%	1,092.4	1,291.9	-15.44%
38	Massachusetts	12,737	14,992	-15.04%	196.0	232.4	-15.66%
39	Pennsylvania	22,471	26,461	-15.08%	180.5	212.8	-15.18%
40	Ohio	28,532	33,779	-15.53%	248.4	294.6	-15.68%
41	Utah	7,195	8,812	-18.35%	262.9	333.1	-21.07%
42	Oklahoma	10,881	13,459	-19.15%	298.7	372.1	-19.73%
43	Nebraska	4,188	5,201	-19.48%	234.8	293.1	-19.89%
44	Colorado	13,519	16,792	-19.49%	273.7	345.4	-20.76%
45	Minnesota	10,078	12,526	-19.54%	193.1	241.0	-19.88%
46	Oregon	11,331	14,549	-22.12%	299.0	388.2	-22.98%
47	Arizona 	37,218	48,389	-23.09%	572.6	763.4	-24.99%
48	Hawaii	5,133	6,715	-23.56%	398.5	523.2	-23.83%
49	Washington	28,331	37,622	-24.70%	432.6	581.6	-25.62%
50	Idaho	1,668	2,226	-25.07%	109.5	148.5	-26.26%
51	Nevada	15,903	22,331	-28.79%	611.6	870.5	-29.74%
52	Alaska	1,638	2,418	-32.26%	238.7	353.8	-32.53%

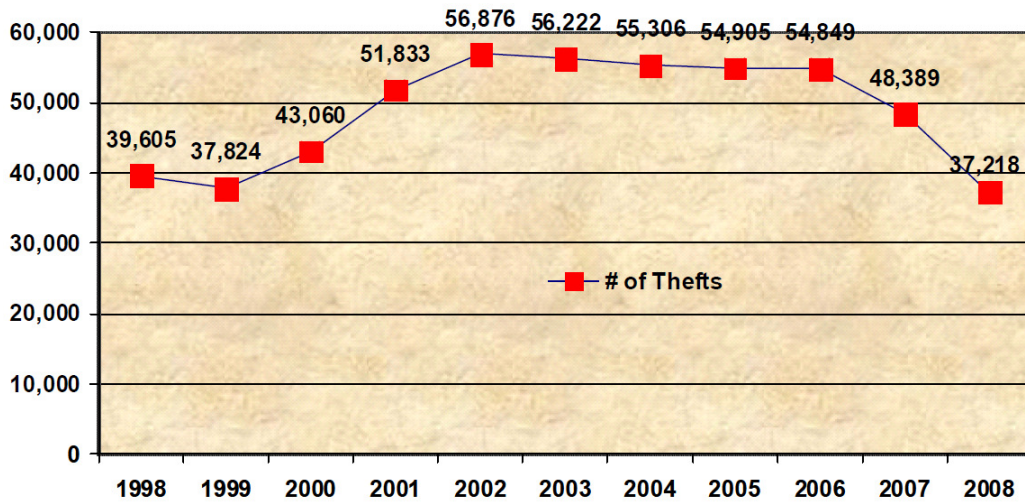
*Motor Vehicle Theft Rate Per 100,000 Inhabitants

Information obtained from the U.S. Department of Justice Federal Bureau of Investigation 2008 Uniform Crime Report

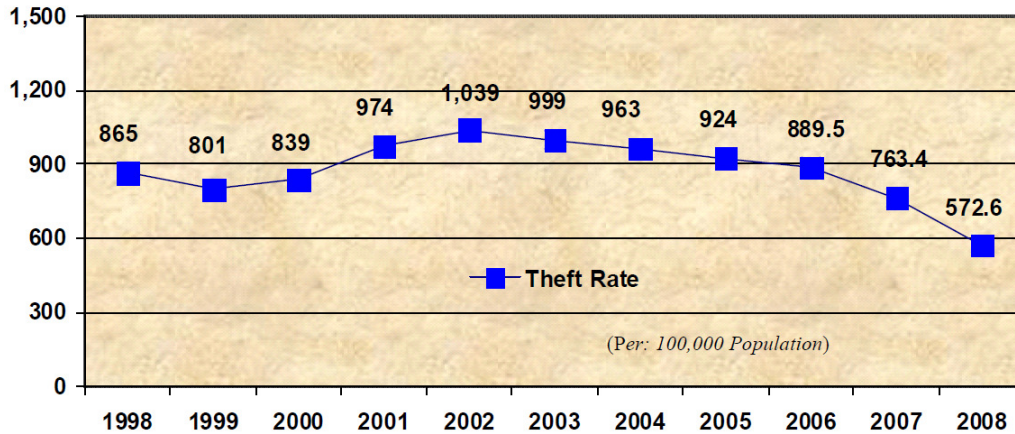
As of October 31, 2009, the Motor Vehicle Division (MVD) reported that there were 6,675,447 vehicles registered in Arizona; with 37,218 vehicles reported stolen last year, this equates to about 0.56% of the total number of vehicles registered in Arizona.

Despite recent reductions, vehicle theft continues to be a challenge for Arizona, and current statistics continue to reinforce the importance of a coordinated effort to effectively deter, investigate, prosecute as well as educate the public on vehicle theft prevention strategies.

Arizona Vehicle Theft Trends *Total Vehicle Thefts: 1998-2008



Arizona Vehicle Theft Trends *Vehicle Theft Rate: 1998-2008



*Note: Numbers/values used in the above graphs reflect information contained in the 2008 FBI Uniform Crime Report

Agency Summary - continued

The AATA is governed by a 12-member Board of Directors, appointed by the Governor and other organizations. Members of the AATA Board include: two police chiefs; two sheriffs; two county attorneys; the Directors of the Department of Public Safety, and Motor Vehicle Division; two members representing the insurance industry; and two members of the general public. The AATA has a staff responsible for executing the Agency's goals and strategic plan.

Since 2000, the AATA Board of Directors has awarded grants to law enforcement agencies and county attorney offices throughout Arizona. Grant funds help support programs and services to prevent and deter vehicle theft, as well as apprehend and prosecute auto theft criminals.

In 2008 & 2009, the AATA continued to focus a majority of its resource allocation (\$3,183,996 or 66.7% of total budget) to the Arizona Vehicle Theft Task Force (AVTTF), for its continued statewide enforcement and investigative efforts and impressive stolen vehicle recovery results.

In 2009 the AATA also issued grant funding to statewide law enforcement and criminal justice agencies for enforcement, professional training, vertical prosecution and public awareness programs. The AATA approved grants and program expenditures in the amount of \$1,014,344 (21.2% of total budget) to statewide law enforcement and criminal justice agencies throughout Arizona.

In FY's 09 and 10, the AATA has been faced with budget reductions by the Legislature as well as decreased revenue due to a downward trend in insurance collections. According to the Motor Vehicle Division, Arizona has experienced a 7.6% decrease in registered vehicles this year, which mirrors the impact for the insurance industry. The reductions have and will continue to negatively impact auto theft reduction programs in Arizona.

AATA 2009 Customer Satisfaction Survey

In July 2009, the AATA mailed 202 Customer Satisfaction surveys to a random sampling of current Watch Your Car Program members. The AATA received 80 completed surveys (39.6% return rate) and the responses have been tabulated (see Figures 1-9 on page 13).

In general, the returned surveys have served as an effective tool to measure awareness and effectiveness of the AATA and its Watch Your Car Program. Additional comments have also provided useful information about what additional steps the public is taking to prevent vehicle theft. (See Figure 7)

An overwhelming 80% of the respondents enrolled in the Watch Your Car program via the MVD mailer piece sent with their registration renewal tag. More than 16 percent of people applied for the Watch Your Car program by participating in law enforcement/AATA vehicle theft prevention events in their community.

The AATA was pleased to learn that nearly 4% of the respondents enrolled via the AATA website by completing an on-line application form. This is the most efficient method of enrollment in this program and will continue to be actively promoted by the AATA. (See Figure 1)

Over 52% of the respondents learned about the Watch Your Car program from the Motor Vehicle Division (MVD) partnership mailing. An additional 37% learned of the program from either a law enforcement agency or AATA presentation/special event. The remaining respondents learned of the program from a Blockwatch or neighborhood

meeting, or through other campaigns including mailing advertising/pay check inserts. (See Figure 3)

Most respondents (over 92.5%) did not request assistance at the time they enrolled in the program. This may be an indication that the on-line, electronic and hard copy Watch Your Car Program enrollment forms are user friendly and do not require any further clarification. (See Figure 4)

Nearly every respondent (97.5%) agreed or strongly agreed that overall, they are satisfied with the Watch Your Car Program. (See Figure 5)

Every respondent (100%) agreed that overall, AATA staff was readily available to assist them. (See Figure 6)

More than 16% of the respondents have had a vehicle stolen in the State of Arizona. The remaining 84% indicated they had not. (See Figure 8)

Regarding demographics, about 81% of the respondents were age 60 and over. Roughly 14% were between 41-59 years of age. Approximately 5% of the respondents were age 26-40, and 0% respondents were age 18-25. (See Figure 9)

The AATA appreciates the vehicle owners who took the time to complete the surveys. The AATA values the feedback and comments received and looks forward to enhancing the Watch Your Car Program as well as improving our overall customer service.

How did you enroll in the Watch Your Car program?

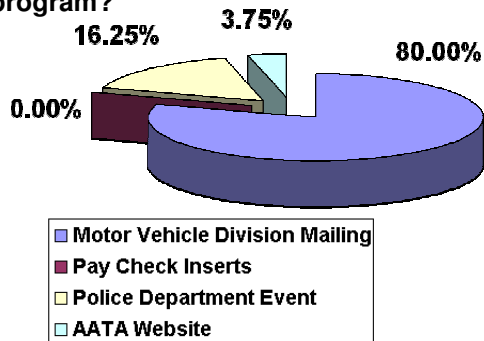
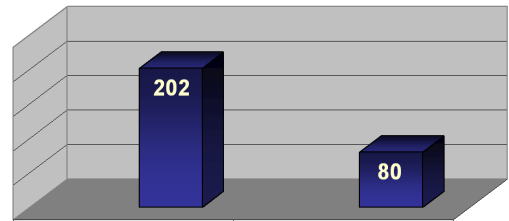


Figure 1

Percent Survey Response



Surveys sent Surveys received

Figure 2

How did you hear about the Watch Your Car Program?

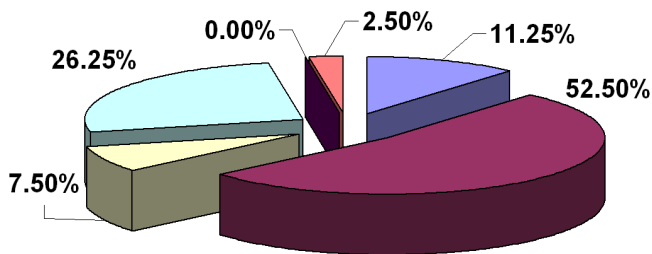
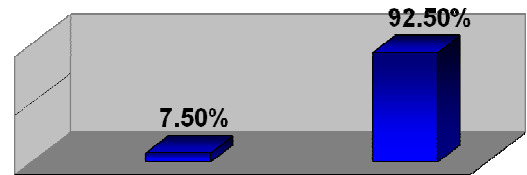


Figure 3

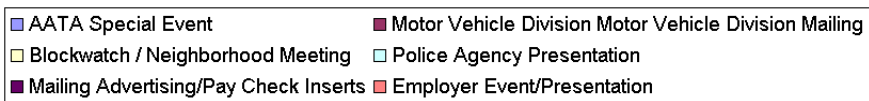
Did you request assistance at the time you enrolled in the WYC program?



Yes

Figure 4

No



Are you satisfied with the Watch Your Car Program?

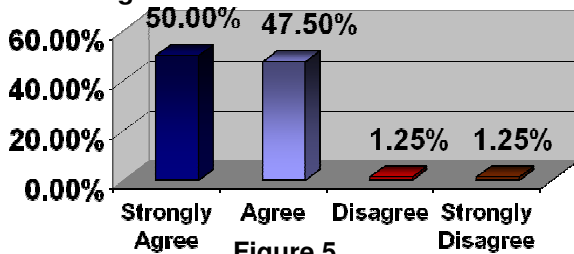


Figure 5

Was staff readily available to assist you?

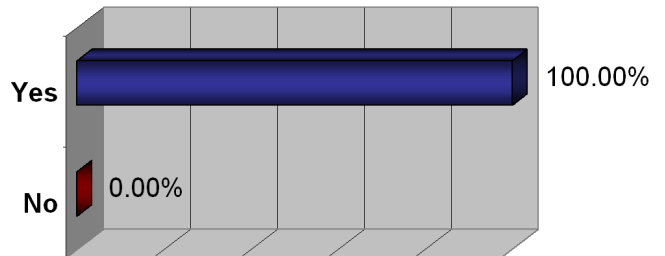


Figure 6

Has being a member of the WYC program encouraged you to take extra precautions in protecting your vehicle?

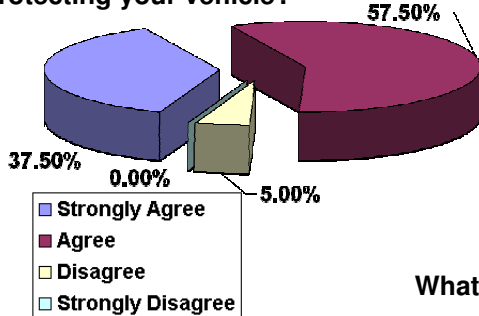


Figure 7

Have you ever had a vehicle stolen in the State of Arizona?

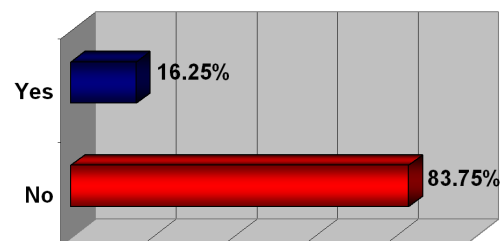


Figure 8

What is your age range?

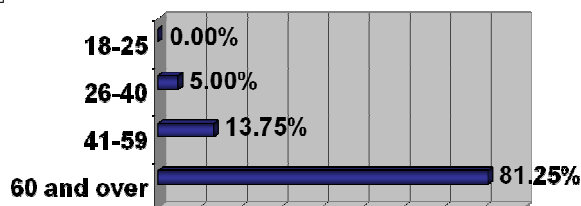


Figure 9

Agency Summary - continued

Vehicle Theft - Problem Assessment

Vehicle theft is a crime of facilitation. Vehicles are stolen for a variety of reasons, they may be stolen simply as a means of transportation or to facilitate other crimes, such as residential and commercial burglaries, robberies, ID theft, illegal drug and human smuggling activities as well as drive-by-shootings. Professional auto thieves steal vehicles for economic benefit. They operate “chop shops,” where vehicles are stripped and component parts are sold to unsuspecting buyers, or unscrupulous auto repair shops. They also attempt to conceal the identity of stolen vehicles by “VIN-switching” with wrecked or salvaged vehicles and then sell them to unsuspecting buyers. VIN cloning is a growing national problem. This crime is similar to ID theft where the identity (VIN) of a good vehicle is taken and used to conceal the true identity of a stolen vehicle of an identical make and model. These vehicles are then titled in another state and sold to an unsuspecting victim. This is a crime that can be prevented through the use of a system called, NMVTIS.

Arizona is part of NMVTIS (National Motor Vehicle Title Information System) that allows titling to instantly and reliably verify information on the paper title with the electronic data from the state that issued the title. The main issue is that so far, only a handful of states are connected. The “VIN” is the vehicle identification number and is unique to only one vehicle.

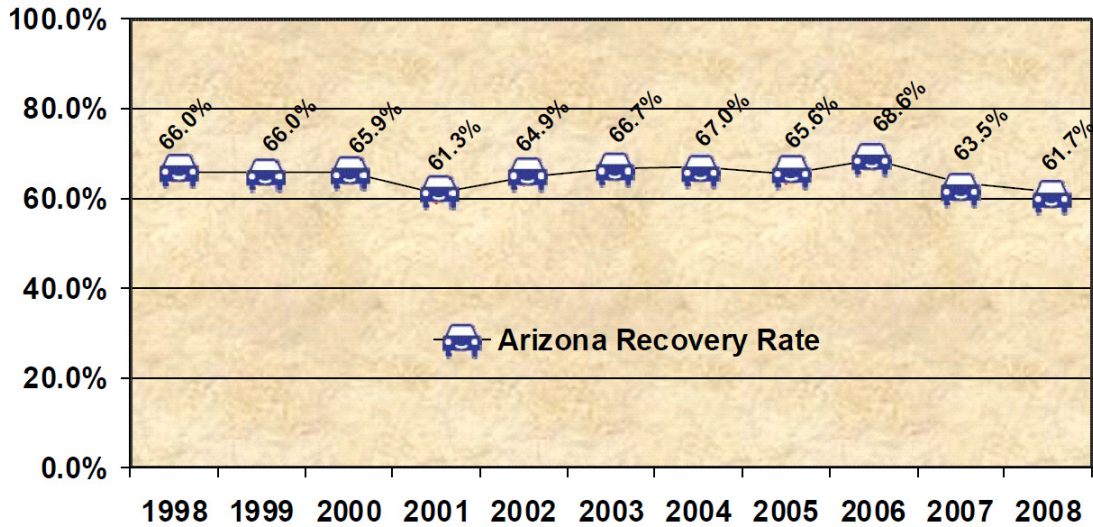
Vehicles are also stolen and smuggled out of the country; stolen vehicles from the U.S. and other affluent countries end up in Asia, Eastern Europe, the Middle East, Mexico, Central and South America. The moderate recovery rate of stolen vehicles indicates greater organized criminal activity and the problem of vehicles crossing International border lines. Additionally, Interpol, the international intelligence community, has identified vehicle theft and related criminal activity, including insurance fraud, as a primary illicit fund-raising source supporting international terrorism.

Hot Wheels – U.S. and Arizona Most Frequently Stolen Vehicles

Top 10 Most Commonly Stolen Vehicles for 2008 - Nationwide	Top 10 Most Commonly Stolen Vehicles for 2008 - Arizona
1. 1994 Honda Accord	1. 2004 Dodge Ram Pickup
2. 1995 Honda Civic	2. 1994 Honda Accord
3. 1989 Toyota Camry	3. 1995 Honda Civic
4. 1997 Ford F-150	4. 1997 Ford F150 Pickup
5. 2004 Dodge Ram Pickup	5. 2003 Ford F250 Pickup
6. 2000 Dodge Caravan	6. 1994 Nissan Sentra
7. 1996 Jeep Cherokee/Grand Cherokee	7. 1990 Toyota Camry
8. 1994 Acura Integra	8. 2006 Ford F350 Pickup
9. 1999 Ford Taurus	9. 2000 Chevrolet 4x2 Pickup
10. 2002 Ford Explorer	10. 2004 Chevrolet Extended Cab 4x2 Pickup

Source: National Insurance Crime Bureau (NICB) - 2009

Arizona Vehicle Theft Trends Recovery Rate: 1998 - 2008



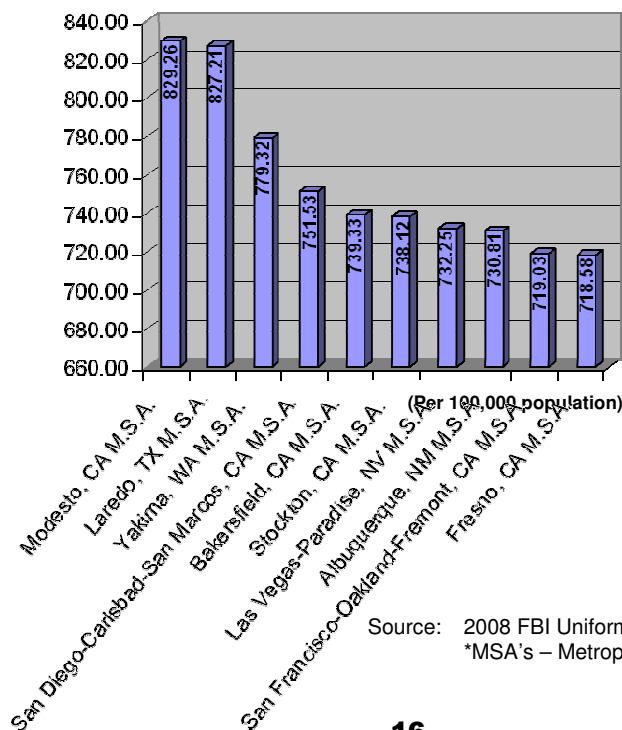
There are a number of reasons that contribute to the vehicle theft problem in Arizona. Arizona has experienced a dramatic population increase over the past 20 to 25 years. There's a rather transient nature of our population, with many people living in multi-family housing units, such as apartment communities, condos and so forth. In these types of residential areas, vehicles are at greater risk to be stolen. Due to the dry, moderate climate in Arizona our vehicles tend to maintain higher value than in other areas of the Nation.

Probably the greatest influence on Arizona's vehicle theft problem is due to the close proximity with Mexico. Research indicates that the highest motor vehicle theft vicinities are major metropolitan statistical areas (MSA's), near seaports or

international borders. In 2008, most of the leading MSA's vehicle theft rates were in the western United States; six of the top ten were in California. Phoenix dropped from eighth to nineteenth and Tucson from tenth to thirteenth place on the list.

There are seven official ports-of-entry along the 354-mile Arizona-Mexico border, and major California seaports are less than eight hours away. One of the biggest problems is that most vehicle thefts occur at night and it is typically hours later that the victim discovers that their vehicle is gone. A stolen vehicle can be stripped for parts, used to facilitate other crimes, or smuggled across international borders before the owner realizes that it's missing.

National Vehicle Theft Trends Vehicle Theft Rates 2008: Leading MSA's*



Source: 2008 FBI Uniform Crime Report
*MSA's – Metropolitan Statistical Area (encompasses multiple jurisdictions)

AATA Programs & Accomplishments

Each of the three strategic initiatives of the AATA – law enforcement, aggressive prosecution and public education all work together to combat vehicle theft throughout Arizona.

Public Education

The AATA's 2009 public awareness initiatives focused on strengthening our partnerships and collaborative efforts with community organizations, corporations and businesses, as well as criminal justice agencies throughout Arizona. The Agency has also incorporated email and social media networking into our public outreach efforts.

During FY 2009/2010, the AATA awarded \$133,714 in grant funds to twenty-six (26) law enforcement agencies to conduct public awareness activities on auto theft prevention, while also promoting VIN (Vehicle Identification Number) Etching and a "layered approach" to protecting vehicles, particularly important for older make/model vehicles. Grant agencies are required to submit quarterly performance reports to the AATA on their public awareness and community education efforts. During this period, partnering agencies participated in 703 public awareness events and meetings; VIN etched thousands of vehicles and conducted on-going law enforcement personnel training within their agencies.

On March 7, 2009, the AATA, in partnership with the Gilbert Police Department and statewide law enforcement agencies hosted the Fourth Annual Statewide Vehicle Theft Prevention Day. Over 50 agencies participated throughout the state by hosting auto theft prevention and/or free Vehicle Identification Number (VIN) etching events in an effort to increase awareness about auto theft prevention.

In the October 2009, the AATA kicked off an Auto Theft Prevention Campaign in partnership with statewide law enforcement agencies, Winner International, Checker and Pep Boys Auto Stores throughout Arizona through December.

In 2009, the AATA also continued its partnership with the Arizona Multihousing Association for the Annual Project S.A.F.E (Safety Awareness Family Education) Program at statewide multi-family housing communities. The AATA conducted vehicle theft prevention presentations and provided resources to residents at these communities.

The AATA continues to promote our Youth Prevention Programs for middle school ("A Ride For Life: The Consequences of Auto Theft") and high school ("Park Smart New Driver") students. The AATA is in partnership with school districts and School Resource Officers to distribute and present these programs to students.

In addition, media releases were distributed regularly to encourage consistent coverage of the AATA's efforts, current crime trends and statistics, and consumer protection topics.

In 2009, the AATA continued its partnerships with the Motor Vehicle Division Service Centers, AAA Arizona Travel Offices, Apartment Community and Rental Offices for distribution of Watch Your Car program brochures.

The AATA has also continued its corporate outreach program to local businesses to educate their employees about vehicle theft prevention. The Agency continues to attend employee presentations and host on-site safety fairs and employee VIN etching events. Some of the corporations include: Wal-Mart, Target, MFS Investments, Pep Boys Auto Stores, Checker Auto Stores, and CNA National Warranty.

This year, the AATA has implemented several new online marketing and social networking strategies including a Facebook Fan Page (Arizona Auto Theft Authority) and Twitter account (azautotheft).

In 2009, the AATA's web site (www.azwatchyourcar.com) was upgraded to provide the most current auto theft related information and statistics, events, e-newsletters. The website is updated regularly by AATA staff. Staff has also been promoting on-line Watch Your Car enrollment and e-business practices available for customers on the website.



Governor's Proclamation for 2009 Arizona Vehicle Theft Prevention & Awareness Day



AATA Promotional Items

The AATA's Watch Your Car van continues to be a popular promotional tool utilized consistently by the AATA and its law enforcement partners at community events, safety fairs, and promotional opportunities throughout Arizona.

The van is complete with exterior advertising graphics and theft prevention messages to be used to promote vehicle theft prevention and the AATA's free Watch Your Car program. The van is also equipped with several theft deterrent devices to educate the public on the various choices available for theft prevention.

In 2009, the AATA continued its expansion of the VIN (Vehicle Identification Number) Etching Program. VIN Etching is the process of etching the vehicle's 17 digit (in most cases) VIN number on the vehicle's window glass and is an effective visual deterrent against auto theft. The AATA continues hosting and co-hosting free VIN etching events throughout the state in conjunction with our criminal justice partners. In 2009, it's estimated over 10,000 vehicles received free VIN etching utilizing the AATA's equipment.

The following are examples of these types of events the AATA participated in during 2009:

[Neighborhood Safety Fairs and Blockwatch Meetings](#)

[Law Enforcement Sponsored Safety Fairs](#)

[Corporate Employee Health/Safety Fairs and Presentations](#)

[Shopping Mall Crime Prevention Events](#)

[Senior Center and Retirement Community Presentations](#)

[Insurance Company Sponsored Vehicle Theft Prevention Fairs with Free VIN Etching](#)

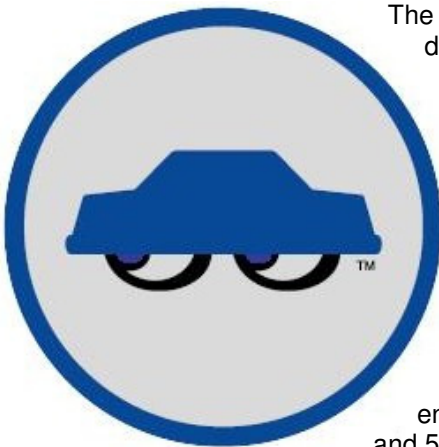
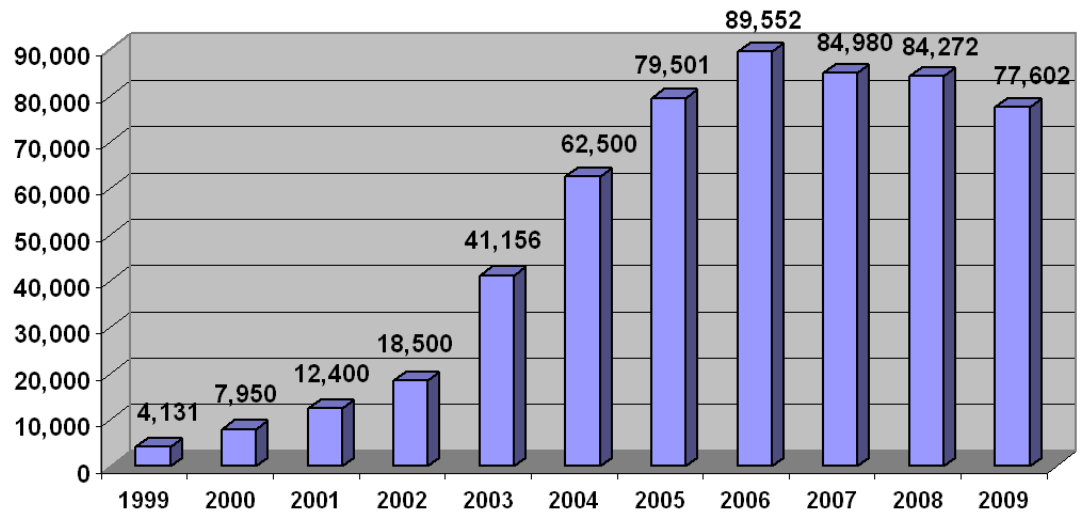
[Getting Arizona Involved in Neighborhoods \(GAIN\) Events](#)

[State University and Community College Events](#)

[AARP's Driver Safety Education Classes](#)

[Civic Group Presentations](#)

Watch Your Car Program Enrollments

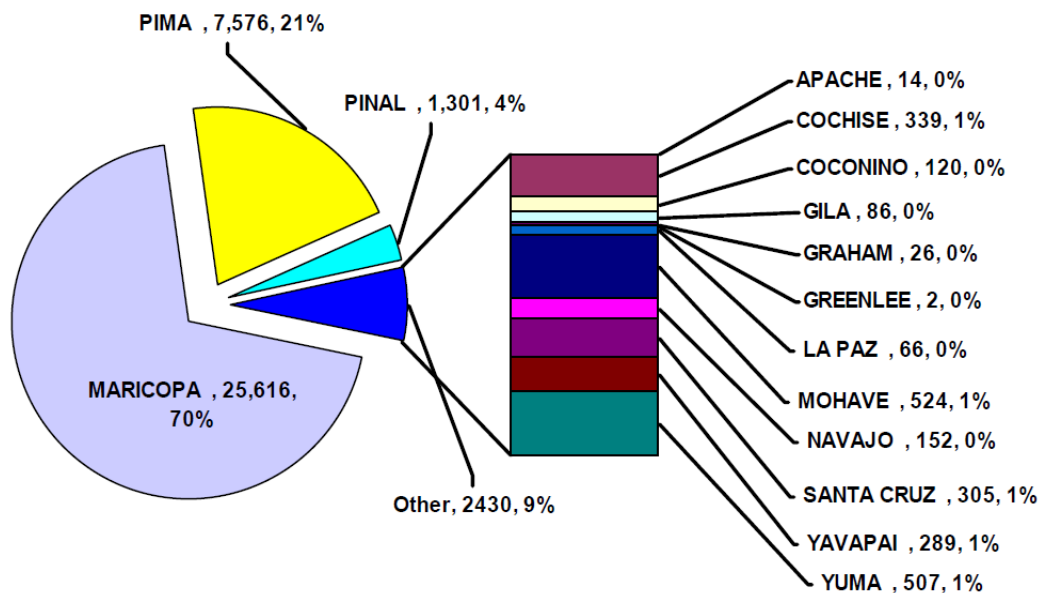


The Motor Vehicle Theft Prevention Act of 1994 authorized the U.S. Attorney General to develop, in cooperation with the states, a national voluntary motor vehicle theft prevention program. The National Watch Your Car program is designed as a cooperative initiative between the states and the Bureau of Justice Assistance. The Watch Your Car program serves as the centerpiece of the AATA's vehicle theft prevention and deterrence programs, and is just 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 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 information at events and/or via the Internet at the Agency's web site at www.azwatchyourcar.com. The Watch Your Car program is free and open to all citizens with cars registered in the State of Arizona.

To promote the Watch Your Car program and other comprehensive vehicle theft prevention tips, the AATA partners with criminal justice agencies throughout the State, participates in auto theft prevention events and safety fairs as well as homeowners association and Blockwatch 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 2009, the AATA had nearly 78,000 vehicles enrolled in the program.

*2009 Arizona Vehicle Thefts By County



*Source: Arizona Department of Public Safety – 2008 Crime in Arizona Report

Vertical Prosecution Program

The Arizona Automobile Theft Authority has identified vertical prosecution as a vital component of a comprehensive vehicle theft reduction strategy for the State of Arizona. 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 associated crimes. Vertical prosecution has been highly successful in dealing with other criminal activities such as, homicide, narcotics, organized crime, sexual assault and crimes against children.

A review of performance evaluations, and information obtained from law enforcement personnel indicates a significant improvement in the prosecution of vehicle theft suspects, particularly those identified as career criminals. The AATA has received favorable support from the county attorneys, and law enforcement executives to continue and expand this program. The AATA provides funding to the county attorneys in those counties with the highest vehicle theft rates, and/or border counties, which encounter a significant number of suspects in stolen vehicles from other areas.



In FY 2008/2009, the program funded prosecutors in Cochise, Maricopa, Mohave Pima, Pinal and Santa Cruz counties.

The results of the Vertical Prosecution program over the last two years are as follows:

	<u>2008</u>	<u>2009</u>
Number of participating counties	6	6
Number of vehicle theft cases filed	1,355	1,568
Number of convictions	670	855
Percent of convictions to cases closed	96%	93.4%
Amount of restitution ordered (in millions)	\$1.4m	\$1.8m

In FY 2009/2010, the Vertical Prosecution program has been reduced to three counties (Maricopa, Pima and Pinal) and only a handful of funded prosecutors due to budget reductions.

Law Enforcement Programs

A critical role in the AATA's mission is to support proactive law enforcement activities. Since 1997, the AATA, in partnership with the Arizona Department of Public Safety, state, local, and county law enforcement agencies, has funded the Arizona Vehicle Theft Task Force.

Since 2002, the AATA has also issued statewide grants through our annual Law Enforcement Grant program. These grants are awarded to law enforcement agencies throughout Arizona to promote more efficient and effective law enforcement activities in vehicle theft investigations, enforcement and prevention within their jurisdictions. For FY 2009/2010, the AATA Board awarded \$83,971 in Law Enforcement Grants to thirteen (13) agencies. The awards included funding to law enforcement agencies for continuation of bait car programs, license plate readers and proactive vehicle theft investigations.

JULY - JUNE	2008 - 2009	
Combined Activity	Number	Estimated Value
Stolen Vehicles Recovered	3098	\$43,967,185.00
Stolen Vehicle Locates	302	
"Chop Shops" Investigated	36	
Altered/Switched VIN's	334	
Felony Arrests	200	
Adults	185	
Juveniles	15	
Insurance Fraud Cases	35	
Business Inspections	67	
Border Interdiction Programs	0	
CORE Programs	11	
Training Provided	646	
Assist to Other Agencies	1120	
License Plate Reader (LPR) Scans	267,693	
LPR Stolen Recoveries	69	

Arizona Vehicle Theft Task Force or "RATTLER" Regional Auto Theft Team Law Enforcement Response

The Arizona Vehicle Theft Task Force (AVTTF) serves as a statewide resource for the investigation of property crimes involving vehicles and related components. The Task Force provides technical expertise, training and investigative support to law enforcement agencies targeting vehicle theft and related crimes.

The Auto Theft Task Force is comprised of state, county, and local law enforcement agencies and private company partners participating in a concerted effort to identify, apprehend, and prosecute individuals and criminal organizations that profit from the theft of motor vehicles and related crimes.

The Task Force continues to provide exceptional service to the citizens of Arizona through various enforcement strategies and public awareness programs. The task force is recognized within the State of Arizona and nationally as a model multi-agency auto theft task force. The task force has clearly defined goals and objectives which are outlined in our mission statement, policies, and strategic plan.

During FY09, the Task Force conducted a number of special proactive enforcement operations in Maricopa, Pinal, Pima and Yuma counties designed to detect and recover stolen vehicles. These operations were worked in partnership with local and county law enforcement agencies and have been successful in locating and arresting auto theft suspects. In FY09, the Task Force recovered 3,098 stolen vehicles at an estimated value of \$43,967,185.



AZ Vehicle Theft Task Force investigates Phoenix chop shop – recover chopped Honda.

2008/2009 Auto Theft Task Force Case Highlights

On May 28, 2009, Vehicle Theft Task Force detectives assisted Maricopa County Sheriff's Office deputies in locating and arresting a subject involved in an aggravated assault in Maricopa County and who was wanted on several felony warrants issued out of Canada for Theft of Means, operating a chop shop and VIN switching truck tractors and trailers. Canadian authorities also believed the suspect may be in the possession of a truck and trailers which had been stolen in Canada. MCSO and Vehicle Theft Task Force detectives located the suspect's Arizona residence and took him into custody after trying to flee on foot.

In August 2009, Vehicle Theft Task Force detectives worked a case involving a group who were stealing, VIN switching and selling stolen vehicles in Arizona, New Mexico, Utah, and Wyoming. The main suspect was located and arrested by Task Force detectives on warrants issued by

Yavapai County for auto theft and related crimes. The main suspect was sentenced to 25 years prison plus was required to pay restitution to his victims.



AZ Vehicle Theft Task Force detectives investigate LoJack recovery on insurance fraud case.

Bait Car Program – Taking Car Thieves For a Ride

The AATA began supporting law enforcement Bait Car Programs in 2003 as a joint project with the National Insurance Crime Bureau (NICB), statewide law enforcement agencies and the insurance industry. The program continues to demonstrate successful results; as of December 2009, the program has nearly 300 arrests since the program began. Vehicles provided by NICB and donated by insurance companies, are equipped with bait systems funded by the AATA.

The technology utilizes computers, satellites and tracking device which alert police when the bait car has been entered, therefore allowing the vehicle to be tracked then stopped by law enforcement. The vehicles are deployed in high auto theft areas throughout the state. The prosecution of these cases has been highly successful; resulting in a 100% conviction rate and funded through the AATA's Vertical Prosecution Grant Program.



Mesa Police Department Bait Car Video

License Plate Readers

The AATA, through grants to law enforcement agencies, supports automated license plate readers (LPR'S) to detect and interdict stolen vehicles. LPR's have the capability of scanning thousands of plates on a daily basis, sweeping parking lots, streets and highways to recover stolen vehicles faster than ever before. The use of LPR's is being embraced by law enforcement departments across the state, including the AZ. Department of Public Safety.



LPR camera and system

Professional Training Grants

Although funding was not available in FY 2009/2010, the Professional Training Grants are awarded to law enforcement and prosecutorial agencies to promote professional training and development of its personnel. Criminal justice agencies within the State of Arizona are notified of the availability and purpose of grant funds, and are eligible to submit applications for grants provided they comply with the terms and conditions of the grant. Awards are based on the evaluation of the training requested as well as the impact the training will have on the statewide effort to combat vehicle theft.

Financial Report

For the Year Ended June 30, 2009

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 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, 2009 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 and their report on compliance and internal controls stated, "We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses."

A copy of the full audit report prepared by Heinfeld, Meech & Co., may be obtained by contacting the Arizona Automobile Theft Authority.

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 in Arizona on motor vehicles weighing less than 26,000 pounds gross vehicle weight (GVW).

Revenue collections from insurance assessments for the fiscal year ending June 30, 2009 were \$ 5,099,832, a decrease of \$18,601 or .36% from the prior year. All excess cash is invested with the State Treasurer and the Authority earned \$7,885 investment income in the current year. The decrease of \$16,394 from \$24,279

in the prior year resulted from lower rates of return in the current year due to market trends, even though the cash and investment balance increased by \$38,024.

Expenditures

Total expenditures for the current year were \$4,775,337 a decrease of \$661,013 from the total expenditures from the previous year of \$5,436,350. This does not include a cash transfer to the primary government (State of Arizona, General Fund) of \$324,100, for budget balancing purposes.

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, 2009, the Authority was in compliance with this statute with "costs of administration" being 6.39%, of "the monies in the fund" as verified by the audit. The AATA's administrative costs for the fiscal year were 6.89% of total expenditures.

The AATA ended the year with cash and investments with the State Treasurer of \$64,577.

Revenue Forecast

Revenue from the Insurance Assessment for the fiscal year ending June 30, 2009 decreased slightly (.36%) from the prior year. This decrease, although small, is significant and can be at least in part attributable to many of the same economic factors that are driving the current state of the economy. Going forward, the agency expects revenue to be at the same or slightly higher level for the next fiscal year.

Factors that will contribute to future revenue growth are:

- I. Increase growth in Arizona's population and corresponding growth in the number of vehicles registered and insured within the state.
- II. Staff reviews to verify that the companies are complying with all the statutory requirements concerning the assessment.

Arizona Auto Theft Authority Fund

Statement of Operations by Program for the Fiscal Year Ended June 30, 2009

June 30, 2008 June 30, 2009

Revenue

Current Year Collections	\$5,069,788	\$5,099,770
Prior Year Collections	48,645	62
Auto Theft Summit	-	-
Investment Income	24,279	7,885
Grants	-	-
Refund of unused grant funds	3,728	41,794
Total cash Collections	<u>5,146,440</u>	<u>5,149,511</u>
Revenue Accrued at June 30th	291,963	494,323
Total Revenue	<u>5,438,403</u>	<u>5,643,834</u>

Expenditure by Program

Administrative Costs (1,2)	376,222	329,097
Arizona Vehicle Theft Task Force Grant	3,491,200	3,183,996
Vertical Prosecution Program	926,539	765,627
Public Awareness	273,756	247,755
Public Awareness Grant Program	162,708	133,714
Law Enforcement Grant Program	178,089	83,971
Professional Training & Special Grant Program	20,141	31,032
Emergency Grant Program	7,498	-
Auto Theft Events	197	145
Total Expenditures (3)	<u>5,436,350</u>	<u>4,775,337</u>
Transfer to Primary Government		324,100
Excess of revenues over expenditures	2,053	544,397
Beginning Fund Balance (4,5)	2,654,148	2,656,201
Ending Fund Balance (4,5)	<u>2,656,201</u>	<u>3,200,598</u>

Footnotes

1. Administrative Costs as a percentage of cash collections	7.3%	6.39%
2. Administrative Costs as a percentage of total expenditures	6.9%	6.89%
3. Actual expenditures by category per audited financial statements		
Appropriated Current Operating Expenses		
Personal Services	337,519	295,441
Employee related expenses	122,356	101,625
Professional services	9,445	18,372
Travel-in-State	4,822	942
Travel-out-State	11,907	4,144
Aid to Organizations	4,807,686	4,198,340
Other Operating	139,473	150,466
Non-capital equipment	2,945	5,862
Total Expenditures	<u>5,436,153</u>	<u>4,775,192</u>
Non-appropriated Expenses		
Watch Your Car Grants		
Auto Theft Events	197	145
Total non-appropriated expenditures	<u>197</u>	<u>145</u>

Total

\$5,436,350 \$4,775,337

- Fund balance includes accrued income as per the audited financial statements
- Cash invested with the State Treasurer as of June 30th
- Report based on audited financial statements

\$6,693 \$64,577

Impact of Motor Vehicle Theft Prevention Programs on Vehicle Insurance Costs

The Arizona Automobile Theft Authority reports annually on the impact of vehicle theft prevention programs on consumer automobile insurance rates, the AATA received the following statement from the Arizona Insurance Council (AIC):

Comprehensive coverage pays you if your automobile is stolen or for damage caused by things not covered under collision coverage, such as vandalism, flooding, fire, a broken windshield or damage from an animal.

Future of the AATA

In 2010, the AATA will continue to focus on its bold mission to address Arizona's vehicle theft rate while also maximizing agency effectiveness, efficiency and customer satisfaction.

During 2010 and beyond, the AATA will continue its efforts to reduce its administrative costs and maximize resources through cost saving programs, which will be innovative, flexible, adaptable and able to meet whatever challenges the agency faces. All agency programs are currently being reviewed not only for cost effectiveness, and best practices, but also for ease of use for our customers, law enforcement partners and stakeholders.

In today's modern business and law enforcement climate, an agency's overall effectiveness can depend upon its ability to adapt to an ever changing set of circumstances, conditions and budget constraints. New ideas, business practices and technologies must be adapted and embraced as we move forward. In 2010, the AATA will continue to utilize technology to streamline its processes and maximize resources in several areas including the Watch Your Car program and semi-annual insurance assessment collections.

The Agency is experiencing remarkable support from the criminal justice community, insurance industry and the general public. The AATA's Board of Directors has committed the maximum available resources to support an aggressive anti-vehicle theft campaign which it expects will result in a continued reduction in Arizona's vehicle theft rate.

The Authority will continue to expand cooperative efforts with other governmental agencies in Arizona and other states, the Federal Government, Mexico and Canada, including other auto theft prevention authorities across the U.S., to combat vehicle theft.

These efforts will include:

1. Continue to focus the Authority's resources on criminal justice agencies within the State of Arizona to develop effective programs to combat vehicle theft.
2. Continue to promote cross-border cooperation to deter exportation of stolen vehicles and stop criminal car theft rings operating along Arizona-Mexico border.

The efforts of the AATA in implementing innovative theft-prevention awareness programs, coupled with its commitment to investigations and aggressive prosecutions of vehicle thieves, has played a significant role in stabilizing comprehensive insurance rates in Arizona.

For those Arizona consumers who purchase "full coverage" vehicle insurance, comprehensive coverage represents between 15 and 20 percent of their total premium, according to the Arizona Insurance Council.

3. Continue to develop strategic partnerships with community and business organizations.
4. Work with neighboring states to develop regional projects to combat vehicle theft.
5. Expand cooperative efforts with auto theft authorities in other states to promote cooperative efforts on a national level.
6. Expand cooperative programs with the International Association of Auto Theft Investigators.
7. Petition automobile manufacturers and the Federal government to improve vehicles theft technology, making it more difficult to steal and/or provide enhanced recovery efforts by supporting component parts marking.
8. Continue to advocate for effective legislation related to auto theft issues and vehicle owner/consumer protection. We will continue to pursue seeking legislative measures to reduce vehicle theft similar to the affidavit legislation passed in 2007 which requires individuals reporting a stolen vehicle to sign an affidavit attesting that the information provided is accurate.
9. Identify organized criminal groups involved in the theft of motor vehicles.
10. Continue to evaluate and seek support for deploying both fixed and mobile license plate reading cameras to aid in interdicting stolen vehicles.

The AATA, with the assistance of the Task Force, has been actively fostering a collaborative approach with law enforcement officials in Mexico to effectively resolve this issue. The intent is to develop a means to immediately communicate law enforcement and intelligence related information between officials in Sonora and Arizona. The AATA will continue to foster and promote cooperation at both state and national levels by developing a viable partnership among the Border States, various law enforcement agencies, the Department of Homeland Security and private sector stakeholders to expedite the completion and implementation of effective programs.

Although programs have been reduced this year, the prosecution and public education efforts will continue to be vital components in the AATA's efforts to combat vehicle theft in Arizona. With some revision, the AATA intends to continue its annual grant assistance program to local law enforcement agencies and county attorney offices statewide. The efforts of the criminal justice agencies involved with the AATA's grant programs thus far have been impressively effective at addressing the law enforcement, prosecution and public awareness and community education components of the AATA's mission.

In 2010, the AATA will continue to sponsor VIN (Vehicle Identification Number) etching with partnering agencies throughout the state to actively promote free VIN etching on window glass as an effective visual vehicle theft deterrent and recovery aid.



In addition, the AATA will continue to seek additional opportunities to promote public awareness through partnerships with corporations and businesses in the sponsorship of employee events, presentations by AATA staff and criminal justice personnel along with VIN etching.

The AATA is also looking to increase exposure through the Service Arizona website as another effective approach to educate the public about the Watch Your Car program and auto theft prevention safety tips.

The AATA will continue to provide grant funding to Arizona law enforcement agencies to implement and/or expand bait car programs, which continue to demonstrate impressive arrest and theft reduction results.

Also in 2010, the AATA, in partnership with statewide law enforcement agencies will host the Fifth Annual Statewide Vehicle Theft Prevention Day on March 6, 2010.



The AATA is continuing its distribution of the youth prevention curricula programs for middle school and high school students in Arizona and will be evaluating the effectiveness of the program.

In 2010, the Agency will also look to expand our involvement with e-communications and social media networking opportunities.

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 Auto Theft Investigators (IAATI)

Caitlin Acker, Analyst, Joint Legislative Budget Committee
Camila Alarcon, Arizona Attorney General's Office
John Blackburn, Jr., Executive Director, Arizona Criminal Justice Commission
Sgt. Brandon Blanco, Glendale Police Department
Officer Eric Breindl, Phoenix Police Department
Michelle Brooks, GAO, Central Services Bureau Manager
Melissa Cornelius, Arizona Attorney General's Office
Officer Bob Cummins, Phoenix Police Department
Judy Fitzgerald, National Insurance Crime Bureau
John Garcia, Maricopa County Attorney's Office
Senator Chuck Gray, Arizona State Senate, District 19
Alberto Gutier, Director, Governor's Office of Highway Safety
Melissa Harto, Analyst, Governor's Office of Strategic Planning & Budgeting
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