

Arizona Automobile Theft Authority



Annual Report 2018



**Dedicated to
Fallen Officer, Jesus Cordova, Nogales Police Department
& all Officers/ K-9's
who have lost their lives protecting
the citizens of Arizona**



**Jesus Cordova,
Nogales Police Department
EOW April 27, 2018**

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Our Mission

The AATA's mission is to prevent and combat auto theft through a statewide cooperative effort by supporting law enforcement, vertical prosecution, and public awareness/prevention programs across Arizona.

Our Vision

Reducing vehicle crimes while keeping the communities and citizens of Arizona safe.

Director's Welcome

The Arizona Automobile Theft Authority is committed to reducing vehicle crimes while keeping the citizens and communities of Arizona safe.

Dear Governor Ducey, Senate President-elect Fann, and House Speaker-elect Bowers:

The Arizona Automobile Theft Authority (AATA) is pleased to present its 2018 Annual Report. The Authority, recognized as a national model for theft reduction strategies, celebrated another year of continued service to Arizona as we work collaboratively to reduce auto crimes across the state.

Arizona reported 19,058 stolen vehicles in 2017; an increase of 3.4% from 2016 to 2017, just below the national average (4.1%) and the third straight year for a slight uptick in statewide auto thefts. A ten-year snapshot, however, reflects a 61% decrease in Arizona vehicle thefts from 2007-2017.

Ongoing challenges for Arizona remains our shared international border with Mexico as well as neighboring states with high auto theft rates see (page 10). Vehicle crime is often a high impact crime correlating with carjackings, home burglaries & invasions, drug trafficking, homicide and sophisticated financial and insurance fraud schemes.

Although auto theft rates have improved, this insidious crime continues to pose a threat to our communities, residents and local law enforcement, as evidenced by Nogales Police Officer Jesus Cordova, who was shot and killed by a carjacking suspect in Nogales on April 27, 2018. It was the first time since 1888 a Nogales Police Officer was shot and killed in the line of duty.

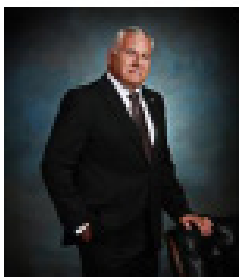
The AATA's current and future strategies emphasize agency grant funding priorities for border counties and communities to promote enforcement, prevention of auto crimes in these regions. These goals are in-line with the Governor's Office priority of increasing enforcement activities related to auto theft along the border.

We accomplish this using NO State General Fund monies; we're self-funded through an annual assessment of more than 400 insurance companies writing auto policies in Arizona. The insurance industry remains a vital partner in Arizona's fight to combat auto crimes across our state.

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



Frederick W. Zumbo
Executive Director

Agency Highlights

Combating Auto Crimes in Arizona



Arizona once the #1 state for auto theft rates, has dropped down the list to #15. Although auto theft rates have improved, auto theft crimes continue to pose a threat to our statewide communities and its residents. Last year, Arizona's theft rate increased 3.4% from the previous year, however, a ten-year snapshot reflects a 61% decrease in Arizona vehicle thefts (2007-2017).

History - The Arizona Automobile Theft Authority (AATA) was established by the Arizona Legislature in 1992 to create a statewide effort to reduce auto theft. Per A.R.S. § 41-3451, the Agency is governed by a 12-member Board of Directors, appointed by the statute, Governor, and Arizona law enforcement organizations.

The AATA is funded through semi-annual assessments of over 400 insurance companies writing auto policies in Arizona. The Agency receives NO funding from the State's General Fund.

The Authority is recognized as a national model for sustainable auto theft reduction strategies. The AATA also functions as the lead agency in a statewide network of law enforcement, criminal justice, and crime prevention partners working together to combat auto theft crimes across Arizona. By focusing resources in these areas, the AATA and its statewide partners are impacting the state's auto theft rate.

Funding – The AATA collects approximately \$6.2 million annually from the insurance industry. Nearly 95% 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 grantee project at \$3,650,000 annually or 70% of total budget for continued enforcement and investigative efforts. The AATA also 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.

Challenges – As we celebrate another year of successful AATA auto theft reduction programs, the agency's in a funding crisis – FY'19 marked the fifth straight year with no appropriation increase from the Arizona Legislature, which resulted in program and budget cuts during the last few years. In addition, all funds collected by the AATA are not able to be spent, creating a fund balance, and no available funding for enforcement and innovative technology. The Auto Theft Task Force has received cuts in funding and officer positions; the Vertical Prosecution Grant programs were also cut despite an increase in caseloads. Despite efforts to expand the prosecution program into more counties, it remains in only six of the fifteen counties. No additional targeted counties (Cochise, Yavapai and Yuma) can be added due to current under-funding issues.

Results - A ten-year snapshot (2007-2017) reflects a 61% decrease in Arizona vehicle thefts. The agency and its law enforcement partners and grantees all work together to prevent, identify, and prosecute auto theft crimes across Arizona.

Arizona once the #1 state for auto theft rates, has dropped down the list to #15. Although auto theft rates have improved, auto theft and related crime continue to pose a threat to our communities and its residents. Last year, Arizona's theft rate increased 3.4% from the previous year, the second largest annual increase reported since the early 2000's.

Future Plans – 2019 & Beyond

Plans for 2019 include the Agency's focus on Public Awareness & Prevention as well as Enforcement of auto crimes in Arizona.

The AATA's current and future strategies emphasize agency grant funding priorities for border counties and communities to promote enforcement, prevention of auto crimes in these regions. These goals are in-line with the Governor's Office priority of increasing enforcement activities related to auto theft along the border.

2019 plans include a re-branding of the Watch Your Car program, featuring a new logo design and outreach plan.

Director Zumbo will continue his leadership role with the International Association of Auto Theft Investigators (IAATI) and nation-wide Auto Theft Prevention Authorities, developing Best Practices for Auto Theft Enforcement and Prevention programs, including LPR's, Road Safety through Vehicle Hardening, Funding of Public Education & Awareness programs and Vertical (Auto Theft) Prosecution.



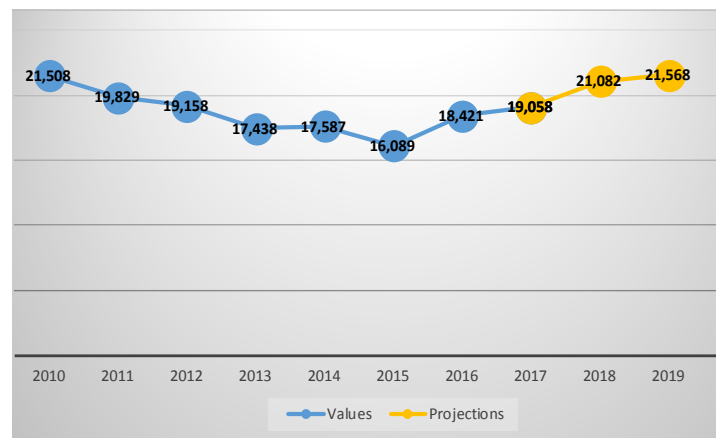
Current Auto Theft Trends in Arizona & United States

In 2017, Arizona reported 19,058 stolen vehicles; a 3.4% increase from 2016 and a \$65 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; eleventh (11th) in the nation for total number of vehicle thefts behind California, Texas, Florida, Washington, Georgia, Colorado, Illinois, Ohio, Missouri and Michigan.

Current trends include an increase in stolen firearms from Arizona homes and vehicles - Arizona currently ranks #13 for the number of firearms stolen or lost (609) in 2017. This is a national epidemic, with staggering numbers of stolen guns in the United States. Hundreds of thousands of firearms stolen from the homes and vehicles of legal owners are flowing each year into underground markets, and the numbers are rising. Those weapons often end up in the hands of people prohibited from possessing guns, many are later used to injure and kill. The AATA's message: LOCK up weapons, Remove from vehicles, and Secure vehicles at all times.

Law enforcement reports an increasing trend of female auto thieves in the past year, as well as increases in violent crime, fraud & insurance schemes, weapons, police shootings and pursuits. There has also been an increase in juvenile arrests, with weapons drugs and gang affiliations.



Number of stolen cars with a 3 year, 3% year projection.

Nationwide in 2017, there were an estimated 773,139 motor vehicle thefts, an increase of less than 1% (0.8%) compared to 2016. The estimated rate of motor vehicle thefts per 100,000 population, was 237.4; an increase of 4.1% from the previous year. Additionally, **more than \$6 Billion** was lost nationwide to motor vehicle theft in 2017; the average dollar loss per stolen vehicle was \$7,708.

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. Per the Arizona Department of Insurance (ADOI), 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.

What would they steal from your vehicle?



#9PMRoutineAZ

AATA.Az.Gov



Thieves conducting random lock checks



#9PMRoutineAZ

AATA.AZ.Gov



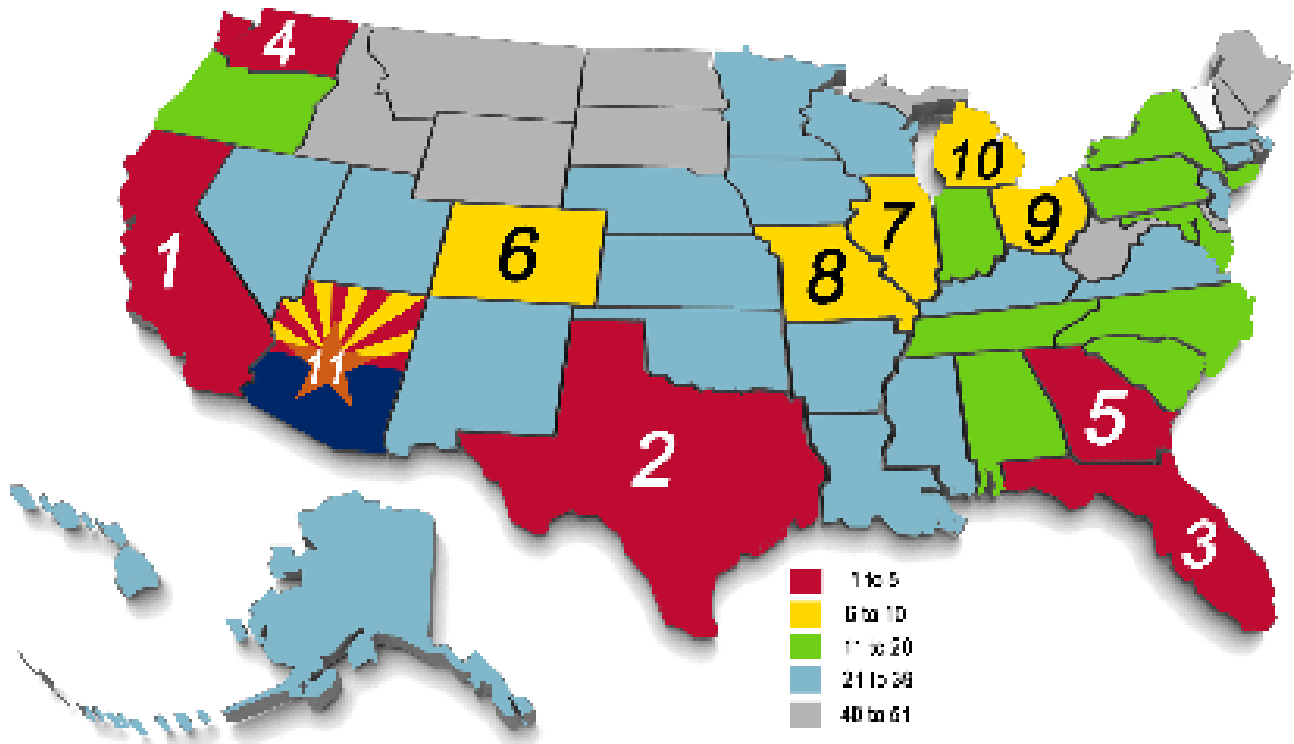
It only took ONE stolen vehicle



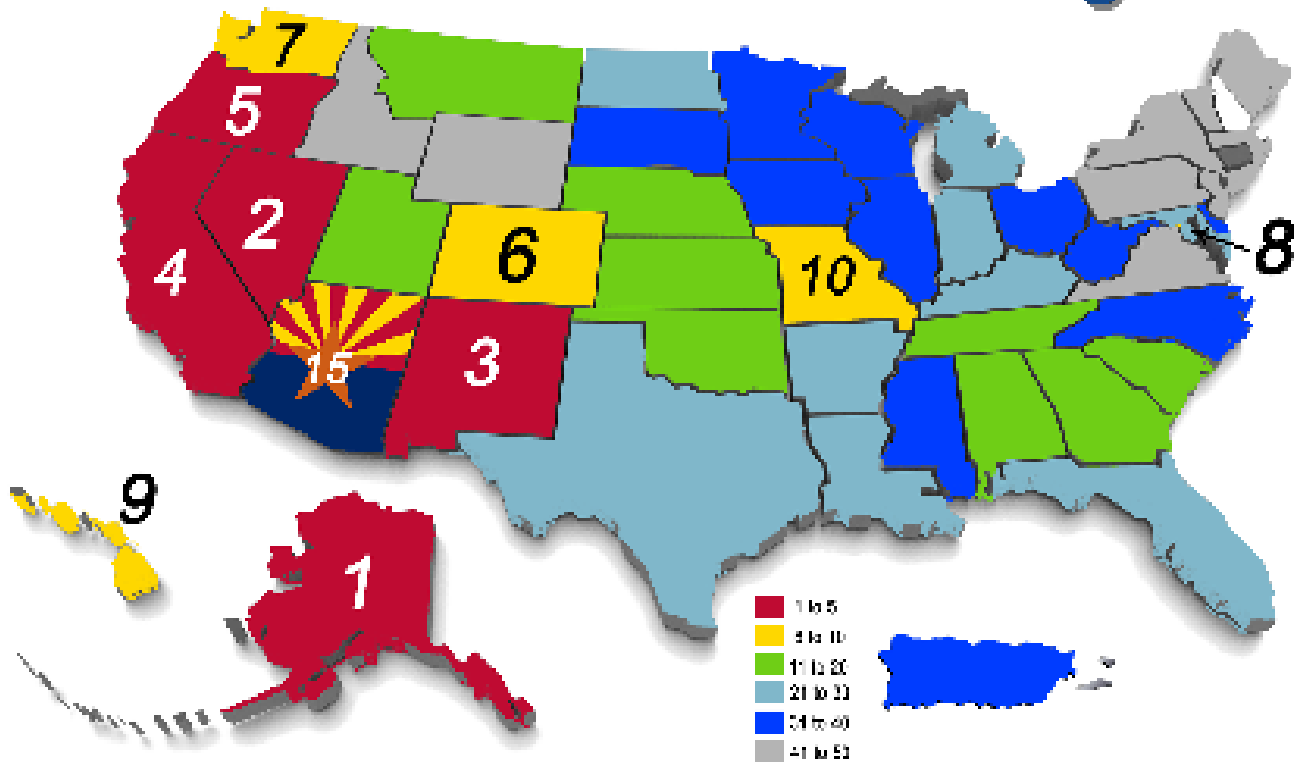
AZWatchYourCar.com



2017 Total Stolen Vehicles



2017 Theft Rate U.S. Rankings





2017 Hot Spots

The Albuquerque, N.M. metropolitan statistical area (MSA) repeats as having the highest per capita auto theft rate in 2017, according to the National Insurance Crime Bureau’s (NICB) latest Hot Spots report.

New to the top 10 this year, the metro areas of St. Joseph (No. 5) and Springfield, Mo. (No. 10).

For 2017, the 10 MSAs with the highest vehicle theft rates were:

	2017 Ranking		2016 Ranking
1.	Albuquerque, N.M.	→	1
2.	Anchorage, Alaska	↑	6
3.	Pueblo, Colo.	↓	2
4.	Redding, Calif.	↑	20
5.	St. Joseph, Mo.	↑	28
6.	Bakersfield, Calif.	↓	3
7.	Modesto, Calif.	↓	4
8.	Stockton-Lodi, Calif.	↑	12
9.	Yuba City, Calif.	↑	30
10.	Springfield, Mo.	↑	33

The Phoenix MSA once ranked the #1 “Hot Spot” for auto theft just over a decade ago, plunged down the list to 94th place. Tucson, which previously held the #2 spot, fell to #73 during that period; Yuma #130.

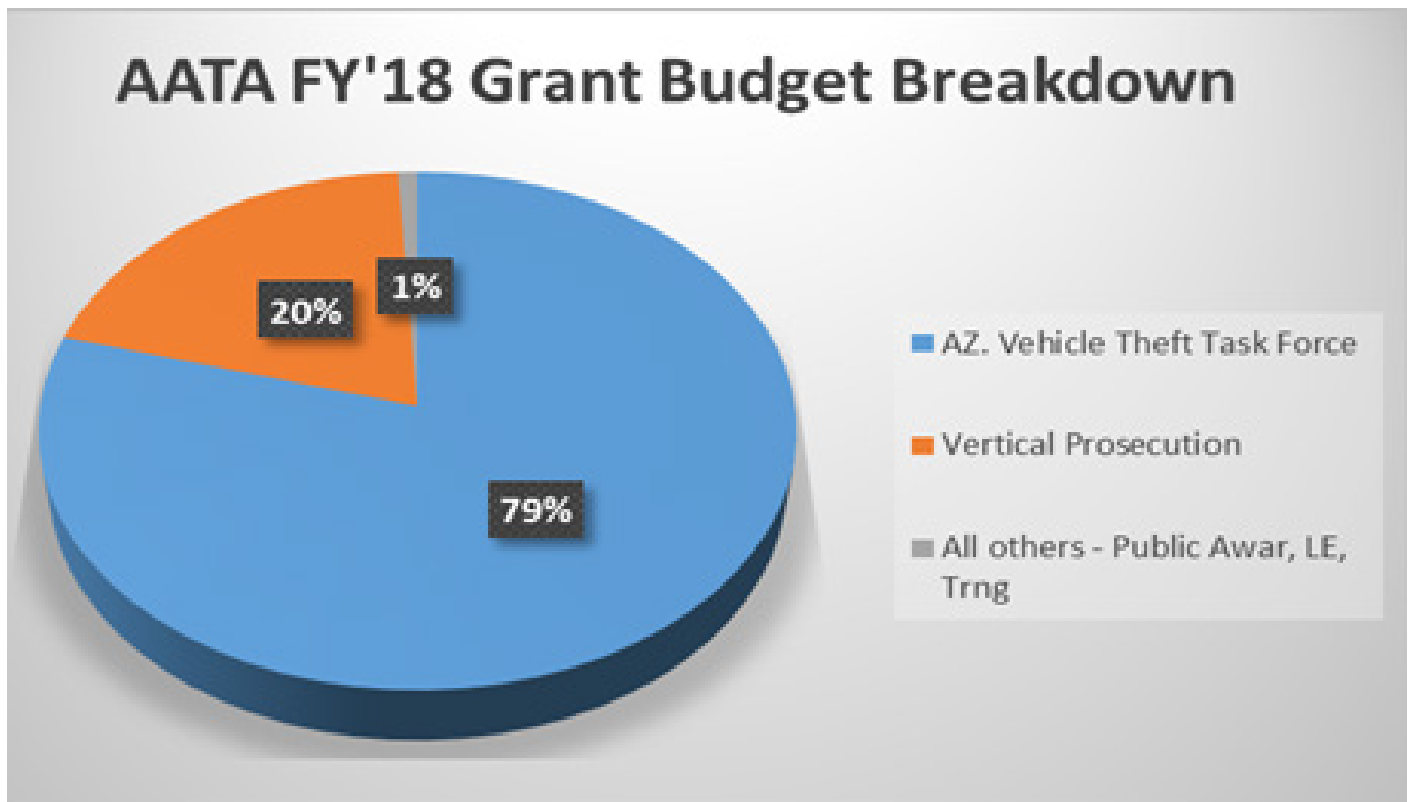
Arizona's 2017 Most Stolen

1. 1997 Honda Accord
 2. 1998 Honda Civic
 3. 2006 Chevrolet Pickup (Full Size)
 4. 2003 Ford Pickup (Full Size)
 5. 2005 Dodge Pickup (Full Size)
 6. 1997 Nissan Altima
 7. 1998 Nissan Sentra
 8. 2014 Toyota Camry
 9. 1995 Nissan Maxima
 10. 1999 GMC Pickup (Full Size)
- 

Auto Theft Reduction Programs

AATA's three strategic initiatives - law enforcement, vertical prosecution and public awareness/prevention all work together to combat auto theft crimes throughout Arizona.

Through the AATA's annual Grant Program submission process, FY'18 funding was issued for the following program areas: *



* Due to continued Agency underfunding, AATA annual grant budgets have been nearly decimated, resulting in fewer resources for statewide law enforcement programs

Law Enforcement GRANT 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 Vehicle Theft Task Force, or "RATTLER" (Regional Auto Theft Team Law Enforcement Response) which is the AATA's largest annual grantee (\$3.65 Million - 71% of AATA's annual operating budget and 79% of the AATA's appropriated annual grant budget).**

The Vehicle Theft Task Force is comprised of local, county, state, and federal law enforcement agencies & 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 crimes. The Task Force serves as a statewide resource for the investigation of auto thefts, chop shops, financial and insurance fraud, and organized, criminal organizations. The Task Force also provides technical expertise, criminal analysis, training and investigative support to law enforcement agencies targeting vehicle theft in their jurisdictions.

The Arizona Vehicle Theft Task Force (VTTF) detectives served a search warrant in the Phoenix area resulting in two arrests, the recovery of three stolen vehicles and the dismantling of a chop shop. Vehicle Theft Task Force detectives conducted a business inspection and recovered a stolen vehicle located on the property.

Vehicle Theft Task Force Detectives continued to investigate the business and recovered another stolen vehicle leaving the property. Surveillance of the property resulted in additional stolen vehicles and a chop shop. With the assistance of the AZDPS Special Operations Unit (SWAT Team), Vehicle Theft Task Force detectives served at a search warrant at the property. During the search warrant, detectives located three stolen vehicles, stolen items and dangerous drugs on the property. The suspect was arrested for multiple felony charges. A second suspect was also arrested for multiple misdemeanor warrants.

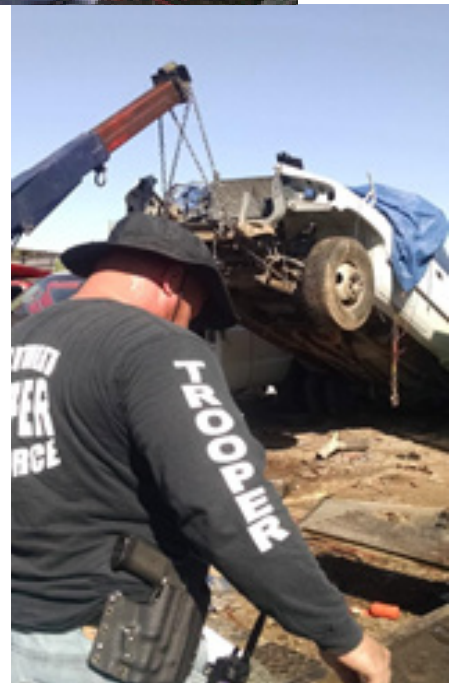
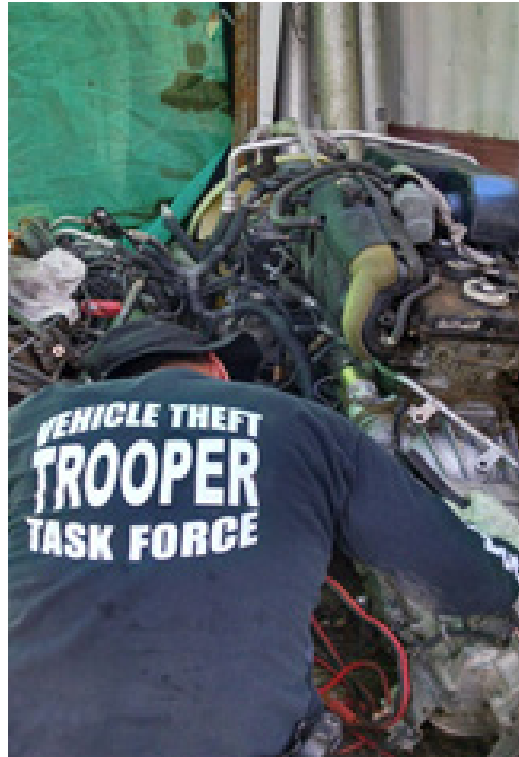
Regional Auto Theft Team Law Enforcement Response

From the morning hours of June 6, 2018 through the late evening hours of June 7, 2018, VTTF detectives and partnering agencies (to include: Glendale, Goodyear, Peoria, Phoenix, and the Surprise Police Departments) conducted saturation operations in the Phoenix West Valley Metropolitan area to locate, recover and interdict stolen vehicles.

The operation resulted in 15 arrests, 9 warrant arrests, 77 grams of methamphetamines, 2 search warrants, 1 gun, 3 vehicles seized with VIN/PIN- missing or altered, 21 recovered stolen vehicles and 1 chop shop.

This operation is a great example of the partnership between local and state law enforcement, who worked together to provide a force multiplier in the fight against crime.

The VTTF is comprised of city, county, and state law enforcement agencies working together in a concerted effort to combat and deter vehicle theft through the identification, apprehension and prosecution of individuals and criminal organizations that profit from the theft of motor vehicles and related crimes associated with motor-vehicle theft. The task force also provides subject-matter expertise, training, and investigative support to law enforcement agencies targeting vehicle theft and related crimes.



“Operation Night Watch” License Plate Reader Project

This year, the AATA opened Grant Solicitations for Automated License Plate Readers (ALPR) projects for increased auto theft detection and recovery efforts across the state. We anticipated \$1 million dollars in grant monies would be available for Operation “NIGHT WATCH” LPR’s. The program will be implemented in three (3) phases, utilizing IAATI’s ATPA Best Practices for LPR Program guide.

Goal: To provide AATA Grant funding to Arizona Law Enforcement agencies for auto theft detection and recovery equipment, with the goal of increasing efforts during overnight hours (12am - 6am) when Arizona vehicle and truck owners are most targeted by criminals and organized crime rings.

Requirements: Priority will be given to agencies for deployment during overnight hours (12:00am - 6:00am) when Arizona vehicles and trucks are most at risk and targeted by criminals and organized crime rings.

Phase 1 includes funding for approximately 15-20 LPR’s in FY’18/FY’19 and support of Arizona’s new 9PM Routine Public Outreach Initiative (#9PMROUTINEAZ), reminding vehicle owners to secure their vehicles and property each night. In addition, phasing in active participation and enforcement of the statewide Watch Your Car Program, which operates daily between 1am – 5am (Phases 2 & 3).



The AATA was able to fund one (1) Operation Night Watch Grant in FY’19 to the La Paz County Sheriff’s Office and remain hopeful for future funding to implement this project statewide.

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.

In 2018 the Quartzsite Police Department rolled out a newly equipped vehicle and license plate reader, which was funded by an AATA Law Enforcement Grant.

On March 30, 2018 at 6:50 PM Quartzsite Officers stopped a vehicle for speeding on Central Boulevard. Officers approached the driver, a 28-year old female, informing her of the traffic violation. The 28-year old female failed to roll her window down as she talked with officers about the violation. Officers began to smell an



odor of marijuana omitting from the vehicle. QPD Officer Weltha and Canine Wodan were called to assist in the investigation. Canine Wodan who is trained in narcotics detection, alerted on the vehicle. When QPD Officers requested that the female exit the vehicle, she rolled her window up and barricaded herself inside of the vehicle. Officers were able to gain access in the large RV style vehicle where she was then arrested. During the search of the vehicle several individual packages of marijuana were found along with marijuana wax, several prescription only drugs, and a handgun. La Paz County NTF Agents arrived and aided in the investigation and a thorough search was conducted. \$7,300 in U.S. currency that was hidden within the van was discovered. During the investigation, with the aid of the License Plate Readers, QPD Officers were able to track her route from Southern California. The 28-year old female was on her way to Lake Havasu City, AZ and was booked into the La Paz County jail on various drug related charges.



Quartzsite PD also reported one additional stolen vehicle recovery. Both agency LPR's were averaging about 2,500 reads per shift. Quartzsite PD Officer assigned to the LPR made 10 drug busts and used the LPR to help track the suspects movement. Two wanted fugitives were located with the LPR and assistance provided to the ATF and DEA with tracking vehicles through Quartzsite. One of the subjects was arrested in Yuma for trafficking guns. Five unregistered sex offenders were also apprehended.



Kingman PD Speed Trailer Grant June 2018.

The male suspect advised that he kept getting pulled over in Las Vegas for no license plate. He said he bought the license plate at a swap meet and put it on the van. The subject was booked and van towed.



Vertical Prosecution GRANT Program Results

Arizona is the only state in the nation that incorporates dedicated Vertical Prosecution of auto theft cases in County Attorneys offices through annual grant funding.

The AATA has identified Vertical Prosecution as a vital component of a comprehensive auto theft reduction strategy for 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 related crimes from the investigative phase through sentencing.** Vertical Prosecution has been highly successful in dealing with other criminal activities such as, homicide, narcotics, organized crime, sexual assault and crimes against children.

In FY'18, the AATA's Vertical (Auto Theft) Prosecution Programs remained the agency's second largest annual Grant program, comprising nearly 20% of the Agency's annual grant budget.

Current Vertical Prosecution grant funding is for eight Auto Theft Prosecutors in six counties (Maricopa, Pima, Pinal, Santa Cruz, La Paz and Mohave).

Last year, 1,585 auto theft charges were filed and over \$1.2 million ordered in restitution for victims by these dedicated prosecutors.

Future plans include expanding the Vertical Prosecution program to additional, smaller counties across the state, including Cochise, Yuma, and Yavapai counties.

The 2018 Convicted Faces of Auto Theft

Maricopa County Attorney's Office

**The 2018 (Convicted)- State v. Bethany
Kinsey; CR2017-005812-001**

On 09/18/17, DPS Vehicle Theft Task Force Detectives spotted the Defendant as a passenger in a stolen truck. The driver, Arthur Roy, exited the truck and the Defendant slid into the driver's seat just as Detectives were moving in to do a high-risk stop. The Defendant accelerated rapidly, deliberately ramming DPS Sgt. Week's unmarked unit with such force that his left front tire was completely knocked off. The Defendant then fled from the area getting onto I-10 towards Casa Grande with multiple marked and unmarked units chasing her. At times, the Defendant's speed exceeded 100 mph and she started throwing knives at DPS motorcycle Trooper Arden from the window of the stolen truck. Trooper Arden was forced to take evasive maneuvers to avoid being struck by the knives. Stop sticks were eventually used and the Defendant was taken into custody. She was ultimately charged with multiple felony offenses: two counts of Aggravated Assault on a Law Enforcement Officer, Criminal Damage, Theft of Means of Transportation, and Unlawful Flight from a Law Enforcement Vehicle.



Surprisingly, the Defendant had no prior felony convictions, however, based on the egregious nature of her crimes, the Defendant pled guilty to 2 counts of Aggravated Assault, Theft of Means of Transportation, and Felony Flight stipulating to 5 years flat time in the Department of Corrections. She was sentenced on 05/17/18.

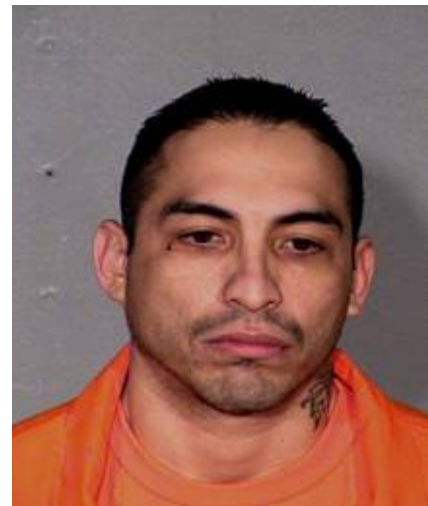
State v. Kelci Fowler; CR2018-001123-001

On 11/21/17, the Defendant was found driving a stolen truck. As DPS Vehicle Theft Task Force Detective Robinson, who was operating an unmarked unit, attempted a traffic stop, the Defendant stopped, then looked by at him and accelerated away. The Defendant eventually abandoned the stolen truck but was quickly found hiding in the front yard of a nearby residence. Post-Miranda, she admitted to knowing that the truck was stolen. She was charged with Theft of Means of Transportation. The Defendant had 6 prior felony convictions including a prior Theft of Means of Transportation conviction from 2017. She was sentenced to 7 years in the Department of Corrections on 06/07/18.



State v. Pablo Murrieta; CR2018-132934-001

On 07/03/18, DPS Vehicle Theft Task Force Detective Patterson was called into assist Phoenix Police Department, Auto Theft Detective Roach. Detective Roach had been conducting surveillance at a Circle K on Glendale Avenue when he saw a truck, later identified as stolen, enter the parking lot. The Defendant exited the driver's seat with a handgun in a holster on his hip and entered the store. He then exited the store and got back into the stolen truck. The Defendant was followed by the Phoenix PD's Air Unit where he eventually bailed from the stolen truck, fleeing on foot, discarding the gun in a residential backyard. He was quickly apprehended and the gun recovered. Detective Patterson inspected the stolen truck and found it to be running without any keys in the ignition; the steering column was completely dismantled. Post-Miranda, the Defendant admitted to making a stupid decision when he got into the truck. He was ultimately charged with Theft of Means of Transportation and Misconduct Involving Weapons. The Defendant had 4 prior felony convictions including a prior conviction for Theft of Means of Transportation. Interestingly, he also has a juvenile adjudication for Theft of Means of Transportation. He was sentenced to 10 years in the Department of Corrections on 11/05/18.



Pima County Attorney's Office – CR20165200

On October 4, 2016, Defendant Roderick Harrell, went to the DMV on Broadmont in Tucson to obtain a special VIN claiming he had built a motorcycle from scratch with different frames and parts he bought throughout Arizona. Officer Wilson with the DMV inspected the motorcycle and saw that the public VIN, transmission case serial number and engine case serial numbers had all been ground off. PCSO Detective Geoffrey Barber responded, used the shipping records and was able to identify the motorcycle as stolen from Harley Davidson of Tucson in January 2016.

Post-miranda, Defendant claimed he welded two frames together to create the special frame on the motorcycle. He also claimed to have built the engine and installed all the parts on there after purchasing them over the years.

Harley Davidson employees testified that the motorcycle was clearly a stock 2016 Harley Davidson Roadglide and had no signs of being fabricated. They identified all the parts as stock Harley Davidson parts and the paint job as a stock Harley Davidson paint job.

The trial took place from January 30, 2018 to February 1, 2018. Defendant was found guilty of Theft of Means of Transportation and Conducting a Chop shop through possessing motor vehicle parts that they knew were damaged/defaced. Defendant had 4 prior felony convictions. On April 2, 2018, the Defendant was sentenced to 10 years in DOC by the Honorable Judge Browning.

Mohave County Attorney's Office CR-2018-00866 (Nevitt) and CR-2018-0867 (Williams-Gardner):

On May 26, 2018, Defendant Nevitt and the female co-defendant (Williams-Gardner) carjacked an Uber driver and passenger at gunpoint in Las Vegas and forced them to drive into Arizona. Defendant Nevitt sat in the back seat behind the driver and the co-defendant sat in the back seat behind the passenger. After crossing the Hoover Dam and driving into Arizona on Hwy 93, defendants stole several items from



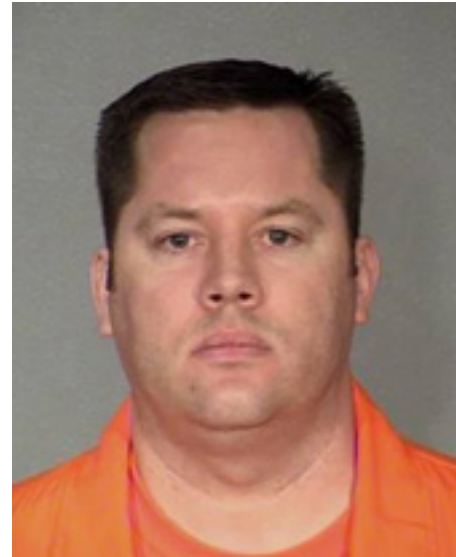
the victims including drivers licenses, credit cards, cell phones, and jewelry.

While the vehicle travelled on Hwy 93 in Mohave County, defendants threatened to kill the driver and passenger and leave them in the desert, and threatened to kill the victims' families. Nevitt also struck the passenger with the handgun, causing a bleeding wound to the passenger's head.

At one point, Nevitt leaned out of the passenger back window and fired several shots into a semi-truck travelling just behind the Uber in the other lane on Hwy 93. One of the shots hit the truck's radiator, disabling the truck. The semi-truck driver told law enforcement that he saw the hand with the gun, heard the shots, pulled off the highway when his "check coolant" light came on, and discovered the numerous bullet holes in the front of his truck.

Several miles into Mohave County from the Nevada border, defendants forced the Uber driver and passenger from the car, and stole 21

the Uber vehicle; Nevitt jumped into the driver's seat and drove off, leaving the Uber driver and passenger by the side of the highway in the desert. The vehicle was located and pursued by DPS Troopers at speeds in excess of 120 miles per hour as the vehicle headed toward Kingman. Spike strips were deployed and the vehicle eventually crashed into a tour bus full of passengers. Defendants fled the collision on foot and were apprehended.



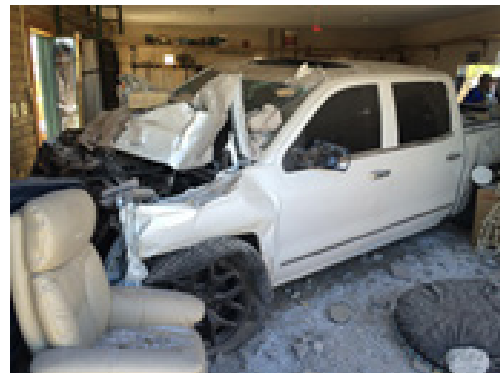
Defendants were charged with various counts including (not limited to) Kidnapping, Theft of Means of Transportation, Aggravated Assault (on the passenger and truck driver), Robbery, Criminal Damage, and Endangerment. Defendant Nevitt entered into a Stipulated 20-year prison plea on October 25, 2018 and will be sentenced in December 2018. Defendant Williams-Gardner's case is pending.



Pinal County Attorney's Office –

Perhaps the most prolific auto thief Pinal County Auto Theft Prosecutors have come across was sentenced in August 2018. Patrick Shane McCormick was ultimately indicted on twenty criminal counts, including eight separate counts of Theft of Means of Transportation. As part of this investigation, the Vehicle Theft Task Force located a trove of stolen vehicles at a residence in San Tan Valley. The Task Force was able to tie these vehicles to Mr. McCormick who was later apprehended after a high-speed pursuit in which Mr. McCormick rammed two police officers and crashed a stolen truck through a residential garage. On August 24, 2018, Mr. McCormick was sentenced to the Arizona Department of Corrections for a term of eighteen years. This was the longest auto theft related sentence that I have seen in three years prosecuting auto theft cases.

Pinal County Auto Theft Prosecutors also prosecuted Mr. Brent Richardson in 2018. Mr. Richardson (who Prosecutors have dubbed "Mr. Chop Shop") was the mastermind behind two chop shops operating out of Pinal County. Each of these shops had numerous stolen and VIN altered vehicles. The Auto Theft Task Force performed surveillance on the second



chop shop and successfully obtained a search warrant that enabled SWAT to go in and arrest Mr. Richardson. Mr. Richardson's cases are ongoing.

La Paz County Attorney's Office –

In 2018, Defendant Taylor Daniel Brotherton was charged with Possession of Methamphetamine, a Dangerous Drug, a class 4 felony, Possession of Ecstasy, a Dangerous Drug, a class 4 felony, Possession of Marijuana, a class 6 felony, three counts of possession of drug paraphernalia, class 6 felonies, and several auto theft charges including Theft of Means of Transportation, a class 3 felony. He had several prior felony convictions and was on parole at the time of the arrest. Another driver had reported a 2007 Toyota 4Runner flipped on the side of the highway with no one in or near the car. When law enforcement went to investigate, they found Brotherton walking nearby behind a local home. He admitted to having wrecked the 4Runner. The 4Runner had been cold plated with a different license plate to evade detection, but the officers compared the VIN with the license plate and discovered the 4Runner was stolen from Oklahoma. The same 4 Runner had been used in Oklahoma to steal several items from retail stores prior to coming to Arizona. The defendant pled to Possession of Methamphetamine, a class 4 felony as a Category II Repetitive Offender and was sentenced to 4.5 years in Prison, \$12,571 dollars in restitution. The case information was also provided to Oklahoma for potential charging there. Thanks to DPS Troopers for investigating the VIN and plate to discover the cold plating. After several reports of stolen generators in the area, law enforcement officers planted a decoy generator. When the decoy was stolen, law enforcement was able to trace it to defendant Edward Barcomb, who was carrying it in a stolen travel trailer. Barcomb was charged with Theft of Means of Transportation, a class 3 felony and Theft, a class 5 felony. He had three prior felony convictions. Barcomb was sentenced to 3 years for Theft of Means of Transportation and 1 year for Theft to run concurrently. He was also sentenced to pay \$17,612 in restitution. After he was arrested, the generator thefts stopped. Thanks to officers from Quartzsite Police Department and Bureau of Land Management for putting an end to the generator theft that plagued so many in their community.



Santa Cruz County Attorney's Office –

State v. Oscar Melgar, (Santa Cruz Co. Case No. CR 18-019). Co-Defendants: Cody Buthman and Michael Johnson.

Oscar Melgar (“Guero”)

Michael Luquan Johnson (“Black Mike”)

Cody Buthman (“Cody”)

Sometime after midnight on November 19, 2017, two individuals befriended the victim. They duped the victim into giving them a ride, and then convinced her to get out of her vehicle while it was running. While the victim was out of the vehicle, the suspects drove off with the vehicle and her cell phone. One of the individuals matched Defendant Melgar's description, but the victim was unable to identify him in a lineup. (Police suspect it was Melgar and his girlfriend but were unable to establish this.)

Within hours of the vehicle being stolen, the Defendant and co-Defendant Michael Luquan Johnson, arrived in the vehicle at cooperating witness/co-Defendant, Cody Buthman's residence. They all drove the vehicle to Nogales, AZ.

At 1:10 p.m on November 19, 2017, CBP stopped the vehicle at the border. It returned as a reported stolen vehicle. Co-Defendant Buthman was driving at the time of the stop. Melgar and Johnson were passengers.

Melgar made a statement to law enforcement denying any involvement in the auto theft. He claimed he was just a passenger in the vehicle and that the vehicle was in possession of the co-defendants before he joined the group.

Co-Defendant, Buthman, provided information regarding Melgar (who he referred to as “Guero”) and Johnson (who he referred to as “Black Mike”).

Buthman told police that Melgar and Johnson arrived at his residence with the vehicle. He said that he owed Melgar money for heroin and was assaulted by Melgar. Buthman had injuries to his face, consistent with his statements. He indicated Melgar offered them drugs and money to assist him in delivering the vehicle for sale in Mexico. Buthman and Johnson agreed. Buthman told police that during the drive to

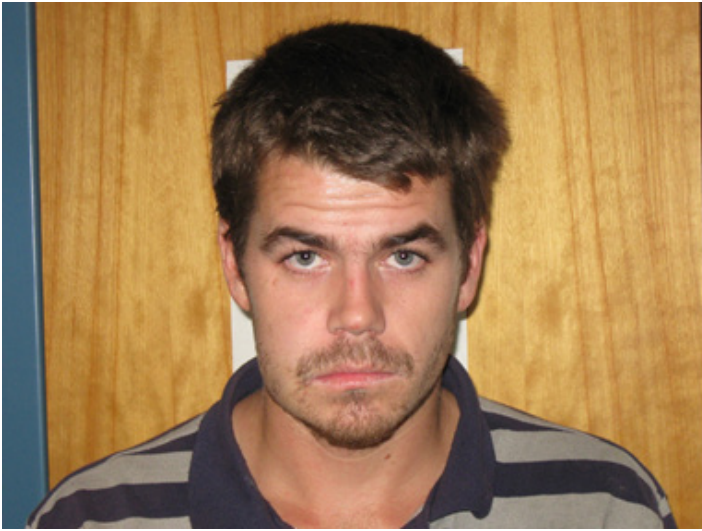
Nogales, Johnson was driving while Melgar took photographs on a cell phone. He also told police Melgar repeatedly checked an Arizona State auto theft website to verify that the vehicle was not yet listed as stolen.

Police were able to corroborate Buthman's story by downloading the victim's cell phone that was recovered on Melgar at the time of his arrest. The phone had substantial evidence inside. Between the time the vehicle was stolen and Melgar's arrest at the border, Melgar had downloaded a messaging app and personal photos (including photographs of him and an unknown woman) to the victim's phone. Melgar also had visited the state auto theft website and had taken photographs of him, Johnson and Buthman in the vehicle. There were also photographs of the victim's vehicle that were taken earlier in the morning. Melgar also download a messaging app, which contained messages attempting to negotiate a price for the sale of the victim's vehicle in Mexico. Police also located text messages between “Black Mike” and “Lee Lee” on the cell during the period of time the vehicle was stolen.

Johnson accepted a plea to F4, Attempted Theft of a Means of Transportation and the Court sentenced him to probation. He currently has an active warrant for a probation violation.

Melgar initially refused a plea agreement. Buthman agreed to cooperate and testify as a witness in exchange for a probation available plea to F3, Theft of a Means of Transportation. Sentencing is pending.

Melgar has five prior felony convictions. Sentencing: Just a week before trial, Melgar accepted a plea agreement. He was sentenced to 10 years in the Arizona Department of Corrections.



Specialized Auto Theft TRAINING

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.

This year, the AATA co-hosted Cargo Theft and Trailer Identification Training classes with Travelers Insurance, National Insurance Crime Bureau, Scottsdale and Sierra Vista Police Departments. The Cargo Theft Training and Trailer Identification course provides an important opportunity for law enforcement, insurance, and private industry personnel to gain insight into local and national cargo theft issues. This training also offers important networking opportunities to provide a collaborative effort to detect and deter theft.





Public Awareness & Prevention Programs

The AATA's goal is to educate and empower Arizona vehicle owners to protect and secure their vehicles and valuables at all times. The AATA's public awareness and prevention efforts continue to focus on strategic partnerships with statewide law enforcement, criminal justice, community organizations, corporations and businesses.

Outreach staff participated in 33 events throughout the year, which included VIN Etching Events, GAIN events, Apartment Community Safety Talks, 1 Regional Conference, 1 Crime Prevention Conference, 2 Cargo Theft Trainings and 2 AATA sponsored Capitol VIN Etching events.

The AATA's Outreach Coordinator also traveled to 12 various cities including Wilcox, Douglas, St. Johns, Coolidge, Sierra Vista, Eloy, and Sedona. We strengthened relationships with Maricopa, Apache Junction, Glendale, Buckeye, Surprise, and Tempe police departments.

Increased media efforts with KTAR, Live PD West Coast Pod Cast, Sonoran Living, ABC15, Channels 3, 5 and 12, Arizona Republic, Cronkite News, APA (International Magazine), Fox 10 News.

This year, the AATA partnered with the following groups:

- Arizona Chapter of the National Corvette Restorers Society (NCRS)
- Desert Z Club
- Phoenix Block Watch - PRIDE, Tomahawk, Black Mountain, Ahwatukee Crime Watch
- Travelers Insurance
- NICB
- Maricopa Police Department
- Apache Junction Police Department
- Cochise County Sheriff's Office
- Douglas Police Department
- Saint John's Police Department
- Sierra Vista Police Department
- Coolidge Police Department
- Glendale Police Department
- Surprise Police Department
- Eloy Police Department



#9PMRoutineAZ

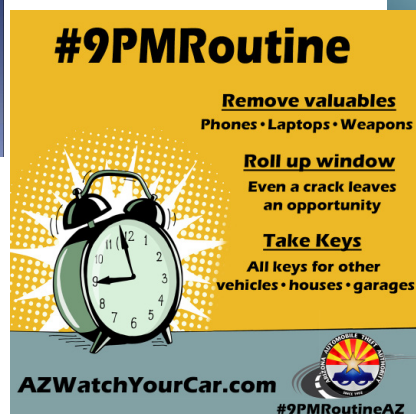
In Arizona, the majority of vehicle and home burglaries are CRIMES of OPPORTUNITY and too many vehicles are left unlocked with valuables inside during overnight hours. Criminals targeting our vehicles aren't after a specific item, but rather any item(s) that may be of value.

This year, the Arizona Automobile Theft Authority (AATA) joined the "9PM Routine" Campaign sweeping the nation, originally introduced on A&E Channel's Live PD by Florida's Pasco County Sheriff's Office, which has resulted in a 33% decrease in vehicle burglaries in their county since launching the program Fall 2017.

The 9PM Routine is a nightly reminder to remove valuables out of vehicles and ensure ALL doors and windows are locked, including home and garage areas. The goal of the 9 PM Routine is to combat auto thefts and break-ins and help empower citizens to develop their own personal security routines by having a designated time to perform these tasks every night at 9PM. Vehicle owners can engage in interactive check-in's once the 9PM Routine has been completed – Twitter - #9PMRoutineAZ – Facebook

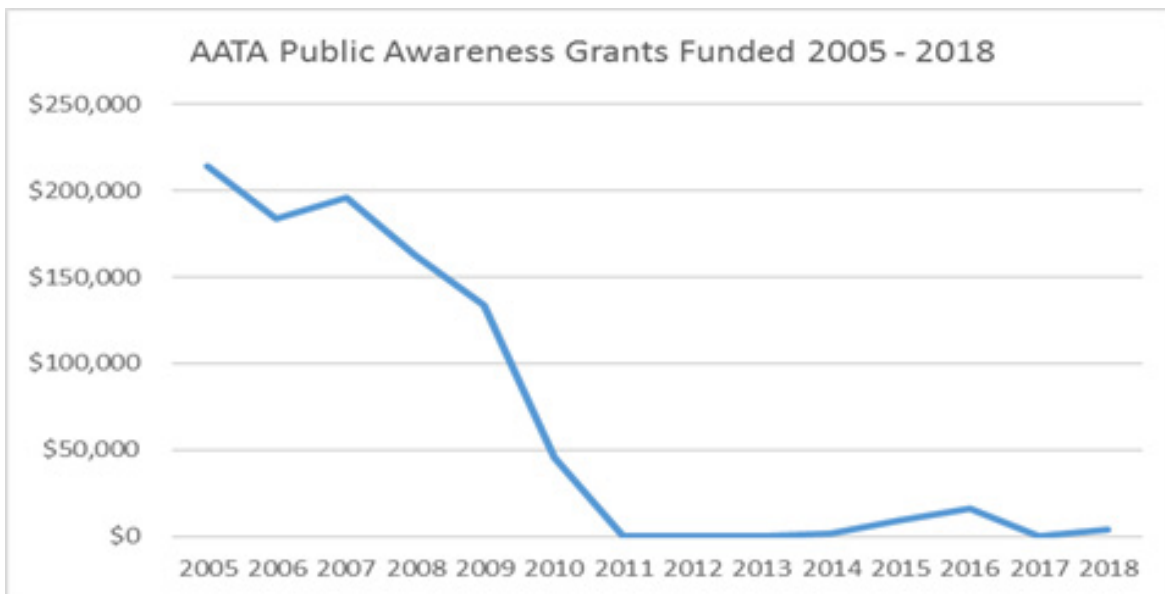
The Pasco County Sheriff's Office has had very positive community interaction with this campaign via Twitter and Facebook, The AATA will be the lead agency coordinating Arizona's 9PM Routine participation. With Pasco County's permission, we're able to use their #9PMRoutine Logo and create one for Arizona, with our own hashtag #9PMRoutineAZ. Please help us make this movement a statewide effort in Arizona and share this with your followers.

The AATA produces and distributes social media and message ads, and will provide materials and promotional items for neighborhood and community events.



Public Awareness GRANT Programs

The AATA also provides grant funding and resource support to law enforcement agencies across the state to implement (and sustain) community-based public awareness programs, including providing free services for VIN Number Etching on window glass.



AATA's annual Public Awareness Grant budgets have been nearly decimated due to continued underfunding of the Agency.

This year, the AATA issued Public Awareness Grants in the amount of \$5,700 to the following agencies for new VIN Insta-Etch equipment and supplies, along with promotional items for agencies and event support:

- Eloy Police Department
- Douglas Police Department
- Quartzsite Police Department
- Tempe Police Department

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 offices. As of December 2018, the AATA has 36,081 vehicles enrolled in the program.

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.

Tailgate Theft Prevention – “Watch Your Tail” Campaign

Recent reports from the National Insurance Crime Bureau (NICB), show a national trend continuing across the U.S. in the theft of pick-up truck and SUV tailgates. Tailgates can be easily 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. In the last few years, the AATA launched a “Watch Your Tail” campaign, featuring a Do-it-Yourself using a 1-inch metal hose clamp. Other theft preventive measures include parking indoors and backing up against a wall or other impediment when parking.

The top five states for tailgate thefts: Texas, California, Florida, Arizona, and Nevada.

The top 10 cities for tailgate thefts during these years: Houston, Dallas, San Antonio, Los Angeles, Fresno, Las Vegas, Phoenix, Miami, Bakersfield, Long Beach.

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Annual Auto Theft Prevention Month in March

March 2018, the AATA sponsored the 12th 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 - <https://aata.az.gov/upcoming-events>.



Social Media Outreach Campaigns

The AATA's public outreach efforts, along with Social Media including Facebook (Arizona Auto Theft Authority), Twitter (azautotheft) and YouTube (azautotheft2012). The AATA's website (www.azwatchyourcar.com) is maintained by staff with auto theft related information, statistics, events, E-newsletters. Staff continues to promote on-line Watch Your Car enrollment and web-based services for our customers.



Financial Report

For the Year Ended June 30, 2018

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, 2018 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, 2017 were \$ 6,327,665, an increase of \$101,877 or 1.64% from the prior year. All excess cash is invested with the State Treasurer and the Authority earned \$48,547 in investment income during the current fiscal year.

Expenditures


Total expenditures for the current year were \$5,252,028, a decrease of \$9,096 from the total expenditures from the previous year of \$5,261,124. 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, 2018, the Authority was in compliance with this statute with "costs of administration" being 6.02%, of "the monies in the fund" as verified by the audit. The AATA's administrative costs as a percent of total expenditures for the fiscal year were 7.34%. The AATA ended the year with cash and investments with the State Treasurer of \$2,915,687.

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. As the population of the state has continued to grow, the revenue collected by the AATA has also continued to grow. Therefore, in going forward the AATA was cautious in its revenue projections. For the fiscal year ending June 30, 2019 (FY19), the agency projects revenue growth of 3.00% (over the previous year), this means that the anticipated revenue in FY19 from insurance collections should be approximately \$6,517,495, (\$189,829 above the revenue received in the FY18). Going forward, the agency expects revenue to increase at the 3.00% rate for the fiscal year ending June 30, 2020 (FY20), with a projected revenue of \$6,713,019. 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, 2018

	June 30, 2017	June 30, 2018
Revenue		
Current Year Collections	6,225,788	6,327,665
Prior Year Collections	-	-
Investment Income	31,061	48,547
Grants	-	-
Refund of Unused Grant Funds/Miscellaneous Income	14,530	1,905
Total Cash Collections	6,271,379	6,378,117
Change in Revenues Accrued	(27,785)	210,943
Total Revenue	\$6,243,594	\$6,589,060
Expenditure by Program		
Administrative Costs (1,2)	389,324	383,938
Arizona Vehicle Theft Task Force Grant	3,650,000	3,650,000
Vertical Prosecution Program	870,141	905,164
Public Awareness	231,383	245,490
Law Enforcement Grant Program	81,916	37,842
Professional Training & Special Grant Program	38,360	9,394
Emergency/Discretionary Grant Program		
Investigator Projects		
Reimbursable Programs		
Miscellaneous	-	-
Total Expenditures (3)	5,261,124	5,231,828
Transfer to Primary Government	(3,000,500)	(20,200)
Changes in Fund Balance	(2,018,030)	1,337,032
Beginning Fund Balance (4,5)	6,909,277	4,891,247
Ending Fund Balance (4,5)	\$4,891,247	6,228,279
Footnotes		
1. Administrative Costs as a Percentage of Cash Collections	6.21%	6.02%
2. Administrative Costs as a Percentage of Total Expenditures	7.40%	7.34%
3. Actual Expenditures by Category per Audited Financial Statements		
Appropriated Current Operating Expenses		
Personal Services	312,944	317,907
Employee related expenses	122,555	119,700
Professional services	33,669	12,229
Travel-in-State	1,130	6,162
Travel-out-State	3,684	3,492
Aid to Organizations	4,605,057	4,596,573
Other Operating	128,873	87,602
Capital Outlay	19,877	35,782
Transfer to Primary Government		20,200
Total Expenditures	\$5,227,789	\$5,199,647
Non-appropriated Expenses		
Other Travel	2,999	315
Aid to Organizations	35,360	9,394
Miscellaneous	34,976	2,672
Total Non-appropriated Expenditures	73,335	12,381
Uses/outflows of Resources		
Prepaid cash items/Budget expenditures cash basis	(40,000)	40,000
4&5. Fund balance includes accrued income as per the audited financial statements		
<hr/>		
Total Expenditures	\$5,261,124	\$5,252,028
Cash invested with the State Treasurer as of June 30th	\$1,747,255	\$2,915,687
Report based on audited financial statements		

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.

1 current vacancy (January 2017) - County Attorney population < \$1 million.

Current AATA Board members include:

Board Chairman

Matt Reed

State Farm Insurance Companies

Vice-Chair

Chief Daniel G. Sharp

Oro Valley Police Department

Joe Brosius

Public Member

Dean C. Butler

Farmers Insurance

Sheriff Joseph A Dedman, Jr.

Apache County

Director Eric Jorgensen

AZ. Motor Vehicle Division

Director Frank L. Milstead

AZ. Department of Public Safety

Bill Montgomery

Maricopa County Attorney

Sheriff Paul Penzone

Maricopa County

Chief Michael Soelberg

Gilbert Police Department

Mary Snider

Public Member

AATA Staff

Frederick W. Zumbo - Executive Director

Art Myer - Chief Financial Officer

Ann Armstrong - Grant Administrator

Frank Ceballos - Administrative Services Officer

Amanda O'Halloran - Administrative Assistant III



Special Thanks

Thank you to the state's criminal justice agencies for their continued participation in the Arizona Vehicle Theft Task Force and partnership with the AATA.

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.

IACP Vehicle Crimes Subcommittee, Fred Zumbo, Chair
ATPA (National Auto Theft Prevention Authorities) Working Group
CATPA (Colorado Auto Theft Prevention Authority)
ADOT Enforcement and Compliance Division (ECD)
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 (All)
Travelers Insurance
Rep. David Livingston, Arizona House of Representatives, District 22
Jordan Johnston, Analyst, Joint Legislative Budget Committee
JD Hough, Lojack Corporation & 2017/2018 IAATI President
Kristin Sherman, Auto Theft Bureau Chief, Maricopa County Attorney's Office
Sgt. Bob Bowers, AZ. DPS/Arizona Vehicle Theft Task Force
Captain Paul Etnire, AZ. DPS/Arizona Vehicle Theft Task Force
Nicole Farr, Arizona Insurance Institute
Jeff Bronough, Arizona Insurance Institute
Don Isaacson, Isaacson & Walsh, PC
Officer Hilario Tanakeyowma, Quartzsite Police Department
Chief William Ponce, Quartzsite Police Department
Ben Blink, Analyst, Governor's Office of Strategic Planning & Budgeting
Vickie Faber, Gilbert Police Department, ACPA President 2017, BOLOCOP
Richard Spallinger, National Insurance Crime Bureau
Cheyenne Walsh, Isaacson & Walsh, PC
Karin Smith, Heinfeld, Meech CPA



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State of Arizona
Arizona Automobile Theft Authority
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