THE AUTO THEFT PREVENTION AUTHORITY (ATPA) CONTRIBUTED TO A NEARLY 9% REDUCTION IN VEHICLE THEFT ACROSS THE COMMONWEALTH COMPARED TO THE PREVIOUS YEAR.

TABLE OF CONTENTS

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Infographic</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>Letter to the Governor</td>
<td>14</td>
</tr>
<tr>
<td>5</td>
<td>The ATPA</td>
<td>18</td>
</tr>
<tr>
<td>6</td>
<td>Authority Impact</td>
<td>19</td>
</tr>
</tbody>
</table>
THE AUTHORITY PROTECTS 10,504,757 REGISTERED VEHICLES IN PENNSYLVANIA

- 4.7 million automobiles
- 5.3 million trucks
- 396,315 motorcycles
- 54,766 buses

Source: State Motor Vehicle Registrations 2014 - US Department of Transportation, Office of Highway Policy Information
TO THE HONORABLE GOVERNOR
TOM WOLF & MEMBERS OF THE
PENNSYLVANIA GENERAL ASSEMBLY

Pennsylvania continues to be a leader in auto theft prevention. In 2015, the Pennsylvania Auto Theft Prevention Authority (ATPA) contributed to a nearly 9% reduction in vehicle theft across the Commonwealth compared to the previous year. This helps all Pennsylvanians experience less crime in their communities and limits a need for increases in auto insurance rates.

ATPA was created by the General Assembly in 1994. Since inception, the Commonwealth has seen a 73% decrease in vehicle theft, an extraordinary improvement and far more than the national decrease of 53%.*

As an independent agency, ATPA does not use tax dollars, rather we self-fund through an annual assessment of more than 370 insurance companies that write auto policies in Pennsylvania. For every dollar assessed since inception, there is nearly a seven dollar return on that investment in reduced auto theft rates and recovered stolen vehicles and parts.

This year, our grantees and partners contributed to crucial gains, especially in the southeast region of our Commonwealth — which is a primary focus because it continues to have the highest incidence of theft:

>> A 12% decrease in auto theft in Philadelphia and an 11% decrease in the Philadelphia MSA (metropolitan statistical area)
>> Major increases in arrests, convictions, and recoveries in Delaware County
>> A 180% increase in participation in Philadelphia District Attorney’s first-time youth offender diversion program.

Auto theft isn’t what it used to be. ATPA continues to allocate resources and develop expertise to stay a step ahead of today’s sophisticated and often organized theft rings. We are proud of our sustained effort and the highly skilled and well trained police officers, state troopers, auto squad investigators, prosecutors, and staff who attack this problem daily and make our communities safer.

We are grateful for the opportunity to serve Pennsylvania’s citizens and we thank you for your support.

Respectfully,

Ronald W. Kosh
Chairman

* Theft rates are from the FBI and only available through 2014 at the time of publication.
The ATPA

killed partners and modern equipment continue to be crucial to our fight. Few citizens fear auto theft. In large part, many Pennsylvanians don’t experience it. That’s because our specialized, statewide network holds the line on this crime. We’ve continued to tamp it down for two decades, and it’s working. Since 1995, theft rates have dropped by 53% nationally, while Pennsylvania’s theft rates have decreased by more than 73%.*

Most importantly, the Authority has built a strong team of specialized professionals who are dedicated to this crime. Vehicle theft is complex. Only through training and experience can law enforcement personnel recognize stolen cars and parts, understand evidence and technology, and track down sophisticated international theft rings or neighborhood chop shops.

We have a multi-layered approach. We provide grants to help support eight law enforcement and investigative units statewide, including the Pennsylvania State Police, regional task forces, district attorneys, police departments, and youth diversion programs. These grantees also educate and work with any willing partner agencies, which expands our reach.

ATPA does not use tax dollars. We are self-funded through an annual assessment of the 370 insurance agencies that write auto policies in the Commonwealth. We continue to be good stewards of these funds - using only 5% for operational costs - with the bulk of funds devoted to street level enforcement, equipment upgrades, training, public awareness, and prosecution.
AUTHORITY IMPACT

MOTOR VEHICLE THEFTS IN PA

1994 | 2015
53,306 | 13,034

INDIVIDUALS ARRESTED & CONVICTED

<table>
<thead>
<tr>
<th>Year</th>
<th>Arrests</th>
<th>Convictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>450</td>
<td>908</td>
</tr>
<tr>
<td>2011</td>
<td>441</td>
<td>937</td>
</tr>
<tr>
<td>2012</td>
<td>459</td>
<td>886</td>
</tr>
<tr>
<td>2013</td>
<td>485</td>
<td>944</td>
</tr>
<tr>
<td>2014</td>
<td>769</td>
<td>918</td>
</tr>
<tr>
<td>2015</td>
<td>665</td>
<td>711</td>
</tr>
</tbody>
</table>

IMPACT OF GRANTEES’ COMBINED EFFORTS

Value of recoveries
2015: $6 million Grants Paid

- Parts: $154k
- Restitution: $1.8m
- Vehicles: $21.3m

Inception: $105.2 million Grants Paid

- Parts: $23m
- Restitution: $31m
- Vehicles: $538.8m
AUTO THEFTS BY COUNTY

All other counties

Lehigh
Berks
Bucks
Montgomery
Philadelphia
Lancaster
Delaware

TOTAL VALUE OF RECOVERED VEHICLES AND PARTS SINCE INCEPTION IN 1994

$561.5 million
JOINT TASK FORCE HALTS SHIPMENTS TO AFRICA

Location: Philadelphia

The Philadelphia Major Crimes Auto Squad helped take down an international theft ring resulting in the arrest of three suspects and the recovery of 14 vehicles valued at more than $500,000. The scheme involved fraudulently rented cars and SUVs to be sold and shipped to Africa. Many of the vehicles were also then falsely reported as stolen from Philadelphia and surrounding counties.

In early July, the lead auto squad investigator located where these cars were being stashed and placed in shipping containers. They were then taken to Port Elizabeth, NJ for shipment overseas.

The first shipment Philadelphia Police intercepted contained three luxury vehicles. After approximately two months of surveillance and a joint investigation with the NYPD, New Jersey State Police, and United States Customs, the theft operation was raided and shut down.
PRECIOUS METALS ARE HOT ITEMS
Location: Philadelphia, PA

Hondas continue to be high-demand. The specific targets are 1994 - 1999 Accords and Civics. Their catalytic converters contain platinum, palladium, rhodium, and gold and are worth $80 - $150 on the black market. Detectives with the Philadelphia Police Major Crimes Auto Squad used video surveillance and facial recognition to help nab a suspect responsible for 40 thefts.

A BIG HAUL OF CONFESSIONS
Location: Luzerne County

A Luzerne County detective requested expertise from the Central Pennsylvania Auto Theft Task Force with an ongoing case that stemmed from the recovery of a stolen 2005 Freightliner Truck Tractor. The suspect had accidentally left his cell phone behind in the truck, leading to his identification and arrest.

During his interview, he confessed to the theft of the Freightliner, nine Ford pickup trucks, a camper, a 15-foot utility trailer, two other small trailers, and construction tools worth more than $100,000.

GRANTEES
Lehigh County
>> Senior Deputy DA (50% funded)
>> Secretary (50% funded)
>> 4 detectives from local police departments (fully funded)

Lackawanna County*
>> Assistant DA (50% funded)
>> 2 detectives from local police departments (partially funded)
>> Secretary (50% funded)

Philadelphia Police Department
>> 8 police officers and 4 detectives (fully funded by grant)
>> 6 division detectives (overtime only)
>> Major Crimes Auto Squad (overtime only)
>> Tow Squad (overtime only)

Philadelphia District Attorney’s Office
>> Assistant DA—Juvenile Division (part-time)
>> Assistant DA—(Adult) East Division (fully funded)
>> Law Clerk (fully funded)
>> Investigator (fully funded)

Delaware County
>> Assistant DA (50% funded)
>> Detective (fully funded)
>> Analyst (50% funded)
>> Overtime for assisting officers

Good Shepherd Mediation Program (GSMP)
GSMP delivers an Authority-funded program, “Impact of Auto Theft” (IAT), to first-time offenders selected by the Philadelphia District Attorney’s Youth Aid Panels, juveniles who have been offered consent decrees by assistant district attorneys assigned to Philadelphia’s Delinquency Court and youth offenders who have been adjudicated for auto theft and are referred by Philadelphia Juvenile Probation Officers. GSMP facilitates an in-school theft prevention seminar for at-risk youth in Philadelphia.

Pennsylvania Anti Car Theft Committee (PACT)
PACT provides public outreach to increase theft prevention awareness throughout the state.

STOLEN RENTAL CARS
Location: Philadelphia
On April 27, 2015, the manager of the Enterprise Car Rental on Leverington Avenue reported a stolen 2015 Ford Expedition, which was rented by Raymond Smith and never returned. The Expedition was recovered in the area where Smith resides. Smith was also caught with another rental car.

He then provided intel on a former Enterprise employee and accomplice who were working together to steal the cars. More than 28 vehicles were stolen as part of this operation, 20 of which were recovered or returned.

IT’S A TEN
Location: Hazelton & New York City
An officer with the Pennsylvania State Police Auto Theft Task Force uncovered a chop shop and theft ring that was selling stolen vehicles with altered vehicle identification numbers. Counterfeit titles were used to obtain valid Pennsylvania titles, and the vehicles were sold to witting and unwitting buyers. Investigators recovered more than 10 vehicles worth about $400,000. The Northeastern PA Auto Theft Task Force special prosecutor obtained a guilty plea from the ring leader who faces up to 31 years in prison and $70,000 in fines.

CUTTING TO THE CHASE
Location: Allentown, PA
Following a failed armed robbery at a convenience store, the suspect fled the scene, jumped into a running car and drove away. In the process, he left his hooded sweatshirt back at the store with his PA identification card tucked inside.

Allentown police pursued him to Whitehall, discontinuing the chase when speeds exceeded 100 mph. After he entered I-78, the state police and other departments took over, eventually stopping him in Chester County after spike strips were deployed. Ultimately, the suspect was arrested and extradited to Lehigh County. His bail was set at $100,000.
PUFFER AND HIGH SPEED CHASE

Locations: Lancaster and York

Leaving her newly acquired Lexus running and unlocked with her purse and cell phone in the vehicle, the owner left a convenience store in York to find her car stolen. Tracking the car by way of her smartphone, officers located the vehicle in Lancaster, where a high speed chase ensued. The suspects abandoned the vehicle but were later found due to in-car cameras, video from the Lancaster Safety Coalition, and fingerprints.

CENTRAL AUTO THEFT TASK FORCE (CATFF) FINDS CAMPER

Locations: Chambersburg, PA & Martinsburg, WV

In July 2014, an $80,000 luxury camper was pinched from a dealer’s lot. During the crime, the actors damaged over $100,000 worth of property. Through a series of interviews, video surveillance, and a run down of the target’s cell phone and credit card records, a state police auto investigator from the Central Auto Theft Task Force identified the suspect. He was arrested a month later during a traffic stop; the camper was retrieved from an RV Park in West Virginia, and in October 2015 the accused named his accomplice. The two are awaiting trial.
On a hunch, an investigator with the Central Auto Theft Task Force asked Carfax to create a search program to help identify stolen cars. The database catalogs cars with an odometer reading of more than 5,000 miles when they are registered for the first time. The investigator has used this filtering and criteria-based process to research vehicles that have been potentially stolen and re-vinned. In one instance, the state police recovered a BMW that was reported stolen in Greenwich, CT and taken to Pittsburgh where the burglar resold the car to a Craigslist buyer in Charlotte, NC. So far, this process has led to the recovery of eight vehicles valued at more than $300,000.
PITTSBURGH POLICE AUTO SQUAD COLLABORATION

Location: Pittsburgh, Bethel Park & Forest Hills

After a string of burglaries at The Best Auto Mart in Pittsburgh and Cessna Motors in Penn Hills, auto squad detectives from Pittsburgh and the Western Auto Theft Task Force prosecutor worked with surrounding agencies to track down and recover eight stolen vehicles. Within a few weeks, this multi-agency investigation recovered all the vehicles, their keys, and registration plates, leading to charges against five adults and five juveniles. The estimated value of recovery was $80,000.

PA STATE POLICE - GAS WELL PIPE THEFT LEADS TO VEHICLE SWIPE

Locations: Washington, PA & Monongalia County

The PSP Washington received a tip regarding a pipe fusion machine and trailer theft at a well site. The Western Auto Theft Task Force tracked the suspects to Monongalia County, WV. After coordinating with Monongalia County Sheriff’s Office, investigators set up a sting, arranging a meeting with the suspect to purchase the machine. Upon seeing the stolen item, investigators arrested the suspect, who later admitted to burglaries at five different well sites. Stolen items included utility vehicles, tools, and other equipment, along with a re-vinned trailer worth approximately $90,000.

PA STATE POLICE - ALL THAT AND A BAG OF TOOLS

Location: Fayette County

Through the investigation of a stolen rollback truck, state police investigators uncovered more than $150,000 in stolen property and thefts dating back six to seven years. Members of the Western Auto Theft Task Force searched the home and business of the suspected rollback thief and found a New Holland skid steer, Bobcat mini excavator, heavy duty construction trailer, tractor, two ATVs, railroad tools, and welders. One of the additional suspects is already serving a state sentence for unrelated burglary charges.

GRANTEES

Pittsburgh Police

>> 1 detective (fully funded)
>> 1 detective (75% funded)
>> Partial overtime and expenses for 4 detectives

Allegheny County

>> Assistant district attorney (fully funded)
>> Paralegal (fully funded)
Public education is an important part of the Authority’s mission. The single most effective tactic in preventing theft is locking the vehicle. While that message is simple and common sense, it is not common practice. According to ATPA grantees, nearly half of all stolen cars were left unlocked, many with the keys inside, and some left running and unattended. ATPA’s goal is to change that behavior so prevention becomes a habit. Our outreach spans the state, but also focuses on areas with the highest theft rate.

PHILADELPHIA PHILLIES

A sponsorship with the Philadelphia Phillies allowed us to reach hundreds of thousands of fans in the southeast region, which experiences nearly half of all thefts in the commonwealth. During the baseball season, ATPA reminded hundreds of thousands of fans in stadium and on radio broadcasts to lock their cars to prevent theft. The 20,000 fans who attended the game on July 19, also received travel mugs with ATPA’s prevention message. According to the Phillies, nearly 53% of all car owners in the Philadelphia area watched, listened to, or attended a Phillies game in 2015.
NATIONAL CINEMEDIA

Our prevention message was seen and heard statewide on movie theater screens. ATPA partnered with National Cinemedia, operator of the largest digital in-theater advertising network in North America. For five weeks in the summer and two weeks at Thanksgiving, ATPA’s 30-second theft prevention commercial was viewed by nearly two million Pennsylvanians.

WEBSITE

The Authority invested in a new website in order to upgrade functionality, provide a better user experience, and allow for mobile access. Grantees and law enforcement partners can register for training, and visitors can find information about upcoming events and resources for their community.
VIN ETCHING
ATPA trained police departments, insurance partners, and state legislators how to conduct VINetching events, and grantees also organized their own events, etching hundreds of vehicles statewide. Chemically etching a car’s vehicle identification number (VIN) on the windshield and windows deters thieves. If stolen, a thief must replace all of a car’s glass before trying to sell it. The Philadelphia Major Crimes Auto Squad and Lehigh County Auto Theft Task Force (LCATTF) held community outreach events throughout the year, etching cars and distributing steering wheel locking devices.

NATIONAL NIGHT OUT
The Authority supplied 16 agencies across the state with bottled water for National Night Out (NNO) and other anti-crime community rallies and events. The bottled water was printed with ATPA’s prevention message and distributed to nearly 4,300 people.
HEAVY EQUIPMENT TRAINING

ATPA partnered with local police departments to conduct training programs on heavy equipment theft. The Pennsylvania State Police Western Auto Theft Task Force instructed the classes, at which attendees learned how to recognize and investigate theft of heavy equipment, and how to locate and recover identifying characteristics on stolen equipment. Preventing and reducing theft requires unique skills and education not usually offered in most jurisdictions. ATPA training bridges the gap and expands our network of well-trained partners across the state.
FISCAL YEAR 2014/2015

Assessments .................................................................................................................. $6,989,826
Interest Earned .................................................................................................................. $3,605
Total Revenue .................................................................................................................... $6,993,431
Balance Carried Over from Prior Year ........................................................................... $1,163,035
Total Funds Available ..................................................................................................... $8,156,466

PROGRAM EXPENSES
Grants Paid .................................................................................................................... ($5,764,721)
Grant Reviews ................................................................................................................ ($67,726)
Public Awareness ........................................................................................................... ($361,113)
Training ........................................................................................................................ ($23,687)
Total ................................................................................................................................ ($6,217,247)

OPERATING EXPENSES
Personnel Expenses ........................................................................................................ ($195,460)
Operating Expenses ....................................................................................................... ($150,667)
Total ................................................................................................................................ ($346,127)

Net Effect of Balance Sheet Changes ........................................................................... $507,517
Year-End Balance (to be applied to future grant and operational expenditures) .......... $2,100,609

ATPA operated at 5% ($346,127) of the total assessments collected.
BOARD & STAFF

BOARD MEMBERS

RONALD W. KOSH
Chairman
Director, AAA Mid-Atlantic
Southeast Pennsylvania

CELESTE C. DODSON
Secretary
Claims Manager,
State Farm Insurance

JAMES FITZPATRICK
Chief Deputy
Attorney General
Office of the Attorney General

CHARLES H. RAMSEY
Commissioner,
Philadelphia Police
Department

FRANK E. PAWLOWSKI
Retired Colonel,
Pennsylvania State Police

FRANK NOONAN
Retired Commissioner,
Pennsylvania State
Police

STAFF

ALISSA TEMPERINE
Grants Analyst

STEVEN R. WHEELER
Executive Director