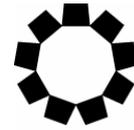


# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

## AGENDA

### **FINANCE AND PERSONNEL COMMITTEE**

Thursday, May 21, 2015, 5:00 PM

Location:

Joseph P. Bort MetroCenter  
Association of Bay Area Governments  
101 8<sup>th</sup> Street, Conference Room B  
Oakland, California

*The ABAG Finance and Personnel Committee may take action on any item on this agenda.*

*Agenda and attachments available at [abag.ca.gov](http://abag.ca.gov)*

*For information, contact Charles Adams, Interim Finance Director, at (510) 464-7906.*

#### **1. CALL TO ORDER**

#### **2. PUBLIC COMMENT**

Information.

#### **3. APPROVAL OF MINUTES OF MARCH 19, 2015**

ACTION.

*Minutes of March 19, 2015 meeting attached.*

#### **4. INTRODUCTION OF INTERIM FINANCE DIRECTOR CHARLES ADAMS**

Information.

*Staff report regarding Mr. Adams' qualifications is attached.*

#### **5. PRESENTATION AND REVIEW OF FINANCIAL REPORT FOR MARCH 2015**

Information/ACTION.

**ABAG Finance and Personnel Committee**

May 21, 2015

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*Financial Report for March 2015 is attached.*

**6. REPORT ON PAYMENT OF MEMBERSHIP DUES FY 14-15**

Information.

*Staff report is attached.*

**7. BARC BUDGET REQUEST FY 15-16**

Information/ACTION.

*Budget worksheet is attached.*

**8. RENEWAL OF LINE OF CREDIT WITH BANK OF THE WEST**

ACTION.

*Staff report is attached.*

**9. FINANCIAL SUPPORT TO THE BAY AREA COUNCIL ECONOMIC INSTITUTE FOR FY 15-16**

ACTION.

*Staff report is attached.*

**10. ORAL REPORT ON SCO AUDIT AND MTC AUDIT**

Information.

**11. ORAL REPORT ON INTERAGENCY AGREEMENT WITH MTC**

Information.

**12. CLOSED SESSION**

**A. Conference With Labor Negotiators**

**Agency designated representatives: Brian Kirking and Brad Paul**

**Employee organization: SEIU Local 1021**

**B. Public Employee Performance Evaluation**

Title: Executive Director

**13. ADJOURNMENT**

**ABAG Finance and Personnel Committee**

May 21, 2015

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The next meeting of the Finance and Personnel Committee will be on  
Thursday, July 16, 2015.

Submitted:

Charles Adams, Interim Finance Director

Date: May 5, 2015

## ABAG FINANCE AND PERSONNEL COMMITTEE

### Summary Minutes

March 19, 2015

#### Members Present

Mayor Bill Harrison  
Supervisor Karen Mitchoff  
Supervisor David Cortese  
Supervisor Scott Haggerty  
Supervisor Mark Luce  
Councilmember Julie Pierce  
Supervisor David Rabbitt

#### Jurisdiction

City of Fremont  
County of Contra Costa  
County of Santa Clara  
County of Alameda  
County of Napa  
City of Clayton  
County of Sonoma

#### Members Absent

Councilmember Desley Brooks  
Supervisor John Gioia  
Supervisor Dave Pine

City of Oakland  
County of Contra Costa  
County of San Mateo

#### Officers and Staff Present

Ezra Rapport, Executive Director  
Bradford Paul, Asst. Exec. Director  
Kenneth Moy, Legal Counsel  
Susan Hsieh, Asst. Finance Director

#### Guests

Mayor Pro Tem Pat Eklund  
Ken Bukowski, Videographer

City of Novato

1. The meeting was called to order by Mayor Harrison, Committee Chair, at 5:00 pm.
2. There was no public comment.
3. Summary Minutes of the January 15, 2015 meeting were approved. /M/Pierce /S/Luce /C/approved unanimously.
4. Mr. Rapport presented the financial reports for January 2015. The Committee discussed outstanding membership dues for FY 14-15 and advised staff to check on unpaid dues. The Committee recommended reporting out members with unpaid dues at the Executive Board meeting. /M/Haggerty/S/Luce/C/acceptance of the report unanimously.

5. The Committee discussed the request from San Francisco Bay Restoration Authority regarding ABAG's assistance in raising funds needed to place a regional revenue measure on the ballot in 2016. The Committee decided to table the item. M/Haggerty/S/Luce/C/tabled the item.
6. Mr. Rapport reported on the status of the SCO audit and the MTC audit request. The SCO auditors will stay until the end of March 2015. The MTC audit will begin on April 23, 2015. The audit will take about three weeks.
7. There was no reportable action from Closed Session.
8. Meeting was adjourned at 6:37 pm.

Submitted: Susan Hsieh, Assistant Finance Director

**DATE:** April 16, 2015  
**TO:** Finance & Personnel Committee  
**FROM:** Ezra Rapport, Executive Director  
**SUBJECT:** Appointment of Interim Finance Director Charles Adams

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I am pleased to announce the appointment of Charles Adams as ABAG's Interim Finance Director. Mr. Adams will be acting in this role while Herbert Pike, ABAG's Finance Director, is on medical leave. Mr. Pike has made himself available to assist Mr. Adams with his duties.

Mr. Adams brings a wealth of experience and knowledge to ABAG. Mr. Adams holds a BS Degree in Accounting from the University of Utah and an MBA Degree from Washington University, St. Louis. He is a Certified Public Accountant (CPA) and a Certified Management Accountant (CMA). His professional career has included two year service as a US Army Officer, auditor with PriceWaterhouse, CPAs, Managing Partner of Adams, Grant, White & Co. CPAs, Chief Financial Officer of the Oakland – Alameda County Coliseum and Director of Finance and Administrative Services of the City of Albany.

Mr. Adams has been serving public and nonprofit organizations for over 45 years. During his CPA career, Mr. Adams served as an audit partner on numerous governmental and nonprofit agencies, including the City of Berkeley, Alameda County Transportation Authority, MTC, BART, Peralta Community College District, Oakland Unified School District, Oakland-Alameda County Coliseum, AC Transit, and the Regional Center of the East Bay. As the Chief Financial Officer of the Oakland-Alameda County Coliseum and the City of Albany, Mr. Adams coordinated the issuance of numerous bonds totaling over \$400 million. He is experienced in bond issuance and debt management.

Mr. Adams has extensive experience in financial reporting, operating and capital budget preparation and financial forecasts, cash and treasury management, debt management, grants management, contract management, and risk management. He oversaw critical accounting and administrative functions including accounts receivable, accounts payable, payroll, treasury, grant reporting, fixed assets, human resources, and information technology. He has great expertise in evaluating internal controls and developing comprehensive policies and procedures.

Throughout his career, Mr. Adams has held leadership positions in many professional and civic organizations, including Board of Directors of the East Bay Chapter of the California CPA

**Item 4**

Society, President of the San Francisco Bay Area National Association of Black Accountants (NABA), National Treasurer of NABA, and President of the Oakland Rotary Club.

Mr. Adams will oversee the Finance Department's day-to-day operations and the MTC audit and forensic audit. He will coordinate preparation of ABAG's budget for FY 15-16. He will work with staff to evaluate current policies and procedures and implement additional best practices to enhance internal controls.

We are very fortunate to have Mr. Adams to assist us at this time. His extensive experience and background are great assets to ABAG. His strong knowledge in the audit, financial reporting, grants management, debt administration, and risk management areas will be beneficial to our grant funded programs and service programs. Please join us in welcoming Mr. Adams to ABAG.

**Item 4**

To: Finance and Personnel Committee

Date: May 19, 2015

From: Charlie Adams  
Interim Finance Director

Re: Financial Reports  
-- March 2015

The following are highlights of the financial reports for March 2015.

### **Overall Summary**

Revenues exceeded expenses by \$507 thousand as of March 31, 2015, this surplus of revenues are expected to decline due to end of year accruals and adjustments for vacation, payroll, benefits, and other outstanding commitments. In addition, excess revenues may be used to cover project cost overruns or costs not covered by funding agencies. A \$70 thousand surplus is projected at year end, and \$50 thousand will be reserved to increase the designated contingency funds. Please refer to the **Table of Financial Report Data Elements** for actual and projected numbers.

### **Cash on Hand**

The cash balance was \$6.7 million at the end of March, including \$2.18 million deposited in the Local Agency Investment Fund (LAIF). As shown in Figure 1 the actual monthly cash balances for the first nine months of fiscal year 2014-15, and the projected balances for the remaining three months of the year are within a range of \$6.0 to \$7.8 million, with the exception of January 2015. The high January cash balance is primarily attributed to grant advances for SFEP projects and advances/payments for the BayREN/Energy project, which were distributed to sub recipients in February. The March 31, 2015 cash balance includes SFEP and BayREN advances of approximately \$5.65 million, which are recorded as unearned revenue. The cash balance is projected to be approximately \$6.0 million at the end of the fiscal year.

### **Receivables**

Receivables from grant and service programs amounted to \$4.8 million at the end of March, are comprised of \$2.7 million in grants receivables and \$2.1million in unbilled receivables. All city and county membership dues have been paid as of March 31, 2015.

Of the billed grants receivable, 15% are current, 68% are 90 days or less past due, and 17% are over 90 days past due. The over 90 days receivables include retentions that are being held in accordance with the grant agreements.

### **Revenues and Expenses**

As of March 31, 2015, total revenue amounted to \$25.9 million, which is 84 percent, of the projected revenue for the year of \$31.0 million. Total expenses amounted to \$25.4 million, which is 82 percent, of the projected expenses for the year of \$30.9 million. Phase one of the BayREN project was completed in December 2014, and total billings for Phase I in fiscal year 2014-15

were \$11.97 million. Phase II of the BayREN project commenced in January 2015 and billings through March 31, 2015 for Phase II are \$1.44 million.

Per the accompanying summary schedule of revenues and expenses, ABAG operations are projected to produce a net surplus of \$70 thousand. However, the upside variance for this projection is high, as several expense items that are currently below budget have been projected to rise to the adopted budget level by the end of the year. Current review of April and May activity indicates that some of these expense items will fall below the projected budget; thus it is more likely that revenue and expense variances for the last quarter of the year will be favorable, increasing the net surplus.

Figure 3 presents a graphic comparison of: current of March month, nine month year-to-date actual, and fiscal year projected revenues and expenses. The relationship of revenues exceeding expenses is consistent for all three periods shown.

Figures 4 and 5 show year-to-date revenues and expenses by major categories. Grants revenue is 79% of total revenue, compared to 74% for fiscal year 2013-14. Pass-through and Consultant expense are 61% of total expenses, compared to 51% for fiscal year 2013-14. The increasing percentages for these categories occurs because of the BayREN project which has provided ABAG revenue in excess of \$23.73 million since its inception in March 2013.

#### **Net Position/Fund Equity**

Total fund equity was \$3.4 million as of March 31, 2015, composed of \$2.7 million in general fund equity and \$710 thousand in restricted fund equity. The restricted fund equity consists of capital, self-insurance, building maintenance and reserves. Figure 6 is a graphic presentation of actual and projected: unrestricted, restricted, and total net equity for the current fiscal year.

#### **Indirect Overhead Rate**

The Agency's actual indirect cost (overhead) rate through March 2015 was 42.45%, which was 2.5 percentage points below the budget estimate of 44.95 percent. Based on prior years' experience, it is anticipated that the actual realized overhead rate will move closer to the budget rate towards the end of the fiscal year. Figure 7 shows a comparison between the actual indirect cost rate and the approved rate.

#### **Financial Information by Program**

The **Report by Program of Net Surplus/(Deficit)** is included after the charts. This report presents revenue and expense information by program. It provides an overview of budgeted and year-to-date revenue and expense data for major programs such as the Planning Services, San Francisco Estuary Partnership, Bay Trail and POWER/Energy.

#### **Financial Outlook**

The projection for fiscal year 2014-15 is for a surplus of revenues over expenses. Preliminary revenue projections for fiscal year 2015-16 are for a decrease from fiscal 2014-15 levels. While the award of grants is difficult to project with a high level of confidence, an over or under projection of grant revenue will be largely offset by adjustment of grant related expenditures as

projects are initiated and concluded. The more difficult revenue variances to manage are those related to services provided by management and administrative staff. As usual, we will make the necessary adjustments to produce a balanced budget.

**Association of Bay Area Governments**  
**Table of Financial Report Data Elements**  
(thousands of dollars)

For the Month Ended March 2015

Projected percentage of budget is 75%.

Description	Adjusted Budget	Year-To-Date Actual	% of Budget	Budget Balance
<b>ASSETS</b>				
Cash	6,000	6,745	112%	(745)
Receivables	5,500	4,802	87%	698
<b>REVENUES</b>				
Membership Dues	1,818	1,364	75%	454
Grants	23,531	20,324	86%	3,207
Charges for Services and Other	5,621	4,242	75%	1,379
<b>Total Revenues</b>	<b>30,970</b>	<b>25,930</b>	<b>84%</b>	<b>5,040</b>
<b>EXPENSES</b>				
Salaries and Benefits	11,321	8,364	74%	2,957
Pass-through and Consultant Expenses	17,507	15,505	89%	2,002
Other Expenses	2,072	1,554	75%	518
<b>Total Expenses</b>	<b>30,900</b>	<b>25,423</b>	<b>82%</b>	<b>5,477</b>
Change in Net Position	70	507	724%	(437)
Beginning Net Position	2,887	2,887	100%	-
<b>Ending Net Position</b>	<b>2,957</b>	<b>3,394</b>	<b>115%</b>	<b>(437)</b>
<b>NET POSITION BREAKDOWNS</b>				
Unrestricted	2,197	2,684	122%	(487)
Restricted	760	710	93%	50
<b>Total Net Position</b>	<b>2,957</b>	<b>3,394</b>	<b>115%</b>	<b>(437)</b>
<b>INDIRECT OVERHEAD</b>				
Overhead Rate	44.95%	42.45%		

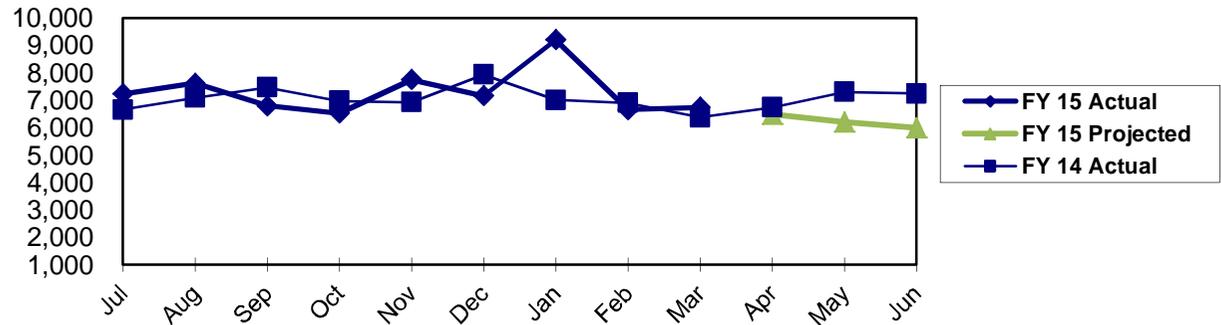
Item 5

## ABAG Financial Indices

Cash on Hand FY 14-FY 15 (\$'000)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 15 Actual	7,243	7,620	6,801	6,529	7,751	7,161	9,213	6,661	6,745			
FY 15 Projected										6,500	6,200	6,000
FY 14 Actual	6,667	7,091	7,472	6,974	6,933	7,943	7,017	6,907	6,385	6,741	7,306	7,248

**Represents** the sum total of cash deposited at our bank and the Local Agency Investment Fund. This chart shows fluctuation patterns of cash on hand for the current and prior fiscal years.

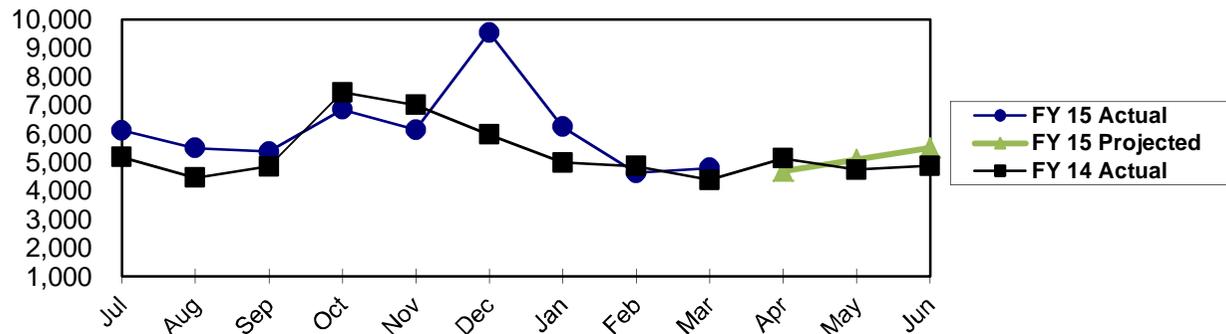
**Figure 1--Cash on Hand--FY 14 and FY 15 (\$'000)**



Accounts Receivable FY 14-FY 15 (\$'000)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 15 Actual	6,116	5,495	5,377	6,846	6,141	9,544	6,239	4,625	4,802			
FY 15 Projected										4,700	5,100	5,500
FY 14 Actual	5,182	4,463	4,851	7,445	7,006	5,973	4,985	4,862	4,379	5,132	4,742	4,874

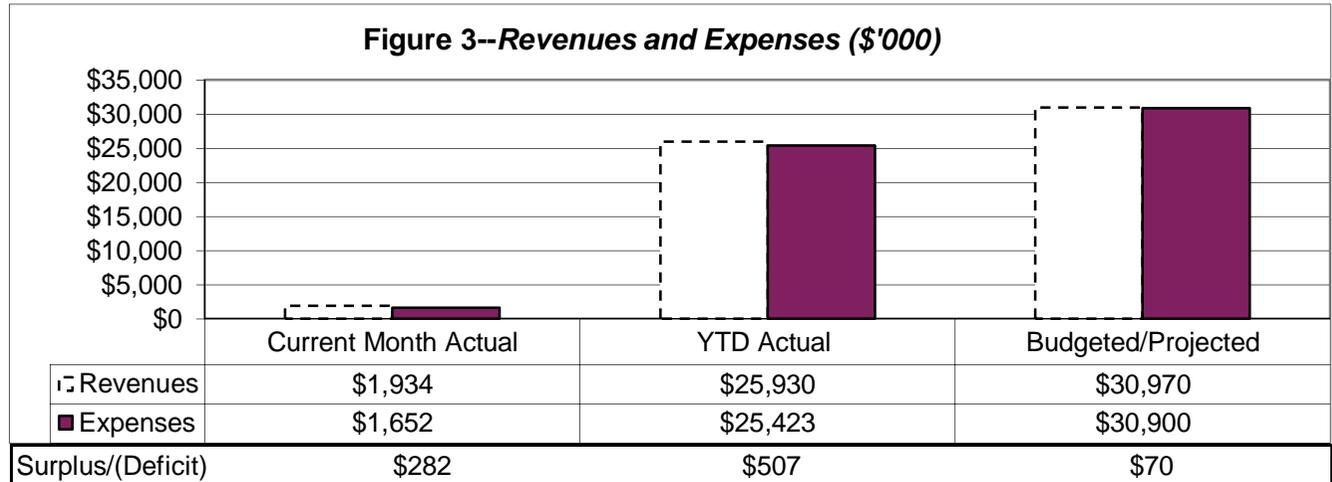
**Accounts** receivable include receivables generated by grants and service programs over two fiscal years. Reflects the reasonableness of our receivable levels; usually have about six weeks' worth of annual revenues in receivables.

**Figure 2--Accounts Receivable--FY 14 and FY 15 (\$'000)**



## ABAG Financial Indices

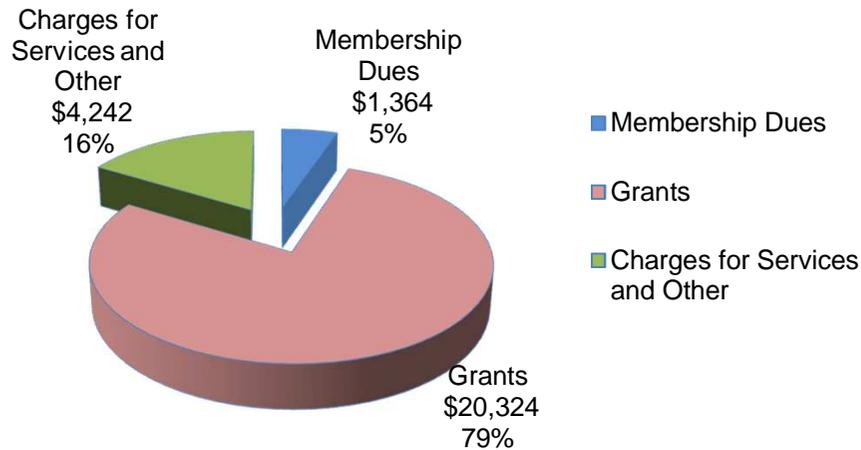
**Presents** a comparison of current month actual, year-to-date actual, and adopted/projected revenues and expenses.



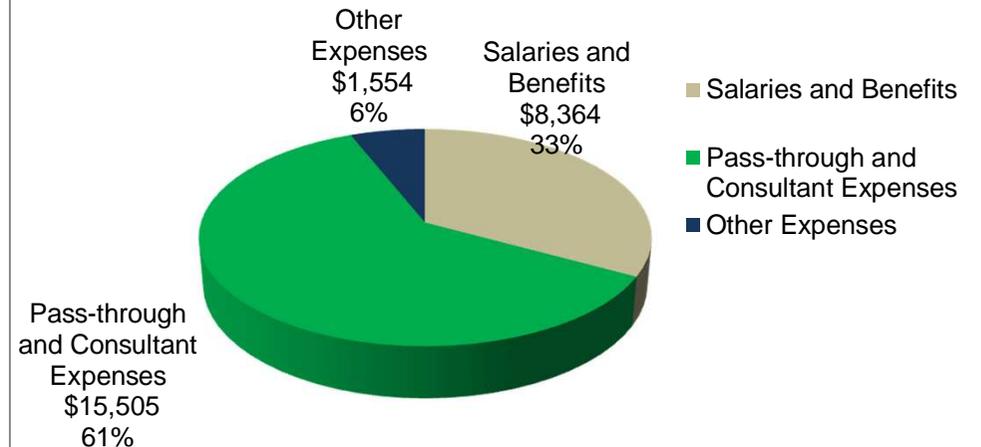
**Shows** year-to-date revenues by major category including membership dues, grants, and charges for services and other.

**Shows** year-to-date expenses by major category including salaries and benefits, pass-through and consultant expenses, and other expenses.

**Figure 4-- Year-to-date Revenues by Category (\$'000)**



**Figure 5-- Year-to-date Expenses by Category (\$'000)**

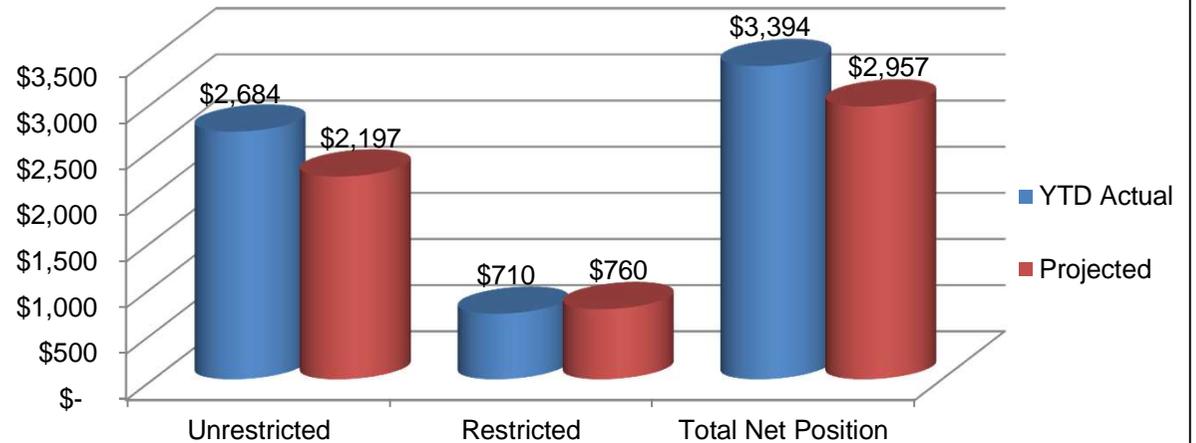


## ABAG Financial Indices

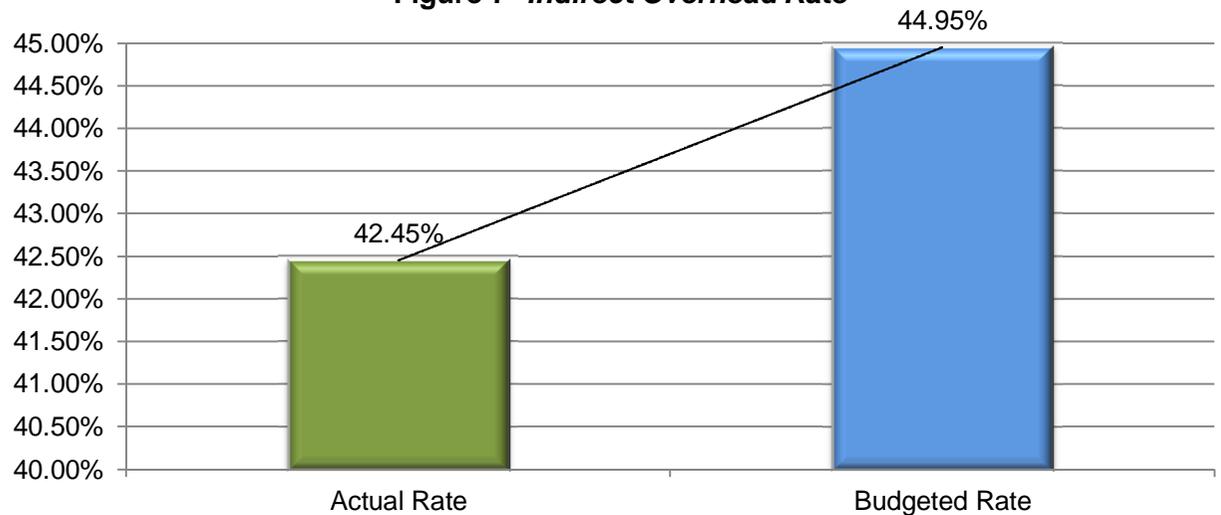
**Presents** actual and adopted/projected general, restricted and total fund equities for the current fiscal year. General fund equity represents unrestricted equity. Restricted equities include building improvement interest, building maintenance, self-insurance, capital and contingency reserve. These restricted equities represent the Association's equities set aside for specific purposes. Total equity is the sum total of general and restricted equities.

**Shows** a comparison between the actual indirect cost rate and the budgeted/approved rate. The approved indirect cost rate is computed by dividing total estimated overhead expenses by total projected direct labor cost for a fiscal year. This rate is used as a standard overhead cost rate to allocate indirect costs to all projects. This process is performed in accordance with an indirect cost plan, which is prepared annually in accordance with federal guidelines.

**Figure 6--Net Position/Fund Equity (\$'000)**



**Figure 7--Indirect Overhead Rate**



## Association of Bay Area Governments

### Report by Program of Net Surplus/(Deficit) Through March 2015 / 75% of Year Elapsed

Program Description	Adjusted Budget Expenses	Year-To-Date Revenues	Year-To-Date Expenses	YTD Surplus/ (Deficit)	% of Expense Budget	Explanations for Variances over 5%
	A	B	C	D = B - C	E = C/A	
Planning Services	3,988,648	3,107,736	3,103,986	3,750	78%	
San Francisco Estuary Partnership	4,598,417	3,325,750	3,353,012	(27,262)	73%	
Disaster Recovery	428,616	322,064	321,462	602	75%	
Bay Trail	961,079	698,859	700,787	(1,928)	73%	
Green Business	70,701	53,026	53,026	-	75%	
Training Center, Web Hosting and Publications	556,926	502,408	417,694	84,714	75%	
POWER/Energy	14,972,121	13,685,438	13,716,584	(31,147)	92%	A significant portion of the expenses incurred in the first six months of the fiscal year due to the completion of phase one BayREN project (\$12M).
Finance Authority	1,332,645	1,119,868	924,484	195,384	69%	Expect expense to go up during the last quarter of the fiscal year due to the forensic audit.
Plan Corporation - Property & Liability Insurance Pool	2,162,615	1,621,961	1,621,961	-	75%	
SHARP - Worker's Comp Pool	87,690	79,978	79,978	-	91%	Expect expenses to go up as members submit their reimbursement requests for wellness programs/worker's comp. related activities. Also, accounting staff will spend more time on the program to prepare for the interim audit.
Fiscal Agent Services	116,389	83,702	87,292	(3,590)	75%	

## Association of Bay Area Governments

Report by Program of Net Surplus/(Deficit)  
Through March 2015 / 75% of Year Elapsed

Program Description	Adjusted Budget Expenses	Year-To-Date Revenues	Year-To-Date Expenses	YTD Surplus/ (Deficit)	% of Expense Budget	Explanations for Variances over 5%
	A	B	C	D = B - C	E = C/A	
Communications/Legislative	568,034	428,026	426,026	2,000	75%	
Agency Administration	1,051,119	903,167	728,601	174,565	69%	Expect expenses to go up towards year end due to the General Assembly and other outstanding commitments.
Payroll Clearing	5,000	-	21,587	(21,587)	432%	Expect a small deficit in the payroll clearing account.
Central Overhead	3,229,454	2,386,432	2,254,582	131,850	70%	
<b>Totals</b>	<b>34,129,454</b>	<b>28,318,415</b>	<b>27,811,062</b>	<b>507,353</b>	<b>81%</b>	

**DATE:** May 11, 2015  
**TO:** Finance & Personnel Committee  
**FROM:** Ezra Rapport, Executive Director  
**SUBJECT:** Payment of Membership Dues FY 14-15

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**Summary**

The membership dues invoices for fiscal year 2014-15 were mailed to members in April 2014 after approval at the General Assembly on April, 17, 2014. Payments were due on July 1, 2014. The \$1.8 million budgeted membership dues were all collected by mid-February 2015. Below are breakdowns of payments received during the fiscal year.

<b>Period</b>	<b>Percentage of Budget</b>
April 25 to July 1, 2014	31%
July 2 to September 30, 2014	49% *
October 1 to December 31, 2014	15%
January 1 to February 13, 2015	5%
<b>Total</b>	<b>100%</b>

\* Two thirds of the second quarter payments were received in July 2014.

In the March 2015 meeting, the Committee directed staff to implement an efficient and speedy collection process in which past due notices should be sent to members earlier than previously done. Staff recognizes that friendly reminders will encourage members to pay in a timely manner and enhance ABAG's cash flow position. Staff will send out past due notices in early August for fiscal year 2015-16 membership dues. In the next meeting, staff will report to the Committee on the payment status of fiscal year 2015-16 membership dues. Staff appreciates the Committee's guidance and welcomes suggestions.

**Recommendation**

For information only.

**Association of Bay Area Governments**  
**Cash and In-kind Contributions to BARC**  
**FY 15-16**

The budget table presents ABAG's estimated cash and in-kind contributions to BARC for FY 15-16. ABAG's support represents 15% of BARC's annual budget.

<b>Expenses</b>	<b>Cash Contribution</b>	<b>In-kind Contribution</b>	<b>Total</b>
BARC Personnel Costs	\$ 23,710		\$ 23,710
Funds to Support BARC Activities	\$ 5,160		\$ 5,160
Travel Expenses	\$ 447		\$ 447
Equipment	\$ 1,200		\$ 1,200
Website	\$ 344		\$ 344
Website Support		\$ 17,500	\$ 17,500
Admin Support		\$ 2,800	\$ 2,800
Office Space		\$ 24,000	\$ 24,000
<b>Total</b>	<b>\$ 30,861</b>	<b>\$ 44,300</b>	<b>\$ 75,161</b>

**DATE:** May 11, 2015  
**TO:** Finance & Personnel Committee  
**FROM:** Charles Adams, Interim Finance Director  
**SUBJECT:** Renewal of Line of Credit with Bank of the West

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**Summary**

ABAG has an existing line of credit with Bank of the West for two million dollars (\$2,000,000), which expires February 28, 2016. The line of credit was set up to ensure adequate cash balances for timely payment of obligations, in the event cash payments due to ABAG are delayed. ABAG has not drawn on the line of credit in the past, and current budget and cash flow projections do not forecast a need to draw on the line of credit.

The fee for the one year renewal is \$500 and will be paid to the bank upon execution of the renewal documents. The interest rate to be charged on any drawdowns remains at Prime + 0%. The current Prime rate is 3.25%. The line of credit will continue to be secured by a Second Deed of Trust on the ABAG Condominium Unit located at 101 8<sup>th</sup> Street, Oakland, California. The collateral will be changed to the new building in San Francisco after the move in late 2015 or early 2016.

Any draws downs on the line of credit will be reported to the Finance and Personnel Committee.

**Recommendation**

Staff recommends that the Committee approve the renewal of line of credit with Bank of the West to February 28, 2017 for \$2,000,000.

**DATE:** May 18, 2015  
**TO:** Finance & Personnel Committee  
**FROM:** Charles Adams, Interim Finance Director  
**SUBJECT:** Financial Support to the Bay Area Council Economic Institute—FY 15-16

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**Summary**

The Bay Area Council Economic Institute (BACEI), formerly Bay Area Economic Forum is a partnership of ABAG and the Bay Area Council (BAC). It was formed in 1988 as a public-private partnership of business, government, university, labor and community leaders to analyze and implement programs to strengthen the region’s competitive economy and quality of life. ABAG currently appoints a significant number of the BACEI Board members and provides a variety of other ongoing support to the BACEI’s programs.

The BACEI obtains its funding from a variety of sources, including Bay Area Council, ABAG, grants, contracts and other fund-raising activities. ABAG has been providing financial support to BACEI for several years. Recent contributions have been \$100,000 in FY 2002-03, \$70,000 in FY 2003-04, \$60,000 in FY 04-05, and \$50,000 annually since FY 2005-06.

Attached is a summary of BACEI’s major program activities in past years, as well as continuing and new program initiatives going forward.

**Recommendation**

Continue to work with the BACEI staff and Board of Directors to analyze and implement programs to strengthen the region’s economy and competitiveness. Staff is requesting authorization for the FY 2015-16 ABAG support to BACEI in the amount of \$50,000.

**Attachment**

## Publications List

The Economic Institute produces economic policy analyses on Bay Area and California issues, and economic impact analyses for public and private sector clients.

A chronological list of the PDF versions of Bay Area Council Economic Institute publications appears below with the newest reports listed first.

### Chronological List of Publications

- **21st Century Infrastructure: Keeping California Connected, Powered, and Competitive** focuses on the transformative potential of state-of-the-art investment in California infrastructure in two key fields: communications and energy. The report explains how improvements in these fields will affect the state's economic competitiveness and makes public policy recommendations to help facilitate infrastructure investment.

—April 2015 (PDF: 48 pages, 3.5 MB)
- **Surviving the Storm** examines economic impact questions about potential extreme storm events. California's climate is famously volatile, with winters of devastating floods separated by years of remorseless drought. Following recent extreme storm events on the Atlantic and Gulf coasts, what are the potential economic impacts of an extreme storm event in the Bay Area? What regions would be hardest hit? What can be done to improve regional defenses?

—March 2015 (PDF: 104 pages, 17.8 MB)
- **A Comparative Analysis of the Public and Private Cost of Capital and Market Trends for Public Infrastructure Delivery**

*When Taxable Infrastructure Financing Beats Tax-Exempt*—This briefing paper discusses critical considerations in evaluating the impact of the tax-exempt vs. taxable financing differential on the overall cost of a public infrastructure project.

—March 2015 (PDF: 10 pages, 194 KB)
- **Reforming California Public Higher Education for the 21st Century**

This Bay Area Council Economic Institute White Paper assesses the changing environment for public higher education in California, and the changes required in the University of California, California State University and California Community Colleges systems to ensure that the state will continue to generate a globally

competitive workforce.

—December 2014 (PDF: 36 pages, 3.5 MB)

- **Innovation Drivers: High-Value Collaborative Ties Between Japan and the San Francisco Bay Area** continues the Institute’s series of reports on the region’s business and economic links with major global partners.

—November 2014 (PDF: 4 pages, 857 KB)
- **Tri-Valley Rising: Its Vital Role in the Bay Area Economy** looks at the economy of the East Bay’s Tri-Valley region, its connections to the greater Bay Area, and the significance of transportation issues for its future development.

—October 2014 (PDF: 55 pages, 1.6 MB)
- **Trade in the Bay Area: Investment and Global Financial Flows**, a report commissioned by HSBC in 2014, looks at international trade activity in the Bay Area, with a particular focus on technology, China, and the internationalization of China’s currency.

—September 2014 (PDF: 20 pages, 1.5 MB)
- **In the Fast Lane: Improving Reliability, Stabilizing Local Funding, and Enabling the Transportation Systems of the Future in Alameda County** analyzes Alameda County’s transportation system and its role in regional mobility, with a particular focus on the County’s Transportation Expenditure Plan.

—July 2014 (PDF: 76 pages, 14.8 MB)
- **UC Berkeley: Stimulating Entrepreneurship in the Bay Area and Nationwide** documents the economic contributions of companies founded by UC Berkeley students, alumni and faculty.

—May 2014 (PDF: 64 pages, 3.2 MB)
- **Full Practice Authority for Nurse Practitioners Increases Access and Controls Cost**

Fully utilizing the role of nurse practitioners is one of the most effective steps that states can take to increase the supply of primary care providers.

—September 2014: **Report** (PDF: 45 pages, 1.9 MB)

—April 2014: **Spotlight California** (PDF: 2 pages, 683 KB)

—August 2014: **Spotlight Kentucky** (PDF: 2 pages, 753 KB)

—June 2014: **Spotlight Minnesota** (PDF: 2 pages, 417 KB)

—August 2014: **Spotlight New Jersey** (PDF: 2 pages, 312 KB)
- **Europe and the Bay Area: Investing in Each Other** assesses the economic links between the Silicon Valley/San Francisco Bay Area and Europe, concentrating on technology, innovation and entrepreneurial activity.

—April 2014 (PDF: 62 pages, 6.2 MB)<sup>22</sup>

Economic connections from the report and announcements of European-themed business and economic programs are featured here:

[www.bayareaeconomy.org/europeconnections](http://www.bayareaeconomy.org/europeconnections)

- **An Assessment of Public-Private Partnership Opportunities for the Proposed Extension of the San Francisco Veterans Affairs Medical Center to the Mission Bay Area of San Francisco** evaluates the feasibility of moving the research and clinical activities of the San Francisco Veterans Affairs Medical Center (currently located at Fort Miley in northwest San Francisco) to new facilities at Mission Bay developed through a public-private partnership.

—March 2014 (PDF: 52 pages, 4.3 MB)

- **Ties That Bind, 2014 Edition: The San Francisco Bay Area’s Economic Links to Greater China**

In this new edition of *Ties That Bind*, the Economic Institute once again highlights for businesses and policymakers the key market dynamics, deals, firms and innovators that form the close and lasting economic bond between the San Francisco Bay Area and China.

—January 2014: **Full Report** (PDF: 148 pages, 9.6 MB)

—January 2014: **Executive Summary Only** (PDF: 8 pages, 141 KB)

- **The Economic Impact of the 34th America’s Cup in San Francisco**

This report was prepared by the Bay Area Council Economic Institute for the San Francisco America’s Cup Organizing Committee.

—December 2013 (PDF: 44 pages, 1.2 MB)

- **The Economic Impact of San Francisco Hotels**

The hotel industry’s vital contribution to San Francisco’s diverse economy is documented in this impact analysis report prepared by the Bay Area Council Economic Institute for the Hotel Council of San Francisco.

—October 2013 (PDF: 20 pages, 1.4 MB)

- **The Lawrence Berkeley National Laboratory-University of California, Berkeley Richmond Bay Campus: Options and Considerations Regarding Its Development Utilizing Public Private Partnerships**

The purpose of this introductory scoping memo is to analyze at a high level the potential for private capital to help fund the development of the planned Richmond Bay shared campus of the University of California, Berkeley and Lawrence Berkeley National Laboratory.

—May 2013 (PDF: 15 pages, 280 KB)

- **Public-Private Partnership Opportunities for the San Francisco Bay Area Rapid Transit District** is a study prepared for BART on the potential for using

public-private partnerships for system build-out and improvements.

—March 2013 ([PDF: 58 pages, 1.8 MB](#))

- **International Trade and the Bay Area Economy: Regional Interests and Global Outlook 2012–2013**

Fifth in a series that began in 2003, this semi-annual report documents the importance of international trade to the Bay Area economy and assesses global economic conditions, pending international trade agreements, and the trade outlook for specific economic sectors of interest to the region.

—March 2013 ([PDF: 60 pages, 1.5 MB](#))

- **Technology Works: High-Tech Employment and Wages in the United States** details the geography, growth patterns, and importance of high-tech jobs in the United States.

—December 2012 ([PDF: 40 pages, 2.4 MB](#))

- **The Bay Area: A Regional Economic Assessment** evaluates the state of the regional economy and what is supporting or inhibiting growth and job creation.

—October 2012: **Full Report** ([PDF: 76 pages, 2 MB](#))

—December 2012: **Appendices** ([PDF: 96 pages, 3.5 MB](#))

- **Labor Supply and Commute Patterns in San Mateo County** is a study prepared for the Economic Vitality Research and Education Foundation (EVRE) and the San Mateo County Economic Development Association (SAMCEDA). The report provides an overview of commute patterns into and out of San Mateo County, with specific attention paid to sources and destinations of the county's employees and residents and the demographics of the commuters.

—November 2012 ([PDF: 22 pages, 817 KB](#))

- **Shaping the Cities of Tomorrow** presents the findings of the Global Green Cities of the 21st Century International Symposium, organized by the Economic Institute in 2011, where global urban leaders addressed design, technology and other issues relating to green growth and sustainable urbanization.

—September 2012 ([PDF: 36 pages, 1.8 MB](#))

- **The Bay Area Innovation System**

How the San Francisco Bay Area Became the World's Leading Innovation Hub and What Will Be Necessary to Secure Its Future

—June 2012 ([PDF: 108 pages, 5.0 MB](#))

- **The Economic Impact of Caltrain Modernization**

This report addresses the short-term and the long-term economic implications of the Caltrain Modernization Program advanced signal system and electrification

projects.

—June 2012 ([PDF: 39 pages, 578 KB](#))

- **The Economic Impact of the Affordable Care Act on California**

The comprehensive analysis in this report generates an estimate of the economic impact of the ACA, weighing factors that will generate jobs and enhance growth against those that will have a contradictory impact.

—May 2012: **Full Report** ([PDF: 38 pages, 942 KB](#))

—May 2012: **Technical Appendix** ([PDF: 16 pages, 77 KB](#))

- **The Culture of Innovation: What Makes San Francisco Bay Area Companies Different?**

The claim has long been made that companies based in the Bay Area owe their leadership in innovation to something different in how they go about the innovation process. For this report, the Economic Institute partnered with Booz & Company to use in depth survey data for an empirical assessment of the “culture of innovation” that characterizes the most innovative companies in the Bay Area.

—March 2012 ([PDF: 36 pages, 1.6 MB](#))

- **Innovation and Investment: Building Tomorrow’s Economy in the Bay Area**

This report, the eighth in a series of biennial Bay Area Economic Profile reports produced by the Bay Area Council Economic Institute in partnership with McKinsey & Company, examines the evolution of the Bay Area’s economy in the wake of the Great Recession that severely impacted the region from 2008 to 2010 and continues to be felt by many of our citizens and businesses.

—March 2012 ([PDF: 68 pages, 3.4 MB](#))

- **Accelerating Job Creation in California Through Infrastructure Investment: Opportunities for Infrastructure Asset Formation and Job Creation Using Public-Private Partnership Procurement Methods**

A Bay Area Council Economic Institute White Paper produced in order to catalyze a stronger focus on the opportunities for job creation in California through infrastructure investment, and through public-private partnerships in particular.

—January 2012 ([PDF: 21 pages, 746 KB](#))

- **Benchmarking the Bay Area’s Environment for Entrepreneur-Led Start-ups**

This report was developed by the Bay Area Council Economic Institute based on a survey by Monitor Group, a leading global business consultancy, in order to assess the quality of the environment in the San Francisco Bay Area for entrepreneur-led start-ups.

—October 2011 ([PDF: 62 pages, 7 MB](#))

- **Roadmap to a High-Value Health System: Addressing California’s Healthcare Affordability Crisis**

This “roadmap” outlines a series of concrete strategies for leveraging California’s power as an innovator to control rising healthcare costs for businesses and individuals. The report lays out the specific actions by healthcare providers, insurers, businesses, governments, and individuals that will improve affordability and access to high quality care in California.

—October 2011 ([PDF: 44 pages, 1.2 MB](#))

- **Options for Financing the Restoration of San Francisco Bay Wetlands**

This analysis summarizes recent reports on wetlands restoration and finance in the San Francisco Bay Area, identifies options for financing wetlands restoration, and assesses which options appear most feasible.

—July 2011: **Full Report** ([PDF: 116 pages, 5.5 MB](#))

—July 2011: Extract of Executive Summary Only ([PDF: 14 pages, 144 KB](#))

- **Employment in the Bay Area’s Emerging Clean Economy**

A brief by the Bay Area Council Economic Institute presenting Bay Area data from the Brookings Institution study entitled *Sizing the Clean Economy*

—July 2011 ([PDF: 20 pages, 949 KB](#))

- **World Expo 2020, Silicon Valley – USA: Economic Impacts**

—February 2011 ([PDF: 44 pages, 1.2 MB](#))

- **International Trade and the Bay Area Economy: Regional Interests and Global Outlook 2010–2011**

—December 2010 ([PDF: 68 pages, 2.1 MB](#))

- **Global Competitiveness, China and California’s Emerging Clean Energy Economy**

This white paper presents California’s climate and energy policies in a global setting, asking whether there is a clear linkage between policy and the development of energy efficiency and renewable energy industries.

—December 2010 ([PDF: 52 pages, 1.2 MB](#))

- **Framework Conditions for Foreign and Domestic Private Investment in California’s Infrastructure: Seizing the P3 Opportunity** looks at the conditions in

the state that will either hinder or enable its ability to attract private finance and management to help build California’s infrastructure.

—September 2010 ([PDF: 44 pages, 1 MB](#))

- **The America’s Cup: Economic Impacts of a Match on San Francisco Bay**

A collaboration between the Bay Area Council Economic Institute and Beacon

Economics, this report endeavors to provide estimates of the economic benefits of

bringing an America's Cup match to the Bay Area.

—July 2010 (PDF: 62 pages, 5.6 MB)

- **Public-Private Partnerships: Alternative Procurement Methods for Campus Development in the University of California System** offers a model for how UC can accelerate campus development through the creative use of private finance and management.

—June 2010 (PDF: 25 pages, 1.3 MB)

- **Recession and Recovery: An Economic Reset**

This report is the seventh in the series of biennial Bay Area Economic Profile reports that benchmark the region's economic performance against other cities and regions, in the U.S. and globally, with which we compare and sometimes compete. This document continues the practice of recent reports by analyzing the structural forces at work in the economy that will make it more or less competitive. As the Bay Area emerges from a damaging recession, our ability as a region and a state to understand and address these trends is urgent.

—April 2010 (PDF: 76 pages, 1.7 MB)

- **Global Reach: Emerging Ties Between the San Francisco Bay Area and India**  
Based on more than two years of research and nearly 200 interviews in both the Bay Area and India, this report documents the historical, cultural, educational, trade and investment links between the two economies and makes a convincing case for the distinctiveness of the Bay Area-India connection and the wide range of business and other opportunities that it presents.

—November 2009: **Full Report** (PDF: 2962 pages, 5.2 MB)

—November 2009: Extract of Executive Summary Only (PDF: 14 pages, 245 KB)

—Printed copies of the report book are available on request for a suggested donation of \$15. Please email your request and contact information, including phone number, to [bacei@bayareacouncil.org](mailto:bacei@bayareacouncil.org)

- **Managing Recession: Strategic Responses to the Economic Downturn**

In response to one of the world's most challenging economic cycles, the Economic Institute and Booz & Company have partnered to understand more deeply how Bay Area businesses are managing through the recession. Through interviews with leading Bay Area executives across a range of industries, including both large established companies and newer entrepreneurial start-ups, we identify how the recession has manifested itself regionally, emerging trends in defensive and offensive business strategies, and public policy priorities that could mitigate the recession's impact and support future growth and competitiveness.

—July 2009: **Full Report** (PDF: 52 pages, 1.2 MB)

—April 23, 2009 Summary Presentation at the Bay Area Council Outlook Conference 2009 ([PDF: 14 pages, 1 MB](#))

- **California High-Speed Rail: Economic Benefits and Impacts in the San Francisco Bay Area**

The proposed California high-speed rail project has been designed to provide fast, efficient transportation between California's major urban centers, linking Los Angeles and San Francisco through the rapidly-growing Central Valley.

—October 2008 ([PDF: 44 pages, 2.3 MB](#))

- **The Innovation Driven Economic Development Model: A Practical Guide for the Regional Innovation Broker**

Prepared as part of a collaboration in which the Economic Institute and BASIC are participants, this report describes an innovation-driven economic development model based on the new realities of globalization and the changing nature of the innovation process.

—September 2008: **Full Report** ([PDF: 64 pages, 1.9 MB](#))

—September 2008: **Executive Summary** ([PDF: 17 pages, 498 KB](#))

- **Human Capital in the Bay Area: Why an Educated, Flexible Workforce Is Vital to Our Economic Future**

Human capital, commonly understood as the collective level of education, skill and experience of a region's labor force, is one of the most fundamental building blocks of high-value-added economies. This report analyzes indicators of human capital in the Bay Area, and identifies what is distinctive about the Bay Area's workforce.

—February 2008 ([PDF: 68 pages, 730 KB](#))

- **Toward a California Trade and Investment Strategy: Potential Roles for the State in Global Market Development**

Prepared at the request of the California Department of Business, Housing and Transportation, this study provides the foundation for a new California international trade and investment strategy delivered to the Legislature in 2008.

—October 2007 ([PDF: 100 pages, 906 KB](#))

- **Innovative Energy Solutions from the San Francisco Bay Area: Fueling A Clean Energy Future**

The second in the BASIC Science Futures series, this comprehensive first-of-its-kind report on major alternative energy technologies highlights the region's leadership in contributing to California's and the nation's agenda for achieving energy independence and addressing global warming.

—July 2007 ([PDF: 92 pages, 986 KB](#))

- **BASIC Innovators Series, Number 2**

This second issue in the BASIC Innovators interview series features Nobel Prize winner and Lawrence Berkeley National Laboratory Director Steven Chu, one of the most prominent and vocal of all the scientific figures to address the energy crisis.

—Summer 2007 ([PDF: 6 pages, 2.4 MB](#))

- San Francisco Public Utilities Commission

**Measures to Reduce the Economic Impacts of a Drought-Induced Water Shortage in the SF Bay Area**

Prepared by the Bay Area Economic Forum and Public Financial Management (PFM) for the San Francisco Public Utilities Commission and the Bay Area Water Supply and Conservation Agency (BAWSCA), this report analyzes the potential economic costs of drought-induced water cutbacks in the Hetch Hetchy system and options for how to mitigate them.

—May 2007 ([PDF: 53 pages, 477 KB](#))

- **Bay Area Innovation Network Roundtable: Identifying Emerging Patterns of the Next Wave of Innovation**

A report from BASIC on a day-long roundtable symposium convening seminal thinkers representing a broad spectrum of public and private research and development institutes and enterprises to focus on identifying a new and emerging patterns and key drivers for the next wave of innovation.

—April 2007 ([PDF: 28 pages, 1 MB](#))

- **Shared Values, Shared Vision: California's Economic Ties with Canada**

California and Canada maintain broad, deep and longstanding commercial ties that grow out of some remarkable similarities. This report discusses the characteristics that have generated considerable cross-border economic activity and have enabled both countries to leverage important comparative advantages.

—March 2007 ([PDF: 52 pages, 377 KB](#))

- **Ties That Bind: The San Francisco Bay Area's Economic Links to Greater China**

An examination of The San Francisco Bay Area's business, economic, educational, historical, and cultural ties to China, documenting the depth and breadth of the region's engagement with China and the business and other channels that have made the Bay Area the nation's leading portal for U.S.-China exchange.

—November 2006 ([PDF: 168 pages, 2.5 MB](#))

- **BASIC Innovators Series, Number 1**

Produced by the Bay Area Science and Innovation Consortium (BASIC), this first issue in the Innovators interview series<sup>29</sup> features Dr. Regis B. Kelly, Executive

Director of the California Institute for Quantitative Biomedical Research (QB3), and Dr. Robert J. T. Morris, Vice President, Assets Innovation, IBM Global Services.

—October 2006 ([PDF: 8 pages, 746 KB](#))

▪ **The Innovation Edge: Meeting the Global Competitive Challenge**

A series of essays by nationally recognized thought leaders on business, technology and the global economy, addressing the challenges posed by global competition to U.S. leadership in science and technology, and ultimately to the U.S. economy.

—September 2006 ([PDF: 66 pages, 1 MB](#))

▪ **Investing in California's Infrastructure: How to Ensure Value for Money and Protect California's Competitive Position in the National and Global Economy**

—June 2006 ([PDF: 76 pages, 997 KB](#))

▪ **Employer Mandates and the Health Care Crisis: Economic Impacts in California and the Bay Area**

Study Finds Government Mandates Do Not Achieve Goal of Universal Health Care and Will Likely Cost Low Wage Earners Jobs

—January 2006 ([PDF: 18 pages, 224 KB](#))

▪ **International Trade and the Bay Area Economy: Regional Interests and Global Outlook 2005–2006**

—July 2005 ([82 pages, 1.7 MB](#))

▪ **Visas for Higher Education and Scientific Exchanges: Balancing Security and Economic Competitiveness**

A discussion about the impact on economic competitiveness of visas and immigration policies implemented since 9/11, particularly as they impact graduate students and scientists coming to this country from overseas.

—April 2005 ([PDF: 18 pages, 369 KB](#))

▪ **One Million Jobs at Risk**

The Future of Manufacturing in California

—March 2005 ([PDF: 30 pages, 352 KB](#))

▪ **Economic Impacts of Competitive Air Service at San Francisco International Airport**

Growing air traffic at SFO is a positive sign for the recovery of the Bay Area economy.

—November 2004 ([PDF: 8 pages 448 KB](#))

▪ **The Future of Bay Area Jobs: The Impact of Offshoring and Other Key Trends**

Study Finds Offshoring Less Important Than Other Factors to Job Creation and

Destruction in the Bay Area

—July 2004 ([PDF: 44 pages, 601 KB](#))

- **Supercenters and the Transformation of the Bay Area Grocery Industry: Issues, Trends, and Impacts**  
This report on supercenters (large discount stores that include full-scale groceries) analyzes the regional impacts of these facilities, and the factors that local governments and communities would take into account when considering their siting.  
—January 2004 ([PDF: 108 pages, 859 KB](#))
- **Nanotechnology in the San Francisco Bay Area: Dawn of a New Age**  
First in the BASIC Science Futures series of reports highlighting the local achievements and prospects in newly evolving areas of scientific research that have the potential to stimulate new waves of scientific and commercial success in the Bay Area.  
—January 2004 ([PDF: 40 pages, 929 KB](#))
- **Meeting the Challenge of Homeland Security, 2nd Edition**  
—October 2003 ([PDF: 146 pages, 736 KB](#))  
The first edition of this report, covering *Highlights of the Bay Area's Research and Development Capabilities Related to the Critical Mission Areas of the Department of Homeland Security*, was issued in November 2002: ([PDF: 51 pages, 487 KB](#))
- **Hetch Hetchy Water and the Bay Area Economy**  
—October 2002 ([PDF: 60 pages, 2.3 MB](#))
- **Air Transport and the Bay Area Economy — Crisis in Air Travel: Weathering the Downturn**  
—January 2002 ([PDF: 23 pages, 249 KB](#))
- **International Trade and the Bay Area: Air Cargo, Technology and the Economy of Silicon Valley**  
—September 2001 ([PDF: 4 pages, 52 KB](#))
- **Air Transport and the Bay Area Economy—Phase Two**  
—November 2000 ([PDF: 52 pages, 653 KB](#))
- **Air Transport and the Bay Area Economy—Phase One**  
—January 2000 ([PDF: 57 pages, 596 KB](#))

In addition, links to the full sets of reports in three ongoing series can be found on the following pages:

- Reports Archive: [Bay Area Economic Profile](#)

- Reports Archive: [International Trade and the Bay Area Economy](#)
  - Reports Archive: [Electric Power](#)
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