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Office of the Mayor
Gavin Buckley, Mayor
160 Duke of Gloucester Street
Annapolis, MD 21401-2517

August 27, 2018

To: Alderpersons, City of Annapolis

From: Mayor Gavin Buckley

Re: Financial Advisory Commission

Pending your approval, I would like to appoint **Dr. Joseph E. Cater, III** to the **Financial Advisory Commission**.

Dr. Cater's resume and application are attached.

Dr. Joseph E. Cater, III
1126 Bay Ridge Road
Annapolis, MD 21403

Sincerely,

Gavin Buckley
Mayor

Reviewed by: Finance Committee	
_____ Favorable	_____ Unfavorable
_____ Committee Chair	_____ Date



City of Annapolis
 Office of the Mayor
 160 Duke of Gloucester Street
 Annapolis, MD 21401-2517

Mayor@annapolis.gov • 410-263-7997 • Fax 410-216-9284 • TDD use MD Relay or 711 • www.annapolis.gov

Boards and Commissions Application

Personal information

Name Dr. Joseph E. Cater, III

Address 1126 Bay Ridge Road

City Annapolis ST MD Zip 21403-2347

Phones Home 410-626-1413 Other _____

E-mail DrCater@Market-Economics.com

Statement of interest – Why should you be appointed to this board/commission?

Application for Financial Advisory Commission
 Very strong commitment to the City of Annapolis. Knowledge of local economy in conducting economic surveys of the maritime business community 2008 and 2013. Provided background to the Annapolis City Council concerning proposed Revenue Bond authority for targeted maritime business development.
 Founded and Chairman of Annapolis Family BoatBuilding serving 45 families in the building instruction of recreational sailing boats.

Served as Chairman, City of Annapolis Human Relations Commission 1996-1999. Provided testimony on results of a Case Study Analysis of 1990 HMDA DATA: Comparison of Mortgage Lending in Annapolis, Maryland to Anne Arundel County and Baltimore, MSA May 1993

Member of Annapolis Jaycees 1990-1994

Are you a resident of the City of Annapolis? Yes No

Are you an employee of the City of Annapolis? Yes No

If yes, please state your job title, department & duties.

Do you do business with the City of Annapolis? Yes No

If yes, please detail.

I do have a business that has received noncompetitive awards for conducting maritime business surveys.

Are you currently serving on any city boards or commissions? Yes No

If yes, please list board(s).

Work experience (titles and duties)

President/Owner of Market-Economics providing business marketing, proposal writing, and project management in the areas of economic development, market researching, and economic forecasting.

Director of Credit Modeling, First Guarantee Mortgage, Inc. providing mortgage portfolio analysis and reporting on credit risk exposure.

Senior Credit Risk Vice President, PNC Bank provide data analysis and reporting on mortgage portfolio. Compared credit quality with rest of the market.

Adjunct Faculty, U.S. Naval Academy, Economics Department taught Taught undergraduate course in "Financial Analysis" providing accounting methods for valuation of business, capital markets, risk management, and personal finance in business decision making. Developed a personal finance seminar for Mid-Shipmen and graduating seniors.

Financial Economist, U.S. Department of Housing and Urban Development provided financial analysis of FHA single-family mortgage insurance.

Director of Regional Economics, Fannie Mae, Created, prepared, and coordinated regularly scheduled direct reports of regional economic analysis to the Chairman and Chief Executive Office on state and metropolitan economic and housing market activity. Revised and introduced new 10 year quarterly forecasting model of state home price appreciation model presented forecast overview to the Mortgage Bankers Association National Meeting Fall 1996.

Educational background (certificates, diplomas, degrees, seminars, etc)

MBA., Admitted , University of Maryland University College, Maryland. 1999
Leadership Development, 1996 1-week Center for Creative Leadership, Greensboro, North Carolina, 1996
Ph.D., Economics, 1991, Pennsylvania State University, University Park, Pennsylvania. Dissertation: The Role of Neighborhood Organizations in Housing Improvement: A Case Study, Harrisburg, Pennsylvania.
M.S., Urban Planning, 1977, Rutgers University, New Brunswick, New Jersey
M.Div., Theology, Howard University, Washington, D.C.
B.A., Economics, Western Connecticut State University, Danbury, Connecticut.
ROTC 2 years at Western High School, Washington, DC.


Other experience (volunteer experience, memberships etc)

Chairman, City of Annapolis Human Relations Commission 1996-1999
Chairman and Founder Annapolis Family Boatbuilding 2001-2010
Member of National Association for Business Economics
Member of District of Columbia Medium-Term Vision, Brookings Institute, 2001
President of National Capital Chapter of the National Association for Business Economics 1999-2001

References

Name Mr. Scott Allen Phone 443-822-6973
Address 40 River Drive Annapolis, MD 21403
Name Terrant H. Lomax, Esq PC Phone 410-267-6151
Address 940 Bay Ridge Avenue Annapolis, MD 21403
Name Judith Templeton Phone 410-757-3700
Address 1695 Beech Lane Annapolis, MD 21401

Appointees are subject to the provisions of the City of Annapolis Ethics Code, Annapolis City Code Chapter 2.08. Appointees are strongly encouraged to review this Code and contact the City of Annapolis Office of Law and/or City of Annapolis Ethics Commission with all inquiries.

Signature  Date August 20, 2018

E-mail electronically completed form to constituents@annapolis.gov. Paper copies may be faxed to 410-216-8284 or mailed to the Mayor's Office address above, attention Boards and Commissions Coordinator.

1126 Bay Ridge Road
Annapolis, MD 21403
E-Mail: DrCater@comcast.net

(410) 626-1413 Residence
(410) 626-1413 Office
Website: <http://www.Market-Economics.com>

MARKET-ECONOMICS, Annapolis, MD 2018-Present

Financial Economic Consultant Business Owner

Develop credit risk matrix of FHA and VA of Ginnie Mae issuance for Tableau dashboards.

First Guaranty Mortgage, Inc. Vienna, VA 2017-2018

Director of Credit Modeling

Develop credit risk models to enhance mortgage monitoring and loan performance by developing credit risk dashboards, databases and models to identify and anticipate risk and revenue loss in corporate earnings

Designed and launched credit risk dashboard to guide the Chief Risk Officer and Credit Committee to assess loan portfolio by vintage and risk metrics, synthesizing borrower risk and historical lending exposure. Created loan performance database by compiling loan-level data into historical database, enabling FGMC to monitor loan status and mitigate exposure risk loan application data using MongoDB and MySQL.

Estimate Loss Default (LD) and Loss Given Default (LGD) for loss reserves and forecast FHA compare ratio; developed stress tests, economic simulations, and prepayment rate estimates using R-Studio, MATLAB in VAR modeling and Particle Swarm Optimization

PNC Financial, PNC Bank, Washington, DC 2014-2016

Vice President Senior Credit Analyst

Provide data analytics and reporting on mortgage portfolio. Risk modeling using SAS Enterprise Miner CHAID analysis of FHA delinquency status through foreclosure identifying default predictors used to estimate annual FHA net revenue of \$6 million on volume. Provide data analytics and reporting on mortgage portfolio using Tableau.

Vintage curve analysis to examine delinquencies across loan products. Developed methods for determining recapture and prepayments without Enterprise Data Warehouse using SAS EG, SAS Enterprise Miner, Unix, Tableau and SQL modeling.

Compared internal credit quality with rest of the market using CoreLogic. Used PNC rate sheet to compare mortgage risk premium and underwriting policies for single-family mortgage insurance for CRA portfolio lending, Fannie and Freddie 97 LTV affordable lending with FHA. Provide clarification of FHA Compare Ratio with rest of the market and market competitors and retail offices.

Modeling aggregate mortgage equity with demand for home equity lending. Segmentation analysis of FHA/VA mortgage lending and borrower risk characteristics matrix.

Federal Housing Administration, U.S. Department of Housing and Urban Development, Washington, DC 2011-2014

Financial Economist

Advises the FHA Commissioner and senior management regarding premium and underwriting policies for single-family and multifamily mortgage insurance programs that achieve target credit subsidy rates and capital ratio levels.

Providing financial analysis of FHA mortgage insurance to assure safety and soundness. Analyzing mortgage insurance for risk exposure and developing of reporting documents. Prepared cumulative default rate curves of Title I insurance examined severity of loss by categories of exposure and vintages using SQL and SAS. Examined distribution of over time of defaults and projected future loss experience. Compared delinquency rate analysis of privately originated investor owned mortgage portfolio with that of FHA 203k by vintage. Working Team member of HUD Emergency Homeowners Loan Assistance Program provided estimates of loan participation rate of 25% and expected loss of 45% from repayment experience in new based on loan repayment calculating losses.

MARKET-ECONOMICS, Annapolis, MD 2001-2011 Leave of Absence

Financial Economic Consultant Business Owner

Forensic mortgage analysis and expert witness for Covahey, Boozer, Devan & Door representing Wells Fargo Mortgage. Forecast review and development of alternative forecast of employment, population, and households for transportation model assumptions in Montgomery County/Prince George's Inter County Connector Highway for Maryland Transportation Authority and Section 100 I-95. Economic Benefit Study of Historic Neighborhoods Baltimore, Maryland developed repeat price house price appreciation model using SAS/SPSS macro in historic neighborhoods and used IMPLAN I/O regional input output model to measure of economic contribution of historic preservation. HMDA analysis of home buyers over time between 1990-2004 in Baltimore Historic Neighborhood. Examined borrower characteristics and the use of conventional versus government mortgage products. Identified housing demand characteristics. Review and update of Ginnie Mae single-family prepayment forecasting model under contract with Bearing Point and AAL, Inc.

**MARKET-ECONOMICS, Annapolis, MD 2001-2011 Leave of Absence
Financial Economic Consultant Business Owner**

Developed regional credit risk model for Ginnie Mae portfolio issuers and pool issuer risk under contract from Deloitte & Touche. Used SAS and EViews to develop time series model of issuer risk by metropolitan area forecasting turning points. Developed a measure of issuer concentration and exposure rates in regional markets into a credit risk score card through structured analysis. Prepared mortgage lending study of the Baltimore, MSA and Annapolis area using 2000 Home Mortgage Disclosure data using household algorithms for identifying barriers to mortgage lending. Research consultant and sub-contractor to Hammer, Siler, George Associates, Inc – researched and prepared industrial feasibility studies forecasted area level employment and developed market absorption models. Developed cluster analysis of tier level suppliers to new automotive manufacturing.

FANNIE MAE, ECONOMICS DEPARTMENT, Washington, D.C. 1994-2001**Director of Regional Economics**

Created, prepared, and coordinated regularly scheduled direct reports of regional economic analysis to the Chairman and Chief Executive Office on state and metropolitan economic and housing market activity. Revised and introduced new 10 year quarterly forecasting model of state home price appreciation model presented forecast overview to the Mortgage Bankers Association National Meeting Fall 1996. Developed econometric model for identifying metropolitan wide housing market that is used in automatic appraisal and mortgage credit approval process using **SAS, Rats, and Matlab**. Provided model for estimating mortgage debt outstanding using interest rate spread and Flow of Funds report. Developed and published a quarterly Regional Economic and Mortgage Outlook for senior executives and regional offices. Addressed local realtor boards, state mortgage bankers association, and U.S. Congressional representatives on economic and housing market activity and provided short-term forecasts. Designed and implemented a Lotus Notes Regional Economic News database that is company wide -- this annual saved \$10,000 in printing and staffing resources. Utilized managed a staff of five using Internet services to prepare weekly regional reports on economic and housing market activity. Developed econometric model for identifying metropolitan wide housing market that is used in automatic appraisal and mortgage credit approval process. Chair of Regional Economics Session at the Eastern Economics Association Boston, MA Spring 1997. Presented paper on Convergence of Housing Prices and Income at the Eastern Economics Association Boston, MA Spring 1997.

OFFICE OF POLICY DEVELOPMENT AND RESEARCH, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, Washington, D.C. 1991-1994.**ECONOMIST**

Developed in-house research examining consumer credit demand as it relates to home purchase. Identified borrower characteristics and estimated of denial and approval rates. Used discrete choice model of log-linear and logit analysis using **SPSS PC** and **SAS PC**. Displayed data using **ATLAS GIS** and **ARC-INFO GIS** mapping software. A paper presented at the Annual meeting of the Eastern Economics Association in Boston, MA, Spring, 1994. Provided employment estimates of the impact of new HUD Section 3 job initiative using the Bureau of Economic Analysis national Input-Output Model RIMS II multipliers. Work was submitted to OMB and accepted for program approval. OMB requested estimates to be provided of all of HUD program initiatives. Worked on a task force and briefed senior staff on the use of RIMS II multipliers.. Government technical representative and overall project leader of the Nehemiah Program Evaluation reviewed field site visits and directed research plans, project totaled \$350,000. Managed contract study of Hispanic participation in HUD-assisted housing programs in selection of a series of focus groups in 5 cities and development of study content. Assembled data and prepared report of Hispanic housing needs from Census, American Housing Survey, and MTCS HUD reports. In-house consultant to the Office of Housing on the implementation of Congressional mandated study of the effectiveness of home-ownership housing counseling demonstration program.

J.CATER ECONOMIC CONSULTANTS, Annapolis, MD 1989-1991**Economist**

Awarded two sole source contracts from the Appalachian Regional Commission to study women and minority owned businesses in the Appalachian Region. Examined location and business concentration and federal spending on growth rates and industry composition. Used GIS to conduct cluster analysis. Contracts totaled \$25,000 identified growth factors. Spoke before business groups and presented research findings.

STRATEGIC PLANNING, MONTGOMERY COUNTY, OFFICE OF ECONOMIC DEVELOPMENT, Rockville, Maryland. 1988-1991.

Marketing Research Manager

Designed and implemented business surveys identifying employment growth and business development of minority and women owned firms in Montgomery County, Maryland. Provided testimony to Montgomery Council on the results of two-year study and provided recommendations of the continuation of procurement legislation. Prepared analysis of the impact of local government procurement contracts on employment growth. Designed and developed data input screens for analysis of business surveys. The U.S. Bureau of Census staff reviewed and recognized this work as high quality. Prepared economic market studies analyzing county economic development activity. Examined location and growth of high technology and R&D firms in Montgomery County. Managed survey contracts with Maryland Office of Labor Market and Analysis. Developed comparative analysis of fiscal impacts on local economy using a regional input-output model. Supervised design and collection methods for analysis of business data. Prepared short-term employment forecasts using an economic model for projection. Developed and published a series of economic indicators for Montgomery County. Published articles in monthly newsletter on economic trends in Montgomery County. Established office automation and information study; recommended transition from Wang VS system to IBM PS/2 system to integrated desktop publishing.

MANDEX, INC., Springfield, Virginia. 1986-1987.

Economic Consultant

Analyzed state and regional economies using Gross State Product to examine trends in state budgets and to project future growth of medical education funding for U.S. Department of Health and Human Services. Examined employee benefits using Dun and Bradstreet business file of a sample of 3,500 firms comparing expenditures over time.

PENTAGON FEDERAL CREDIT UNION, Alexandria, Virginia. 1984-1986.

Programmer Analyst

Prepared economic forecast of savings and loan patterns for financial plan for Pentagon Federal Credit Union. Developed correlation coefficients relating membership patterns with credit card product usage.

METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS, Washington, D.C. 1983-1984.

Regional Economist

Published a series of regional economic papers on the Washington, DC area's economy, examining labor markets, banking, savings patterns, and employment changes. Identified high growth industries and industry mix around Metrorail station areas. Analyzed and published economic assessment of Metrorail transportation on employment growth in the Washington Metropolitan area. Provided written testimony before the U.S. House Committee on Banking, Finance, and Urban Affairs on the effects of the economic recovery in the Washington, DC metropolitan area.

OFFICE OF POLICY DEVELOPMENT AND RESEARCH, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, Washington, D.C. 1980-1981.

Social Science Research Analyst

Appointed one-year research fellow. Awarded Certificate of Special Achievement by Secretary of HUD for condominium study. Developed computer analysis of household survey of neighborhood impacts. Examined future impacts on neighborhood housing markets.

OFFICE OF THE DEAN OF STUDENTS, RUTGERS UNIVERSITY, New Brunswick, New Jersey 1975-1977.

Resident Counselor

Supervised Rutgers University housing unit for 350 students with a staff of seven. Initiated new programs to provide peer counseling tutoring services. Reappointed following year to open multi-unit dormitory complex serving 920 students.

TEACHING AND INSTRUCTION

U.S. Naval Academy, Annapolis, Md Spring, 2007

Adjunct Faculty

Taught undergraduate course in "Financial Analysis" providing accounting methods for valuation of business, capital markets, risk management, and personal finance in business decision making. Developed a personal finance seminar for Mid-Shipman and graduating seniors.

ANNE ARUNDEL COMMUNITY COLLEGE, Arnold, Md. Fall, 2006**Adjunct Faculty**

Taught undergraduate course in "Business Statistics" providing an examination statistical analysis as an aid in business decision making. The course includes hypothesis testing, chi square, analysis of variance, regression and correlation.

GEORGETOWN UNIVERSITY McDonough School of Business, Washington, DC - Fall 2004.**Adjunct Professor**

Taught graduate course "Fixed Income Securities" on debt securities, bond analysis, risk management and investment. Bond pricing, yields, price volatility, term structure of interest rates, active bond portfolio management strategies, and liability funding strategies.

MARYMOUNT UNIVERSITY, Arlington, VA- Fall 2003.**Adjunct Professor**

Taught undergraduate course "Microeconomics" emphasis of how market prices coordinate individual activities, with a detailed examination of producer and consumer choices and the analytical tools of supply and demand.

UNIVERSITY OF MARYLAND, College Park, MD- Fall 2002.**Adjunct Professor**

Taught graduate course Fall, 2002 "Financial Decision Making for Managers" emphasis on application of financial and non-financial information to a wide range of management decision making including the use of risk analysis and discounted cash flow techniques to compare alternative investment opportunities.

SOJOURNER-DOUGLASS COLLEGE, Annapolis, MD-Fall 2002-Spring 2003**Adjunct Professor**

Taught graduate course "Urban Community Organization" study of the interactions of formal and informal community structure and relations involving the economic, political, and social functions of community. Created on-line web page for posting readings and assignments.

ANNE ARUNDEL COMMUNITY COLLEGE, Arnold, Md. Spring, 1990**INSTRUCTOR**

Taught undergraduate course in "Macro Economics" providing an introduction to macro economic theory and application.

SOUTHEASTERN UNIVERSITY, Washington, D.C. Spring 1987-Winter 1988.**Adjunct Professor**

Taught graduate course in "Applied Economics" providing an overview of economic applications covering both micro and macro economics for Master of Business Management degree program.

MARKETING RESOURCES, MARYLAND DEPARTMENT OF ECONOMIC AND EMPLOYMENT DEVELOPMENT, Annapolis, Maryland. 1987-1988.**Economist**

Prepared reports analyzing business growth in Maryland and mid-Atlantic region from 1972-1982; identified high growth sectors using dBase III. Used IMPLAN input-output model multipliers to determine economic impact of a firm locating in Maryland; results indicated that a firm with \$55 million in annual sales would generate an additional \$5 million for the county and 540 new jobs. Reviewed local community applications for state enterprise zone designation and assessed the impact of enterprise zones. Compiled economic data and prepared final report on Maryland's Business Climate in an article appearing in Barron's (September 7, 1987). Reviewed and implemented IBM PC software for computerizing industrial properties statewide.

UNIVERSITY OF THE DISTRICT OF COLUMBIA, COLLEGE OF BUSINESS AND PUBLIC MANAGEMENT, Washington, D.C. Fall, 1984**Adjunct Instructor**

Taught new course and provided additional content for graduate course entitled "Management of Metropolitan Governments". The course offered a study of regional and metropolitan governmental issues and problems. Case studies were offered into program development and management.

PENNSYLVANIA STATE UNIVERSITY, COLLEGE OF HUMAN DEVELOPMENT COMMUNITY DEVELOPMENT, University Park, Pennsylvania. 1981-1983.**Graduate Instructor**

Taught six sections of "Introductory to Community Development". Initiated the use of guest speakers from state of Pennsylvania's Neighborhood Assistance Program to balance theoretical material with case studies. Conducted satellite lectures to branch campus in Scranton, Pennsylvania, including computerized grading and programmed learning.

PUBLICATIONS

Economic Impact of Home Ownership on the U.S. Economy working draft for the Fannie Mae Foundation. Fall 2002

Econometric Analysis of the Convergence of Income and Housing Prices Among Regions and States in the U.S. presented at the Eastern Economics Association meeting Spring 1997.

Case Study Analysis of 1990 HMDA DATA: Comparison of Mortgage Lending in Annapolis, Maryland to Anne Arundel County and Baltimore, MSA May 1993

Minority and Women-Owned Business Growth and Employment in the Appalachian Region, Joseph E. Cater, III, for the Appalachian Regional Commission, Washington, D.C., 1991.

Minority and Women-Owned Businesses in the Appalachian Region: Analysis of Rural Joseph E. Cater, III, for the Appalachian Regional Commission, Washington, D.C., 1988.

Employment Trends before and after Metrorail, 1976-1980, Joseph E. Cater, III Washington, D.C.: Metropolitan Washington Council of Governments, 1984.

Trends in Income, Banking, and Retail Sales, Joseph E. Cater, III Washington, D.C.: Metropolitan Washington Council of Governments, 1984 included in Congressional testimony before U.S. House Committee on Banking, Finance, and Urban Affairs on the effects of the economy recovery on the Washington, D.C. metropolitan area.

Joseph E. Cater, III

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A Compendium of Condominium Conversion Activity, Joseph E. Cater, Washington, D.C.: U.S. Department of Housing and Urban Development, 1980.

EDUCATION

MBA., Admitted 1999, University of Maryland University College, Maryland.

Leadership Development, 1997 1-week Center for Creative Leadership, Greensboro, North Carolina, 1997

Ph.D., Economics, 1991, Pennsylvania State University, University Park, Pennsylvania. Dissertation: *The Role of Neighborhood Organizations in Housing Improvement: A Case Study, Harrisburg, Pennsylvania.*

M.S., Urban Planning, 1977, Rutgers University, New Brunswick, New Jersey

M.Div., Theology, Howard University, Washington, D.C.

B.A., Economics, Western College, Danbury, Connecticut.

PROFESSIONAL ASSOCIATION

Presentation to Baltimore Economics Society, "Housing as a Leading Economic Indicator?" October, 2002

Member of District of Columbia Medium-Term Vision, Brookings Institute, 2001

President of National Capital Chapter of the National Association for Business Economics 1999-2001

Chairman, City of Annapolis Human Relations Commission 1996-1999. Provided testimony on results of a *Case Study Analysis of 1990 HMDA DATA: Comparison of Mortgage Lending in Annapolis, Maryland to Anne Arundel County and Baltimore, MSA* May 1993

Member of Annapolis Jaycees 1990-1994