Meeting was called to order at 4:30 pm by the Chair, David Bucholtz. Roll call reflects a quorum.

Ms. Huddleston moved to approve the agenda as presented, second by Mr. Fluetsch, motion carried by unanimous voice vote.

Mr. Miller moved to approve the minutes of September 6, 2017 as presented, second by Mr. Hibben, motion carried by unanimous voice vote.

Ms. Sullivan moved to approve the minutes of September 27, 2017 as presented, second by Mr. Fluetsch, motion carried by unanimous voice vote.

Ms. Lis noted that the minutes for all meetings will appear on the Finance Department website. Agenda and attachments are also attached to the Finance Committee Website for public view under Public Bank Task Force.

Minutes from the 1st meeting on August 2017 will be presented at the next meeting.

Correspondence from the public was received and Councilor Villarreal did provide information on the process for agendas and minutes. The Chair said that the postings will assure transparency moving forward. Thank you to the Public for contacting the Chair with this request.

Review of relevant legal issues
Timeline and Public Input Session Plan

Informational/Discussion

Informational

There being no further business to come before the Public Bank Task Force, meeting was adjourned at 6:05 pm.
Public Bank Task Force  
Tuesday, October 18, 2017  
4:30 p.m. - 6:05 p.m.  
City Market Square Offices – Conference Room  

MINUTES

1. Call to Order  
Meeting was called to order at 4:30 pm by the Chair Bucholtz, David Bucholtz. Roll call reflects a quorum.

2. Roll Call

Present  
David Bucholtz, Chair Bucholtz  
Brad Fluentsch for Adam Johnson, Finance Director  
Randolph Hibben  
Darla Brewer  
Kelly Huddleston  
Elaine Sullivan  
J. Wayne Miller

Not Present:  
Judy Cormier  
Robert Mang

Others Present:  
Kelley Brennan, City Counsel  
Marcos Martinez, City Counsel  
Michelle Lis, Facilitator  
Richard Virtue and Mark E. Chaiken from Virtue & Najjar PC  
Fran Lucero, Stenographer

Audience: No sign in sheet.

3. Approval of Agenda

Ms. Huddleston moved to approve the agenda as presented, second by Mr. Fluentsch, motion carried by unanimous voice vote.

4. Approval of Minutes - September 6, 2017 and September 27, 2017 (Item #1)

Ms. Lis noted that the minutes for all meetings will appear on the Finance Department website. Agenda and attachments are also attached to the Finance Committee Website for public view under Public Bank Task Force.

Minutes from the 1st meeting on August 2017 will be presented at the next meeting.

Correspondence from the public was received and Councilor Villarreal did provide information on the process for agendas and minutes. The Chair said that the postings will
assure transparency moving forward. Thank you to the Public for contacting the Chair with this request.

*Mr. Miller moved to approve the minutes of September 6, 2017 as presented, second by Mr. Hibben, motion carried by unanimous voice vote.*

*Ms. Sullivan moved to approve the minutes of September 27, 2017 as presented, second by Mr. Fluetsch, motion carried by unanimous voice vote.*

5. New Business

a. Review of relevant legal background in furtherance of Resolution 2017-32 (City Attorney Kelly Brennan)

The Chair made an introduction of outside counsel from Virtue & Najjar PC. They are very strong bond counsel in our state.

Mr. Brennan opened by saying that with the report in the hands of the Public Bank Task Force members, today would be a Q&A in hopes to provide answers and to learn if the Chair would like for Counsel to come back at a future date. Ms. Brennan stated that they started from the premise that there were concerns about home rule powers, anti donation laws and the practical reality of following the process to the end. We are talking about a process of once we start, will take a lot of time, cost a significant amount of money and one concern that doesn’t appear on the report because it is not within the purview is the need for some kind of institutional continuity in the city if we are going to undertake this which will need to be addressed institutionally because this will cross administrations. Before this meeting we were talking about time frames that don’t take in things like preparing a business plan, procuring the experts that are going to prepare that for you is a long time process in itself and getting the requisite approval. These are the types of things that aren’t built in to the time line.

Richard Virtue and Mark E. Chaiken from Virtue & Najjar PC

Mr. Chaiken opened and described the process of information that would be followed today. He will open up with a few comments and open up for questions on items contained in the report or not contained in the report. Mr. Chaiken stated that they hit four main areas in the report;

1. Home Rule Power and that goes to the legal authority of the city of Santa Fe to set up a public bank at all. Mr. Virtue did all the work on that and included in exhibit. There are questions that remain, it is not clear-cut about if the city even has the authority under New Mexico Home Rule Law to head and set up this bank. Part of answering that question will depend on the function the bank is expected to perform. We understand that there are two different possible sets of functions, maybe more, but two that the Task Force is considering. One is where the bank would be its own customer essentially and the other is where it is set up for public benefit to have public customers, perhaps open checking and saving services to consumers, possibly lending and other typical banking services. The Home Rule question will in part depend on the direction that the city takes in terms of the functions the bank is going to perform.
2. The second big area is Anti-Donation. As you know the Financial Institutions Division has expressed concerns in this area. They are agency within State Government responsible for issuing the state charter for approving the State Charter Bank so we have to take those very seriously. There is a general question whether this phrase in the Anti-Donation clause in the New Mexico Constitution which prohibits public entities from lending their credit to private parties giving aide to private enterprise would prohibit some of the proposed functions of the bank. We suggested that we think it could be possible that the law is not clear but certainly it allows for the possibility that this can be done. Again, in none of these legal questions is there a black and white answer and that is not what we are presenting.

3. The third area relates to the laws surrounding the investment and deposit of public money. We have a provision in the New Mexico Constitution and also various State Statutes that control how money can be invested and where they can be deposited in institutions which they can be deposited. Those could affect the proposed functions of the bank in fact more deeply the efforts to capitalize the bank. There is a real question on the source of money and where it is going to come from and we need to be mindful of those constitutional provision and those statutes that affect the investment of public money.

4. The final item which I have alluded to is that we really need to focus on what functions the public bank is going to be expected to perform. If the Council decides to move forward and that is your recommendation, there will be many steps to take and one of the first will be, a) getting specific legal authorization from the Council in the form of a Resolution directing the next steps to occur and b) creating the Business Plan which is required for both the state banking charter application and to apply for Federal Deposit Insurance application and also if the direction is to apply for the Federal Reserve there will be additional materials to be completed there for that application. The key thing for all of these applications is the Business Plan. A Business Plan will need to decide what functions the bank is going to perform. We have not addressed that, as it is a matter of policy for this Task Force and ultimately the Council to decide. It is something that always needs to be borne in mind as it is the background to the answer to all the other questions that need to be answered.

Added Exhibit (A): Critical Pathway and at the back of the report there is a flow chart that shows the steps to be taken which compliments the exhibit.

The Chair opened discussion to members of the task force for comments and questions.

Mr. Miller: Question on Home Rule Power: It has been suggested that the city should partner with the county, the school district and/or the Community College. How would those four entities coming together to a bank, would that affect Home Rule or how would Home Rule Authority affect that if there were to co-mingle their funds?

Richard Virtue: Home Rule is a little faster as the city would be acting pursuant to its Home Rule Authority which basically you do not have to have specific authority to do anything. It is just that you can do what is not prohibited. With regards to the other public entities which you mentioned, they are governed by their specific enabling statutes and they would have to find as a general statement authority in the laws that created them to participate in a bank. My sense if you were going to do a Charter Bank, a full-blown set of services, it would add a complexity to the plan.
Mark Chaiken: I would just add to that the other public entities funds are controlled by the same statutes that control municipal funds in terms of investment and deposit of those funds. Even if the City alone were to charter the bank and those other entities wanted to make their deposits in to that bank there would still be questions under the State Constitution and what I call the Public Money Act which is Section 6-10-1 following the Act on how those monies can be deposited, whether they can be deposited in the bank or what they could be used for.

Mr. Virtue: If the function of the bank were more limited along the lines of the steps that the Finance Department has already taken and outlined in the recent memo that they provided. If you wanted to bring those entities in to jointly perform those kinds of functions; inter-agency, cash management that would be more practical. It would be a Charter Bank and it is the actual dealing with the public piece I think would certainly be more (inaudible).

Elaine Sullivan: In terms of the home rule power issued this body needs to be clear on the functions of what they are expecting. What I am not clear on the anti-donation clause, when you say that the law isn’t black and white, how would we go forward to get clarity?

Mr. Virtue: We have suggested in the memorandum that one thing to do would be to develop a test case. In New Mexico those sort of things are hard to arrange and hard to do; that is one possible approach. Because a lot of the concerns are coming from FID; I know that the Task Force has already met with FID; maybe further meetings and sharing our analysis which differs from FID’s analysis, is another thing to do. There is no way unfortunately to guarantee that there won’t be a legal challenge ultimately from some interested party who believes perhaps that this is not a violation of anti-donation clause. There would be issues on standing and lots of things that litigators worry about in terms the right person is bringing a legal challenge. I do not think there is any legal guarantee that you won’t receive such a challenge. It is recommended that you set up a test case before you get to far in to it. This was discussed with the city attorney various ways that might be accomplished and just meeting with all the regulatory parties as much as possible so there is just as much institutional support and the institutional objections have been dealt with as much as possible ahead of time.

Chair Bucholtz said one other possibility and not suggesting for better or for worse, could be to have an appropriate person and that is an elected official raise the question with the Attorney General’s office for an opinion in analyzing the anti-donation law. The public cannot go to the Attorney General’s Office with this question but elected officials can. If posed properly and answered, while it doesn’t give you the certainty of a judgment from a court, there is value in an Attorney General’s opinion. Regarding issues. The Attorney General does have long-term expertise in analyzing anti donation clause.

Mr. Virtue stated that one other thing Ms. Brennan suggested was going to try to get clarifying legislation in one of the upcoming sessions; because again, just because you have legislation doesn’t mean you are free from a challenge bit it does put you in a much stronger position if the legislature has decided that specifically authorize this or specifically declare that it conforms with the anti-donation clause.

Ms. Brennan said her to point to that, it is a relatively low cost investment at the beginning of the process to tell us whether there is a likelihood or possibility of success.

Mr. Hibben: When you mentioned that the scope of the bank initially perhaps that the city is the sole customer, are you suggesting that there is some type of limited charter that could be issued, a limited purpose charter?
Mr. Virtue: No we didn’t look at that. I don’t believe though that limited charters would be issued of that nature. I think that New Mexico Banking Law doesn’t really contemplate that and so it would probably have to be a full charter. Again, there could be a legislative solution to that. You certainly have the bank of North Dakota that got around all of these problems as a creature of legislation. Of course if the city doesn’t have the same power as the State Legislature does to do these things. It is just another reason to go to the legislature with some enabling legislation and maybe get a carve-out where there would be a limited charter available.

Mr. Martin: Did you look at costs; what it would cost to take these challenges to, what some objections would from outside parties and time frame?

Ms. Brennan said they haven’t undertaken that study and she said it would be something they would have to look at before they went further. This body can contribute to that discussion. Ms. Brennan said she believes this will be a costly and long process. Even at the end, the application might not be approved, you have done your business plan, you have done your application, you have made submissions; it might not be approved. I do want to say that what you have before you is not an opinion; this is a preliminary evaluation of the issues. We will need to do cost and time studies and some risk analysis around these.

Mr. Hibben: You mentioned the importance of a true 5-year plan as the foundation for any of these regulatory applications and you are absolutely right. Some might think that we have a 5-year plan and I want to assure you, that is not even close to what is required for those various applications. But the cost would certainly fall out of that.

Mr. Virtue: I will note that we did include the FDIC application and it says on its front cover that you can expect to spend 250 hours completing that application. There will be some duplication in these applications but you are definitely talking about hundreds of man hours of city employees and outside consultants time and I couldn’t imagine that this would be done for under hundreds of thousands of dollars at a minimum.

Ms. Huddleston: I have a question about Liability, if it was the bank was chartered and it was approved through a federal or state charter, what kind of liability would a bank have in terms of if it took money other than just city money; how would that work? Say you were a private citizen depositing money in there but it was run by the city of Santa Fe, what would the liability be?

Mr. Virtue: That is an excellent question; we didn’t look at it in any detail. The bank, there would be several layers of separation between the city and the bank. There would need to be a Bank Holding Company who then in turn owns the bank. Bank liability would be governed by the appropriate Banking law which is either federal or state. It is mainly federal because event the states regulations look to federal law and there are a number of regulations that apply to various banking operations and also to conflicts of interest for Bank Directors and they would also tend to set out the liability for violation. Some violations can result in criminal liability for the Bank Directors. How that would impinge on the city’s liability, we would need to think about this a little more and get back to you on that.

Ms. Brennan: This is an important question for the City, it is a highly regulated environment and if the City is in fact the sole owner of the Holding Company, I assume there might be the possibility of some flow through back to the city under certain circumstances, what those are, I can’t say.

Ms. Huddleston: She was just wondering about the immunity, it raises questions in her mind. Ms. Brennan: I don’t think our immunity would survive.
Mr. Chaiken referenced Appendix 11, a list of the Federal Banking Laws that apply that the bank would have to comply with such as truth and lending, fair practices, those sorts of things. In terms of bank liability you have the same exposure as a private bank. There is no immunity or protection that we found.

Ms. Brennan: This raises one point not directly connected to that statement but that when you have gone through this entire process and you have a publicly chartered bank, your position in the community is very similar to any other bank. In other words you are regulated in the same way and you have the same obligations. At that point we also have to look at; have we achieved our purpose just like other banks in the community.

Mr. Fluitsch: Along those points, again we have to look at this as the function of the bank; the bank has one customer, it has one lender, one borrower and one depositor. All of these expenses would be on top of already the same expenses that the city is expending to do the same functions now. All of these expenses will be what we are doing now. We are not going to do anything really different, but all of these expenses will be in addition to what we are spending on carrying out these functions.

Ms. Brennan: This is one variation of the bank you are addressing.

Mr. Hibben: You raise a point based on our discussion, you very much accomplished what was put forth in the studies in terms of economy and scale generally. You would simply transfer and become employees of the bank.

Mr. Fluitsch added that with the laws that you have to comply with listed in Appendix 11 you still have the overhead associated with if you are a single purpose of multi purpose for the

Mr. Fluitsch: I want to strengthen the position on 6-10-10 Investment of Public Funds. On the one hand the Anti-donation clause does not preclude the city from owning equities. I am the Cash and Investment Officer for the City and I believe the Investment Law is pretty inclusive to me that the city cannot buy Micro Soft, Apple, Bank America, or any other public equity or any other equity period with public funds. It is a hard red line, no you can’t cross that and I don’t think in your analysis it was quite that specific. Can you address that? The 6-10-10, what can public funds be invested in? Mr. Fluitsch said when he reads it; it is an absolute prohibition on purchasing of equity.

Mr. Virtue: We discussed this internally, the Statute makes it clear that investments and deposits are the same thing so there is an issue with ownership of the Bank Holding Company shares which might be seen in an ownership of equity.

Mr. Fluitsch: One thing is capitalizing it being the equity.

Mr. Virtue: The Bank Holding Company owning the shares of the bank itself.

Mr. Fluitsch: The City capitalizing the Bank Holding Company to start.

Mr. Virtue: I don’t think there is a real clear answer on that. I understand that the Statute is very specific but we do have development authorities and similar institutions that can make those kinds of loans. We can go back and strengthen up that part of the memorandum and do more analysis of 6-10-10 and see if that would absolutely prohibit. I guess that is what you are suggesting, that it would prohibit even in direct ownership to those equities through ownership of the Bank Holding Company.
Mr. Fluetsch: The only way I can see is if someone went out and started a Bank Holding Company and donated the Bank Holding Company to the city, that might work. We couldn’t take public funds and capitalize it because we would in essence be putting public funds in to an equity.

Chair Bucholtz: Made the comment and stated, I am not an expert in federal regulations, state regulations in capitalizing banks but it seems to me that if the instrument that was used for the capitalization was a debt instrument and not an equity instrument so the venture, some kind of a bond where the capital was provided through that. That may qualify or at least be considered for further consideration under State Law and under State Constitution, although it may raise other questions under Federal and State Regulatory Law as to whether they would accept the capitalization that was not an equity investment but would be some kind of a return. The constitution says with one weird old case, I don’t know what it means, I have read it a million times in 1925 and I don’t know what affect it would have. Put that case aside, the Constitution says you either have to have money in the bank or interest bearing securities but it is possible somebody could construct a transaction where capitalization was an interest bearing security. Would that qualify under 6-10-10? Does that Davey vs. Day case mean anything that says you don’t have to look at that constitutional provision if you are putting your money to work? I don’t know that answer to those things. You raise good points.

Mr. Fluetsch: 6-10-10 goes more than just equity; it has to be a government security. It has to be a Treasury or an agency of the Federal Government, a New Mexico Municipal Security rated AA or better.

Chair Bucholtz stated that he certainly recognizes that there are investment restrictions in that section and as there were suggestions that someone might ultimately say, if you passed constitutional muster, whether the Legislature would have an appetite in 6-10-10 for this kind of purpose, reasonable questions to ask. Constitution is the highest level, if you can’t do it in the Constitution you have to get the voters to say something else. The Constitution would permit something Statute doesn’t permit it. Statute specifically doesn’t permit it than maybe you change the Statute. If the Constitution says you can do something Legislature is quiet or deems to be quiet. 6-10-10 is not out there to cause problems; it is out there to protect public money. Despite the fact that you might be able to construct your way around, the policy of 6-10-10 still has to be given some thoughtful review by decision makers while they are looking at this.

Mr. Chaiken: That raises the real guts of the Home Rule issue. Does 6-10-10 express denial, for a Home Rule Municipality to invest its funds or deposit its funds in something other than that or not. We tried to make the point in the memo that there are no cases addressing that. Your point is well taken and we pointed it out as one of the major threshold issues, the number one issue that would have to be addressed somehow addressing the application of 6-10-10. Legislation was a suggestion, another possibility getting an amendment, a test case from court trying to get a decision, filing for a Home Rule Municipality performing public functions and being allowed to deposit in something else. Those would be the ways in trying to approach the issues, we agreed it is a major issue but we were not ready to say it is not insurmountable at this point.

Darla Brewer: I know that we make reference to North Carolina, and they were grandfathered in before laws addressed the whole situation. I know that around the country other places are trying to develop public banks and I wanted to know if you looked in to their laws and how different they were from ours and if there was a solution in their laws that allowed them to do that.

Ms. Brennan: I just want to say that what we are doing here is cost containment. These are expensive propositions to even explore to the debts we have so I think that is a perfectly valid thing but I don’t think that is what we are not going to ask our outside counsel to do at this stage.
Mr. Chaiken: I will comment that we did what we will call an anecdotal review of literature that is out there. There have been articles published and studies done and without having gone into the detail or legal analysis, we did see a general trend that nobody had been able to accomplish the end result since North Dakota. The goal of a charter public bank had not been accomplished and I know there have been substantial efforts put in. Someone may be out there with an answer but we did not see it.

Mr. Virtue: We definitely looked at North Dakota as the model and they did have to make their own law to get it done, they had to make a change to their Anti-Donation laws, they did make a lot of statutory provisions in order to start their bank. We saw that there have been efforts in California cities; I believe including Oakland and San Francisco, we saw a study that was commissioned by the state of Massachusetts and another one commissioned by the State of Vermont. There have been lots of efforts throughout the country but we haven’t seen that any of these have come to fruition. We have seen reports produced by various people from California and Washington State saying what can be done under their law but they haven’t gotten past the stage where we are at now.

Mr. Chaiken: This is nothing more than an anecdotal comment; it appears that San Francisco has gotten further than anyone else in their research. They have a model charter provision that has been drafted they are mentioning as a possibility which would mean that municipalities that would want to do this would need to amend their charters.

Chair Bucholtz: Thank you to the City Attorney for using their own funds in hiring the private counsel. I did not expect to find answers, they said yes to do this and I appreciate their out of the box thinking on how we approach these questions. In that regard, the Resolution in one short sentence says they expect an opinion from the City Attorney Office. We all know that opinion means different things to different people. I am curious as to where you see it going from here relative to the responsibility that was put on your office by the Resolution.

Ms. Brennan: I did have some conversations to try to have the opinion appear at the stage and offered to the people who get an opinion from the City Attorney which is the Governing Body and that is controlled by our Ordinances and Charter. I had hoped to do that at this level this before the discussion started but I thought this was worth doing was to inform your discussion and that the opinion would come down the road perhaps in increments. In other words we might ask for an opinion on Home Rule Authority or on Legislation that would get us to expand so that at different steps in the road we might seek an opinion if possible so we could move on to the next stage. She believes that asking for an opinion on these matters now is going to be a huge undertaking and is not sure that it will add to the conversation.

Chair Bucholtz: With your consent, the Resolution requires that we make a report to the Finance Commission in December, certainly in the next 6 weeks or so. As part of that report I would like to say that City Attorney Office cooperated very strongly with us, that we got a very important report from outside counsel, but that everyone feels that this one line of an opinion is a little confusing or at least doesn’t give as much substantive direction as everyone would expect. What is the sense of the Governing Body in regards to what they are asking for?

Ms. Brennan: I think that the other thing that this body could do is, Resolutions are amended all the time to reflect learned lessons and if you believe in not just this matter or anything else, an Amendment you could call for an amendment and I believe one of the City Councilors would be happy to carry it for you.
Chair Bucholtz: I think that because of the lack of process expertise on the Task Force, the sense of the having the Task Force as the leader directing further legislation is challenging. I can do it because it is my job so it isn’t scary to me. But it does mean going back to the governing body, drafting legislation, carrying in committee, time element involved, how will they react, will they think that we don’t want to do our jobs, all of that. But I think that the point is very well taken that as we go on you may want to consider the need and go back to the governing body and say, look you appointed us, we did all this work and having done all this work, here are some things we need to say.

Ms. Brennan: I think that is fine, and if you have an interest in amending it we do have a legislative office and if there is a sponsor on the governing body we draft it. I think that amending a resolution can be fairly a simple thing.

Chair Bucholtz: Asked Ms. Lis to place on the next agenda as an action item some discussion from this Task Force in regards to where it feels its work has gone relative to the direction in the Resolution and how it feels in connection with the report that is going to be made to the Finance Committee that we also take some direction on whether we need further or amended instructions from the City Council and that we would discuss this at the next meeting as an Action Item.

Thank you.

b. Timeline and Public Input Session Plan, Michelle Lis  
(Exhibit B) – Language from the Resolution.  
November 7, 9 or 14, 2017 – Public Input Session (City Council Chambers)  
Q: City Council Chambers is formal the Convention Center is more informal.  
2nd Session Report to Finance Committee: December 4th –

Ms. Sullivan would like to have a more informal setting. A more formal setting does invite a conversation that is more constructive.

Chair Bucholtz said it might be intimidating to use the Council Chambers. Possibly use the Convention Center first.

Ms. Lis will ask the City Clerk if they could microphone the Convention Center.

Chair Bucholtz stated on notice of the meeting, his sense is that there are folks who might want to make a presentation in a formal and longer period of time. It might be good if we could reach out to them in advance by incorporating this information in the notice.

Decision: November 8th for Public Bank Task Force Meeting and November 14th for the Public Meeting at the Council Chambers.

Change in the Agenda: Deviated from Item #5 to Item #6 to accommodate Mr. Miller’s departure.

Discussion of Draft Agenda for Public Input Session  
- Task Force needs more time to explain the update on work that has been done.  
- Chair suggested making the meeting longer than the 2½ hours, possibly 3 hours for this meeting. (5:30 pm – 8:00 pm)  
- Ms. Lis stated that any handouts need to be submitted 1 week prior to the meeting date. She feels that some work may need to be done outside of the meeting.
6. Public Bank Task Force Sub-committee Updates
   Subcommittee “D” Capitalization – Mr. J Wayne Miller (Exhibit C)

   Governance Sub-Committee Report (Exhibit D) – included in meeting notes.
   Elected officials have fiduciary responsibility.

   Kelly Huddleston: Bank Boards are asking for cyber security, we might want to add them on.

   Randy Hibben: Looking for a real separation from Board of Directors and any elected officials and they are going to push that hard.

   Brad Flutetch: In reading that the FDIC portion of the report they have specific guidelines on who can be on the board, federal guidelines, we will need to amend presentation to include the Bank Holding Board and the Bank Board. Mr. Hibben said that they could both be a common board.

   Ms. Brennan said that at the conference she attended they strongly recommend that you have that separation. In the tribal world the federal government will come down.

   Mr. Hibben: Memo presented at the last meeting constituted his report.

   The Chair asked that all documents get posted to the web page. The stenographer will also provide all the attachments with her minutes.

   Ms. Sullivan was told that the date of this meeting and agenda were not on the Finance Committee website. Please communicate to staff to let them know we would like it posted as soon as possible within the 72 hours.

7. Next Steps
   Discussed above.

8. Citizen Communication from the Floor
   Nicole Lichen: Brass Tacks (Exhibit E)
   I really appreciate the work that the Task Force is doing and also appreciate that things are going to get posted in advance. I wanted to respond to something that Mr. Hibben said last time, that a bank is a duplication of what the city is doing. Brass Tacks does not
believe that is true and hopes that you will change your opinion. (Inaudible due to distance to recorder)

The Chair asked Ms. Lichen if Brass Tacks would like to be a presenter to please take a moment to let Ms. Lis know.

Elizabeth Dwyer: Responding to the three governance models, we thought Model A was the best, Model B - #3 we have a suggestion we call the Underside Advisory Committee that promotes. (Exhibit F)

Adjournment
There being no further business to come before the Public Bank Task Force, the meeting was adjourned at 6:05 pm.

Signature Page:

[Signature]

Mr. David Bucholtz, Chair Bucholtz

[Signature]

Fran Lucero, Stenographer