

# Financial Empowerment

Tishaura O. Jones  
Treasurer  
City of St. Louis, MO

# What does the Treasurer do?

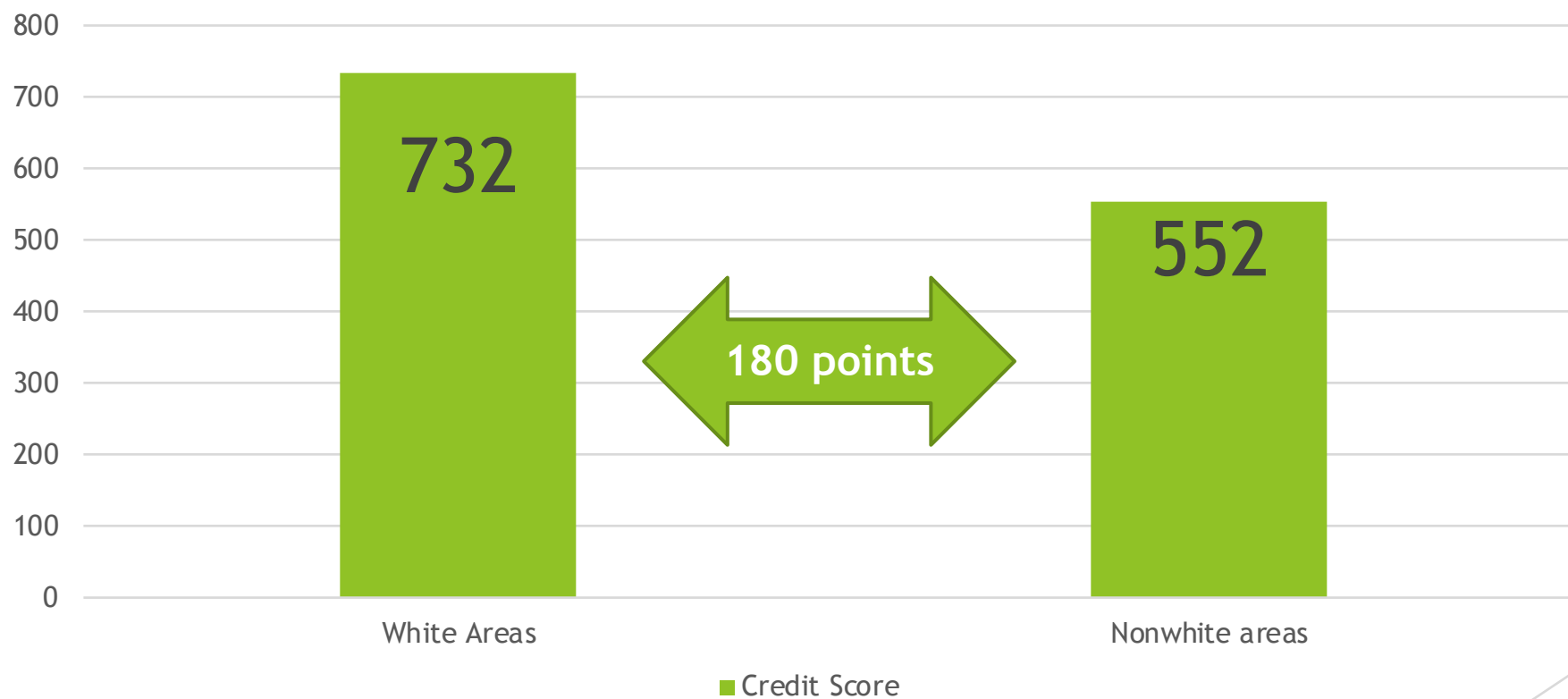
- ▶ Chief Cash Management and Investment Officer
- ▶ Process payroll for all city employees
- ▶ Parking Supervisor
  - ▶ >7,000 metered spaces
  - ▶ 6 garages, 2 surface lots
  - ▶ Parking Enforcement
- ▶ NEW: Office of Financial Empowerment

# Snapshot of St. Louis, MO

- ▶ Population - 314,000 and falling
- ▶ Majority minority city
  - ▶ 57% people of color, 47.5% African-American
  - ▶ Largest concentration of Bosnians outside of Serbia
- ▶ Median income - \$38k
- ▶ 30.9% of African-American households in poverty
- ▶ 34.6% of African-American households have zero net worth
- ▶ 66% of African-American households unbanked
- ▶ 29.9% of African-American households underbanked
- ▶ 31% of African-Americans are homeowners

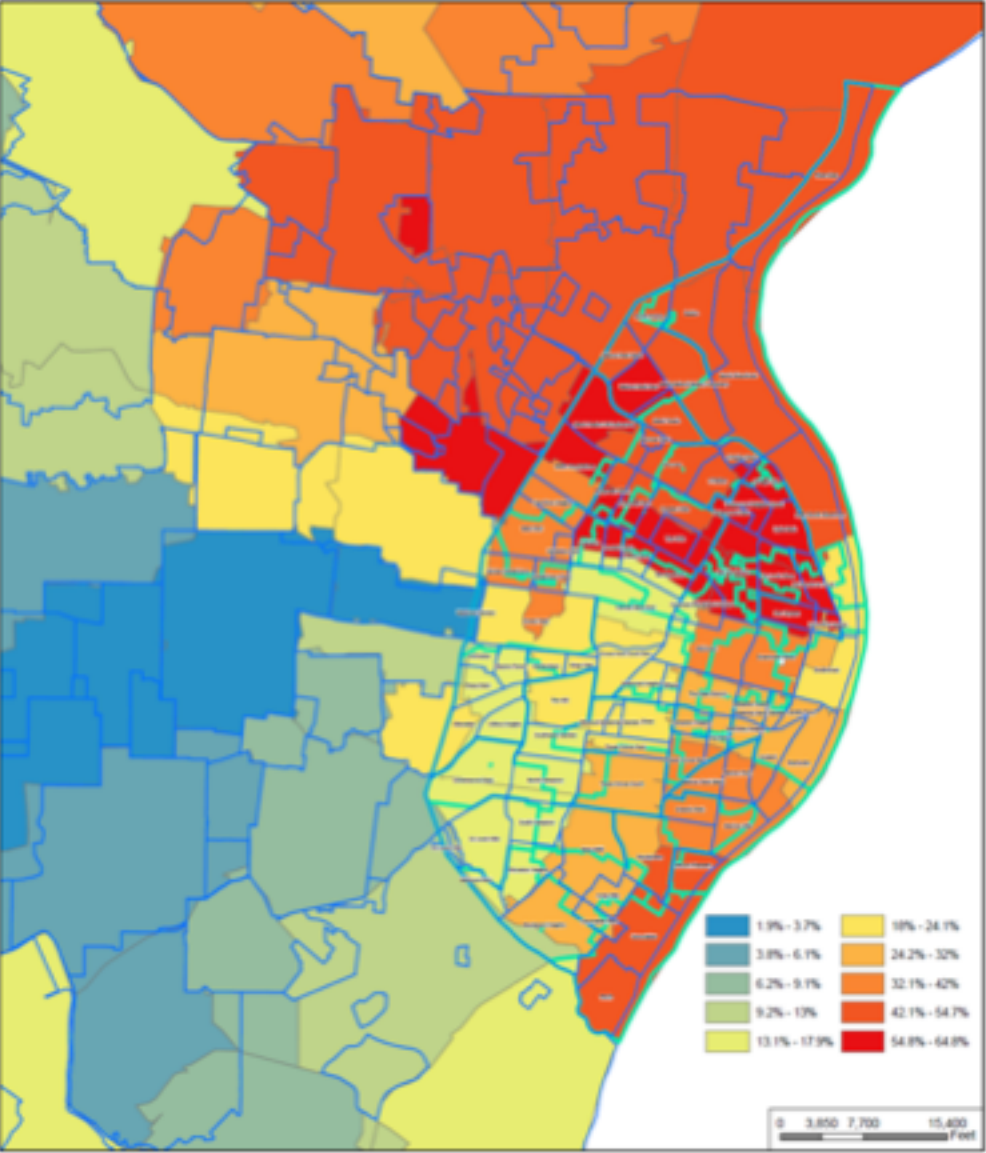
Source: 2019 Prosperity Now Scorecard

# Difference in credit scores

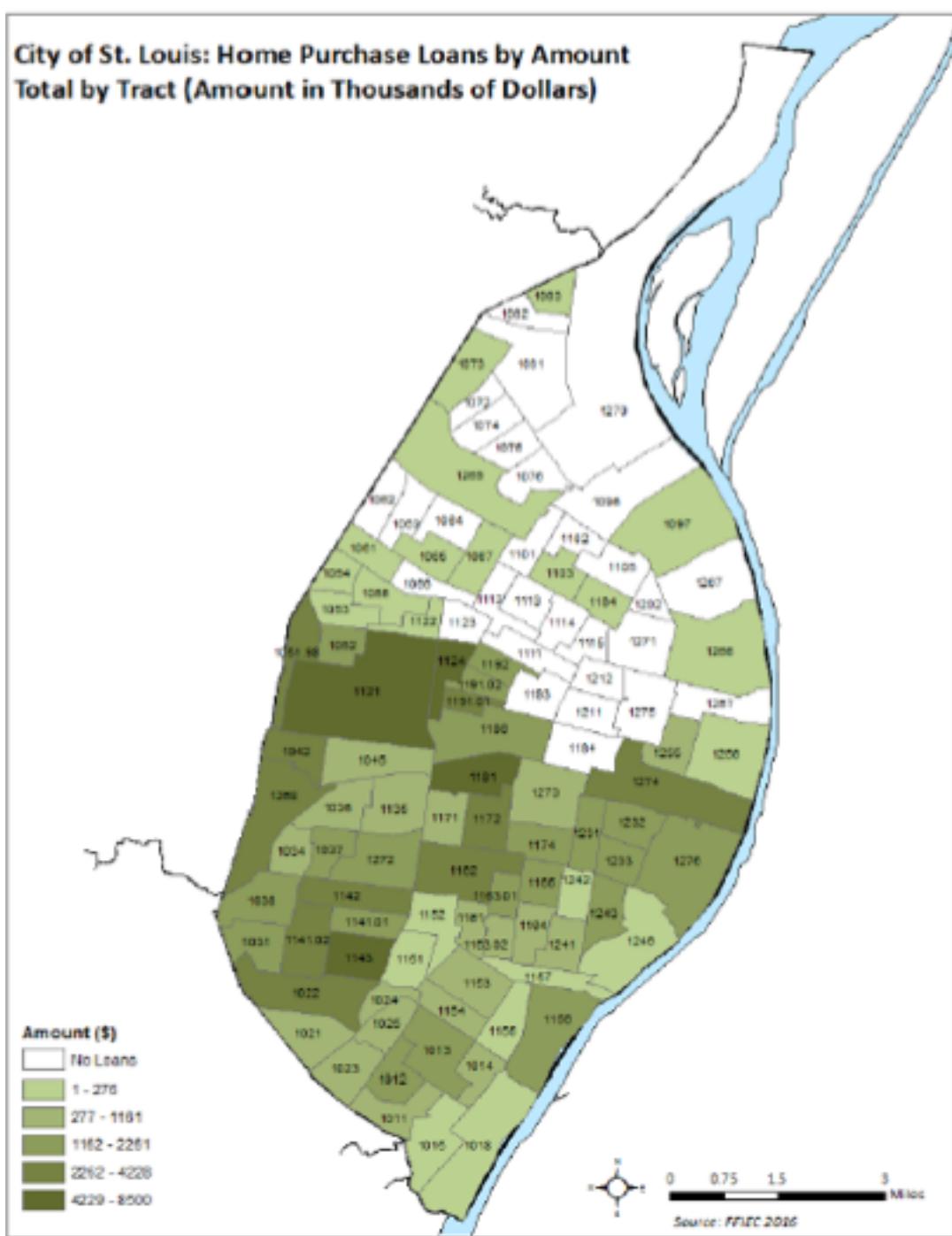


Source: Urban Institute

St. Louisans with a Credit Score < 600  
By Postal Code



City of St. Louis: Home Purchase Loans by Amount  
Total by Tract (Amount in Thousands of Dollars)



# Office of Financial Empowerment

- ▶ Passed by local ordinance in 2015
- ▶ Funded by residual parking revenue
- ▶ Partners with financial institutions and others to provide:
  - ▶ Financial education classes
  - ▶ Free credit counseling
  - ▶ Workplace financial wellness tools
  - ▶ College Kids Children's Savings Account Program

# College Kids

- ▶ Provides all kindergarten students in public and charter schools in the city with \$50 savings account for college
- ▶ Seed money and overhead paid for by residual parking revenue
- ▶ Beginning fifth year next month
- ▶ >13,500 children
- ▶ >\$950K in assets



# How does it work?

- ▶ Students receive bonus deposits when parents/guardians participate in financial empowerment courses
- ▶ Deposits made by family/friends matched dollar for dollar up to the first \$100
- ▶ Additional incentives for good attendance
- ▶ Children w/less than \$500 saved are three times more likely to attend college and are four times more likely to graduate from college\*

Source: Washington University, Brown School of Social Work

# College Kids Commercial



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There's no better  
investment than in the  
future of our children.  
- Treasurer Jones

