



Saint Paul Minnesota
The most livable city in America

Office of Financial Empowerment

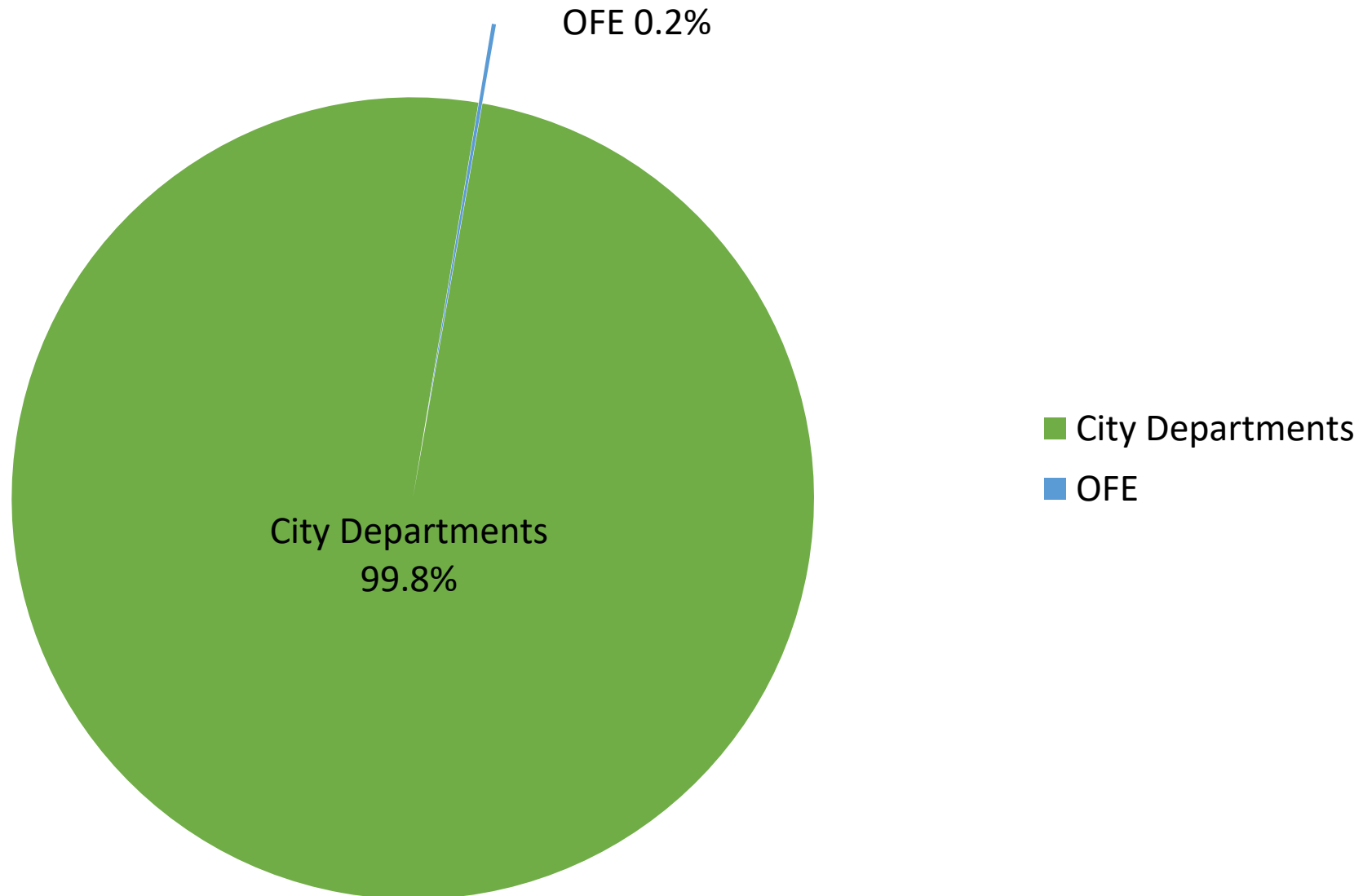
2020 Budget Proposal



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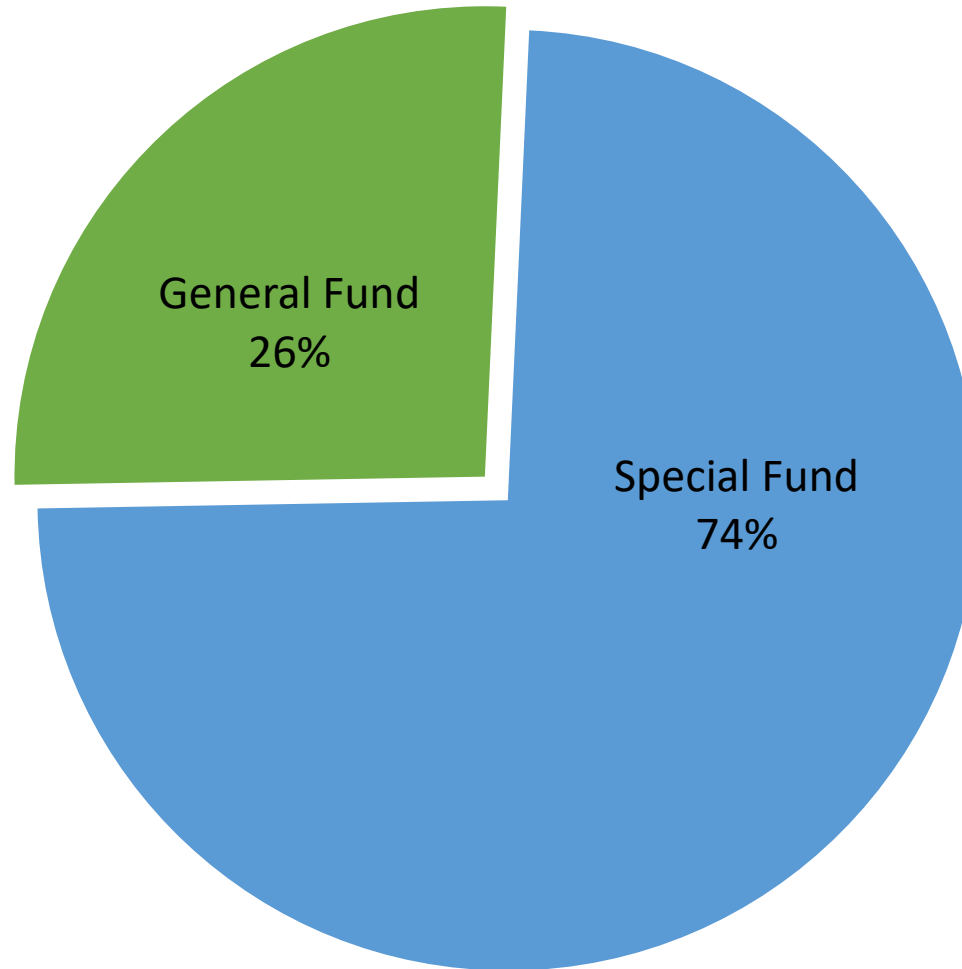
Department Overview

General Fund Composite Summary



Fund Composite Summary

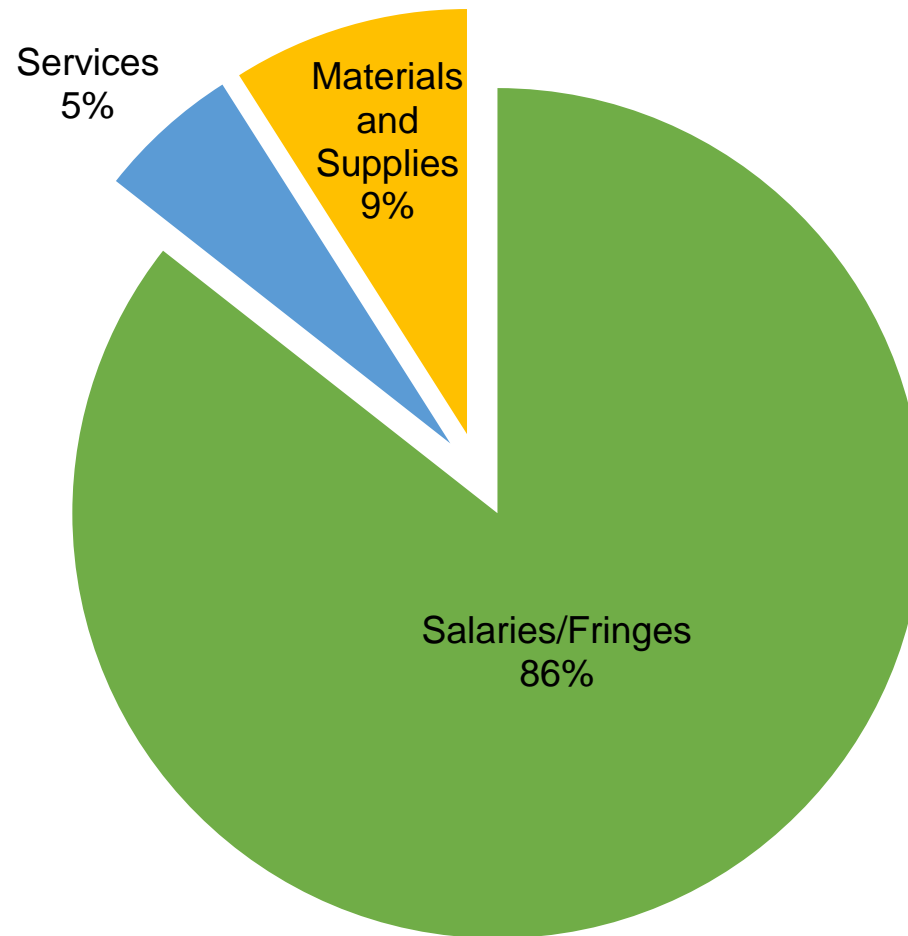
Composite Fund Summary



Special Fund includes
Direct City Grants &
External Partner Spending

Department Business Lines

General Fund Business Lines as a % of the Portfolio



Financial Summary - General Fund

	2018 Actuals	2019 Adopted	2020 Proposed	% Change 19 vs. 20	FTE
General Fund	-	333,000	555,193	66.7	4.00

Significant General Fund Changes in Previous Budgets		
2019	Office created	333,000

Financial Summary – Grants

	Duration	Total Amount	2020 Amount	FTEs
State of MN – Legislative grant	2 years	\$500,000	\$250,000	0
Saint Paul Foundation Fund	3 years	\$1,465,000	\$845,000	0
MN Dept. Human Services	5 years	\$2,000,000	\$400,000	1.0
Other grants (NLC, etc.)	1 year	\$85,000	\$85,000	0
Total:	1-3 years	\$4,050,000	\$1,580,000	1.0



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Strategic Objectives

Strategic Objectives

Innovation	Resilience	Equity	Department Strategic Objectives	Mayor's Strategic Objective(s)
			Saint Paul residents achieve financial health and community wealth	Economic justice
			Saint Paul residents live in stable, safe, and affordable communities	Economic justice
			Families with children living in Saint Paul have a city that cares about their future	Economic justice; lifelong learning
			Saint Paul community members are engaged in community and public decision-making	Economic justice

OFE Start Up Goals

Goals	Performance Measures	Targets for 2019	Current Performance	Targets for 2019/20	2020 Budget \$ to Support
Create an Office of Financial Empowerment	Establish OFE and hire staff	PM1: Hire staff PM2: Complete OFE Blueprint	PM1: Staff hired PM2: OFE Blueprint completed	On-going	-
Build and implement College Savings Account program	Successful planning, education, outreach of the CSA program	PM1: Hire staff PM2: Complete CSA Taskforce Recommendation report	PM1: Hired CSA Program Manager PM2: CSA recommendation report completed	Launch program on January 1, 2020	-
Develop strategy, program, and policy initiatives that support affordable and fair housing goals	PM1: Hire Fair Housing Coordinator PM2: Pass Fair Housing Policy Agenda in 2019	PM1: Hire Coordinator PM2: Pass Fair Housing Policy Agenda	PM1: Hired Fair Housing Coordinator PM2: In policy development	Develop Fair Housing Implementation Plan	-

Families with children living in Saint Paul have a city that cares about their future

Goals	Performance Measures	Targets for 2019	Current Performance	Targets for 2019/20	2020 Budget \$ to Support
Every child born in 2020 is enrolled in CSAs	Percentage of Saint Paul newborns who are enrolled in CSA program	NA	NA	100% ~ 3000 – Auto-enrollments 60% ~2000 – Opt-in enrollments	-
Newborns enrolled in CSAs reflect demographics of Saint Paul	Percentage enrolled who match racial demographic	NA	NA	AA: 21% Asian: 22% Latino: 10% White: 42% Indigenous: 1% Multi-Cultural: 5%	-
Build revenue streams to ensure CSA program sustainability	# of \$ available through private-public partnerships	\$0	\$615,000 (as of 9/27/19)	\$1,355,000	-

Families with children living in Saint Paul have a city that cares about their future

Goals	Performance Measures	Targets for 2019	Current Performance	Targets for 2019/20	2020 Budget \$ to Support
Increase awareness and engagement with CollegeBound Saint Paul	PM1: # of partners reached PM2: # of participants reached PM3: # of champions signed on PM4: # of ambassadors signed on	NA	NA	PM1: 10 partners PM2: 4,200 participants PM3: 300 champions PM4: 25 ambassadors	\$33,985 from general fund

Notes

OFE is shifting \$50,000 from current general fund allocation and requests an additional \$33,985 from the general fund in FY2020 to fully capitalize on the position.

CollegeBound Saint Paul Outreach & Engagement Coordinator

- **CSA Outreach Coordinator** (1 FTE) — The Outreach Coordinator will lead the program's outreach and engagement efforts. For example, the coordinator will work with partners to encourage enrollment among families who have to opt into the program, attend community events to promote the program, and coordinate with partners to offer financial capability services to participating families. This role is critical to the success of the program, because reaching out to 5,000 families per year—particularly the 40% who need to opt into the program—and coordinating with multiple partners will be a tremendous lift that the program manager will not be able to manage alone given other responsibilities.

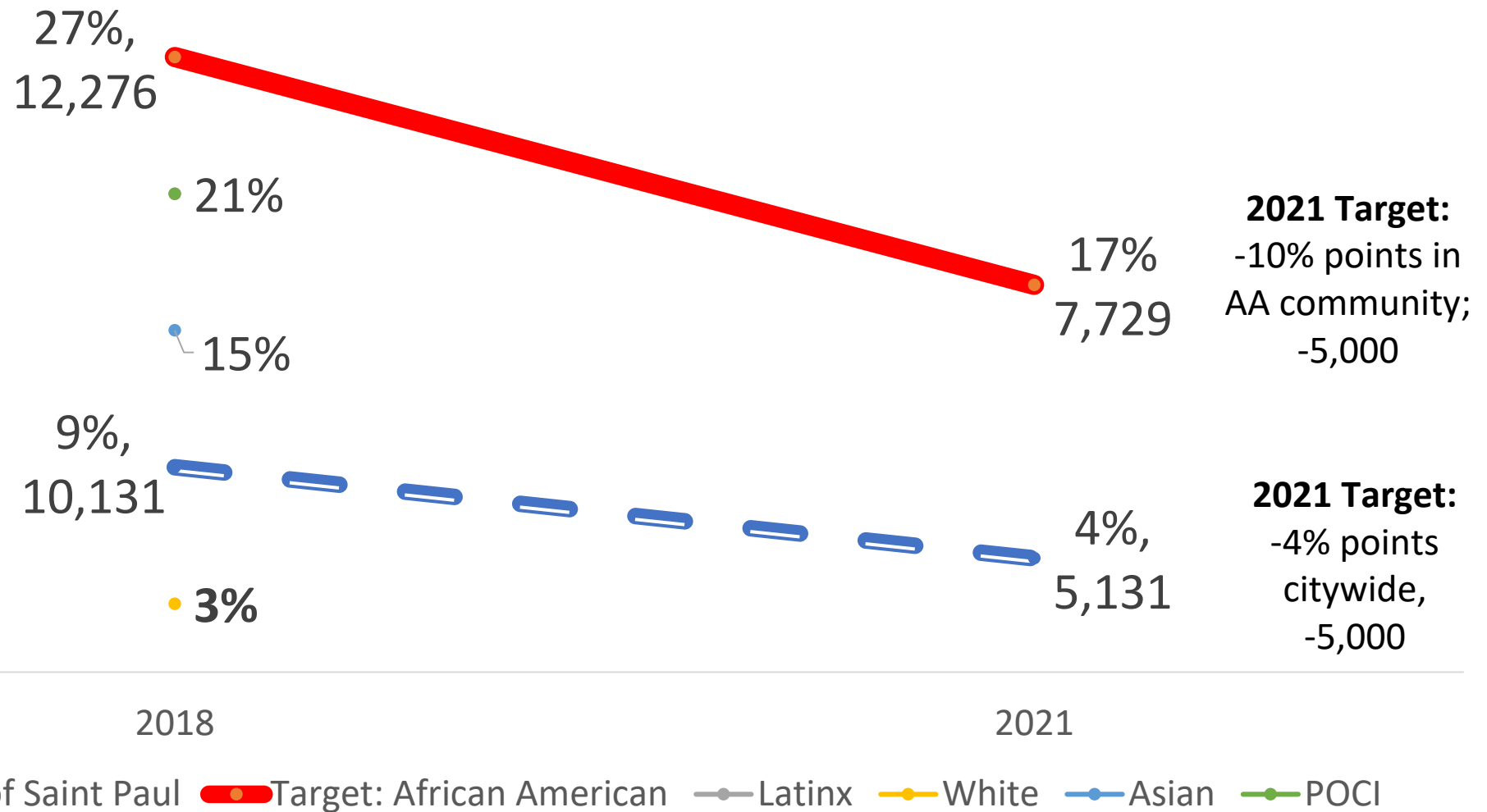


Saint Paul residents are financially healthy

Goals	Performance Measures	Targets for 2019	Current Performance	Targets for 2019/20	Budget \$ to Support
Increase number of Saint Paul residents who are on the financial grid (“banked”)	PM1: # of BankOn accredited branches/products PM2: # of additional banked (open a checking or savings account)	NA	NA	PM1: 6 PM2: 5,000 black and indigenous residents	\$30,000 from the general fund

Notes
OFE requests a one-time \$30,000 investment from the general fund that will leverage \$100,000 in grants to get residents on the financial grid

Indicator: Unbanked. Saint Paul residents who do not have a checking or savings (by race)



Universal and targeted strategies

Overarching strategy: Bank 5,000 additional black and indigenous residents by December 2020

Universal strategy components

- **Scale what works citywide:** Increase FAIR/BankOn accreditation across Saint Paul's financial sector to shift banking practices and policies (no monthly minimums, no overdraft fees, etc.)
- **Driver's license suspension/revocation policy reform:** Advance new state policy on license suspension/revocation policies; possibly shift local enforcement at city-level

Targeted strategy components

- **Influence BI banking practices at individual level:** Tap into influential community infrastructure (black/indigenous churches, orgs) to shift internal community narrative on banking
- **BI Community Financial Infrastructure:** Invest in and align support for Black and Indigenous-run financial health ecosystem, including credit unions, CDFIs, and community-based organizations
- **Shift frontline banking staff cultural responsiveness:** Develop and provide on-going training for frontline staff on the cultural experiences of BI with financial institutions locally and nationally



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Budget Proposals

Summary of 2020 Budget Changes



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Program	2020 \$ Change	Total 2020 Budget
BankOn Accreditation	30,000	30,000
Engagement & Outreach Coordinator for CollegeBound Saint Paul	33,985	83,985

Accelerate BankON Accreditation

Fiscal Impact				FTEs	Funding
General Fund		Special Fund		Additional (if applicable)	One-time (yes/no)
Spending	Revenue	Spending	Revenue	N/A	yes
\$30,000					

Description

OFE proposes a \$30,000 investment from the general fund to contract Cities for Financial Empowerment to accelerate scaling the BankON accreditation process across the financial sector in Saint Paul, resulting in 5,000 more black and indigenous residents getting banked by the end of December 2020, reducing the “unbanked gap” by 10 percentage points (27% to 17%). This leverages \$100,000 from private and corporate philanthropy in FY2020.

Which of the Mayor’s strategic objectives does this proposal support?

Economic Justice	Lifelong Learning	Community-first Public Safety
x		

Department Strategic Objective

Saint Paul residents are financially healthy

Accelerate BankON Accreditation

What is anticipated outcome	Performance Measures	Current Performance	Targets for 2019/20
Increase number of African American and Indigenous residents who are 'banked'	5,000+ additional community members banked	NA	5,000+

How does this proposal reform or improve current operations/services?

This proposal positions the Office of Financial Empowerment at the center of cross-sector collaborations needed to hold the complexities and address the 'unbanked' reality in the city.

What is the community benefit and how have/will they been engaged?

More Saint Paul residents will be on the financial grid leading to increase in financial health citywide

How does the proposal advance equity in the City of Saint Paul

The BankON accreditation will accelerate the number of African American and Indigenous residents who are banked, and dramatically close disparities between those who are banked and those who are unbanked.

Engagement & Outreach Coordinator

Fiscal Impact				FTEs	Funding
General Fund		Special Fund		Additional (if applicable)	One-time (yes/no)
Spending	Revenue	Spending	Revenue	1.0FTE	no
\$33,985					

Description

OFE proposes hiring 1.0 FTE Engagement & Outreach Coordinator for CollegeBound Saint Paul. To do this, we will shift \$50,000 from the general fund that was allocated for consultants in FY2019 to this role, then we request \$33,985 in additional general fund revenue to fund the position. This is leveraging \$1,015,000 secured for CollegeBound Saint Paul from other public sources and private and corporate philanthropy in FY2020.

Which of the Mayor's strategic objectives does this proposal support?

Economic Justice	Lifelong Learning	Community-first Public Safety
x	x	

Department Strategic Objective

Families with children living in Saint Paul have a city that cares about their future

Engagement & Outreach Coordinator

What is anticipated outcome	Performance Measures	Current Performance	Targets for 2019/20
Increase program enrollment, engagement and participation through outreach and engagement efforts with participants and partners.	NA	NA	100% ~ 3000 – Auto-enrollments 60% ~2000 – Opt-in enrollments

How does this proposal reform or improve current operations/services?

The Engagement & Outreach Coordinator will increase the number of opt-in participants who ultimately enroll and participate in CollegeBound Saint Paul.

What is the community benefit and how have/will they been engaged?

The CSA Taskforce called for an Engagement & Outreach Coordinator, so this is a direct recommendation from the community that will only yield further and deeper engagement between the City and the broader public. The Engagement & Outreach Coordinator will be directly working with the community to increase enrollment and program engagement and participation through the ambassador and champions programs.

How does the proposal advance equity in the City of Saint Paul

The Engagement & Outreach Coordinator will focus predominantly on increasing program participation in Saint Paul's African American, Asian, Latinx, and Indigenous communities.

Fair Housing Coordinator

Fiscal Impact				FTEs	Funding
General Fund		Special Fund		Additional (if applicable)	One-time (yes/no)
Spending	Revenue	Spending	Revenue	1.0	no
\$121,909	\$121,909	-	-		

Description

OFE will shift \$121,909 from PED to OFE. This was a 2019 general fund allocation in PED from the housing trust fund. This will continue to be funded from the housing trust fund but will show up in the OFE budget at the start of the year.

There is not additional spending in 2020 from the general fund, just a shift from one department to another.

Which of the Mayor's strategic objectives does this proposal support?

Economic Justice	Lifelong Learning	Community-first Public Safety
x		

Department Strategic Objective

Saint Paul residents are financially healthy

Conclusion

As the Office of Financial Empowerment seeks to ensure we have a city that works for everyone, we advance a multi-pronged approach to put Saint Paul residents on the pathway to achieve **financial health, community wealth, fair housing opportunities**, and a **city that cares about our children's future**.