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Residents Reduce \$100M in Debt Through Municipal Financial Counseling Initiative

Municipal Financial Empowerment Centers in 6 Cities Help Residents Reduce Debt; Program is Expanding to Up to 50 Local Governments

JUNE 27, 2018 – The [Cities for Financial Empowerment Fund](#) (CFE Fund) and its partners announced that over 82,000 people have reduced a total of \$100 million in debt through municipal Financial Empowerment Centers (FECs). The [Financial Empowerment Center](#) initiative provides high-quality, one-on-one financial counseling as a free public service; the CFE Fund is working to expand this model under its [FEC Public platform](#). Since 2008, FEC counseling services have helped over 82,000 clients – with average annual incomes of just over \$21,000 – reduce debt, improve credit, open safe bank accounts, and save for the future.

“Reducing debt is a critical part of financial stability,” said **Jonathan Mintz, President and CEO of the Cities for Financial Empowerment Fund**. “Mayors and city leaders across the country are increasingly realizing the potential of providing high-quality financial counseling as a public service to help their residents get ahead. We applaud our municipal partners, their FEC counselors, and most of all the residents who are working hard every day to take control of their financial futures.”

Financial Empowerment Centers (FECs) offer professional, one-on-one financial counseling as a free public service; the national *FEC Public* platform looks to grow this movement across the country. First piloted in New York City under Mayor Michael R. Bloomberg in 2008, the CFE Fund supported the replication of the program in five additional cities (Denver, CO; Lansing, MI; Nashville, TN; Philadelphia, PA; and San Antonio, TX). The FECs have worked with over 82,000 clients, helping them reduce individual debt by over \$100 million, and increasing their families’ savings by over \$10 million. A [recent CFE Fund evaluation](#) showed that this program works even for residents with very low incomes and other complex financial challenges.

“With the support of the CFE Fund and Bloomberg Philanthropies, the work of our Office of Financial Empowerment weaves financial empowerment strategies in to the fabric of Denver to help address some of our most pressing issues,” said **Denver Mayor Michael Hancock**. “And by bringing together city agencies, nonprofit partners like mpowered, academia and funders, we’re creating a collective impact to support our most vulnerable residents in achieving economic self-sufficiency. We’re proud to be a part of such a great movement with other mayors across the country, making economic mobility for all residents a priority for our cities.”

“My first executive order once taking office was to establish the Department of Neighborhoods and Citizen Engagement, featuring Lansing’s powerful Office of Financial Empowerment. By engaging and



advancing Lansing families, we build neighborhoods, which is exactly what Financial Empowerment Center (FEC) counselors do, helping residents one-on-one to reduce their debt and build their savings for the future!” said **Lansing Mayor Andy Schor**. “I’m proud of what FECs have accomplished, both here and in our partner cities across the country. This work makes a tangible difference.”

“Since 2013 the Nashville Financial Empowerment Center has helped more than 6,000 clients reduce their debt by more than \$6.8 million and increase their savings by nearly \$750,000,” said **Nashville Mayor David Briley**. “That’s important work. The more we can help Nashvillians find their way to financial stability, the stronger our community will be.”

The CFE Fund, with support from Bloomberg Philanthropies, Wells Fargo, the JPB Foundation, JPMorgan Chase Foundation, and Capital One, is working to expand the FEC model to as many as 50 local governments across the map; the CFE Fund will provide grant support, intensive technical assistance, and a vibrant national learning community to help up to 50 local government partners plan, launch, and sustain Financial Empowerment Centers for their residents.

At the Financial Empowerment Centers, professionally trained FEC counselors help consumers with low and moderate incomes manage their finances, pay down debt, increase savings, establish and build credit, and access safe and affordable mainstream banking products. At the core of the FEC model is the integration of counseling into other social services, including housing and foreclosure prevention, workforce development, prisoner reentry, benefits access, domestic violence services, and more.

About the Cities for Financial Empowerment Fund (CFE Fund)

The CFE Fund supports municipal efforts to improve the financial stability of households by leveraging opportunities unique to local government. By translating cutting edge experience with large scale programs, research, and policy in cities of all sizes, the CFE Fund assists mayors and other local leaders to identify, develop, fund, implement, and research pilots and programs that help families build assets and make the most of their financial resources. For more information, please visit www.cfefund.org or follow us on Twitter at [@CFEFund](https://twitter.com/CFEFund).

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