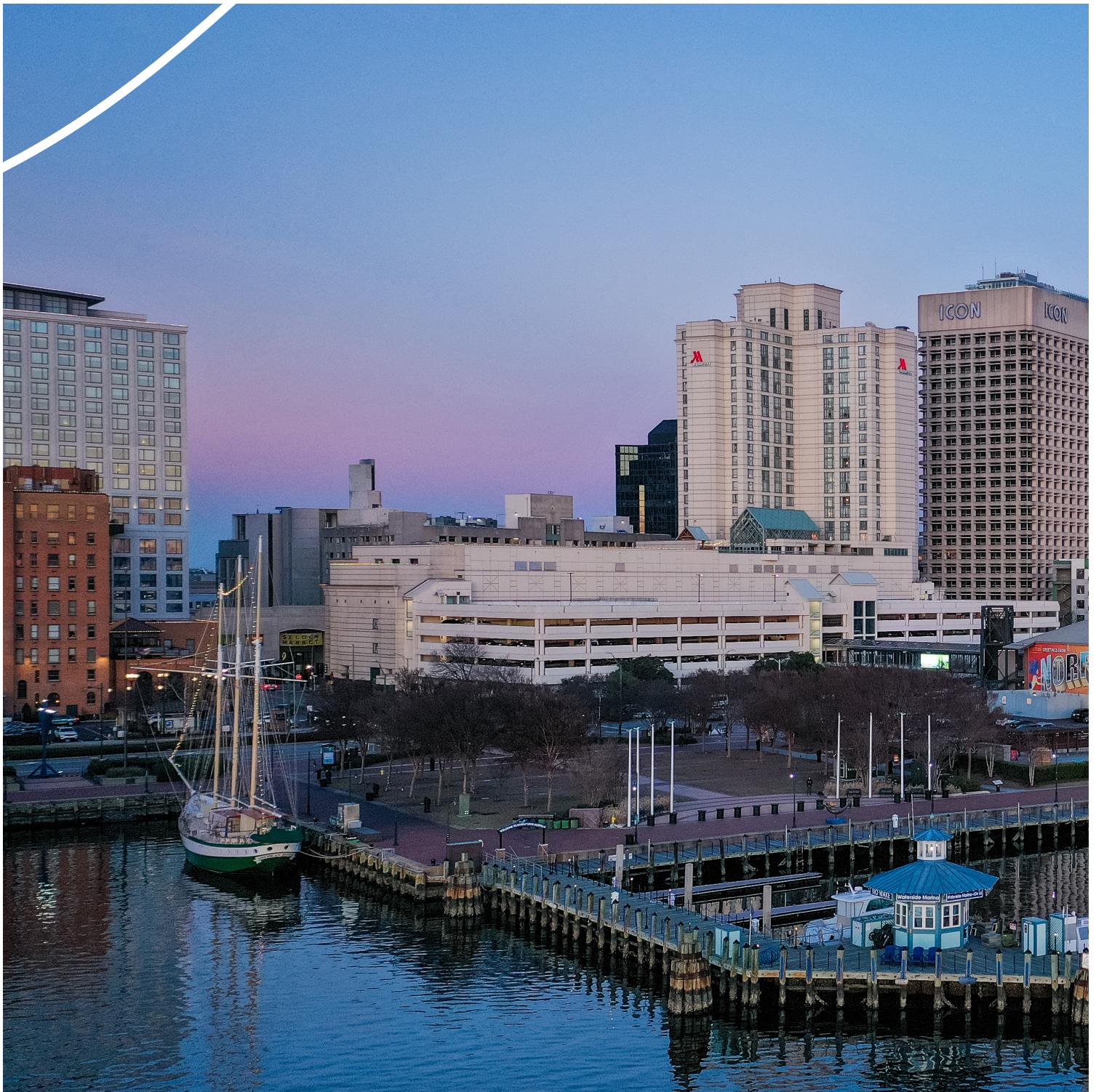




CITY OF NORFOLK

BANK ON 2023 ANNUAL HIGHLIGHTS

BankOn
Norfolk
Your Partner in Financial Education



BANK ON

Bank On Hampton Roads is a partnership of participating banks, credit unions, and community organizations across Hampton Roads designed to help you take control of your finances.

Whether you want to stop living paycheck to paycheck, pay off debt, improve your credit score, or build your savings, Bank On can get you on the road to financial freedom one step at a time.

BANK ON ANNUAL HIGHLIGHTS



The Bank On program teaches our residents the value of financial literacy and the importance of planning ahead. Using early intervention tools and strategies, Bank On is reducing wealth inequality and building stronger financial futures for the entire region.

- Kenneth Cooper Alexander, Ph.D. Mayor, City of Norfolk



The Bank On program provides essential financial education to help Norfolk families build savings, achieve their goals, and protect their financial futures. I am proud to support this program in the City of Norfolk and encourage interested community members to participate, donate, or volunteer for this program to facilitate its long-term success.

- Danica J. Royster City Council, Superward 7



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BANK ON HISTORY

The City of Norfolk joined the Bank On Hampton Roads program in 2016 and is one of three participating cities in the region. The other cities include Virginia Beach and Chesapeake.

Each city operates under its own program name (Bank On Virginia Beach, Bank On Norfolk, and Bank On Chesapeake), but all programs operate collaboratively under the regional umbrella of Bank On Hampton Roads. Bank On Norfolk is housed within the city's Department of Housing and Community Development, and the program consists of a free five-month financial literacy program that combines classroom instruction with individualized coaching to help participants become financially empowered and feel confident in making sound financial decisions.

Bank On is also coupled with a Matched Savings Program that offers a \$150 incentive for participants who complete the rigorous financial literacy program and save \$150 of their own money.

The Bank On Norfolk program encourages participants to save and actively manage cash flows, reduce debt, and grow credit in order to have greater access to lower-cost financing options and reduce the impact of mounting debt on their monthly budgets.

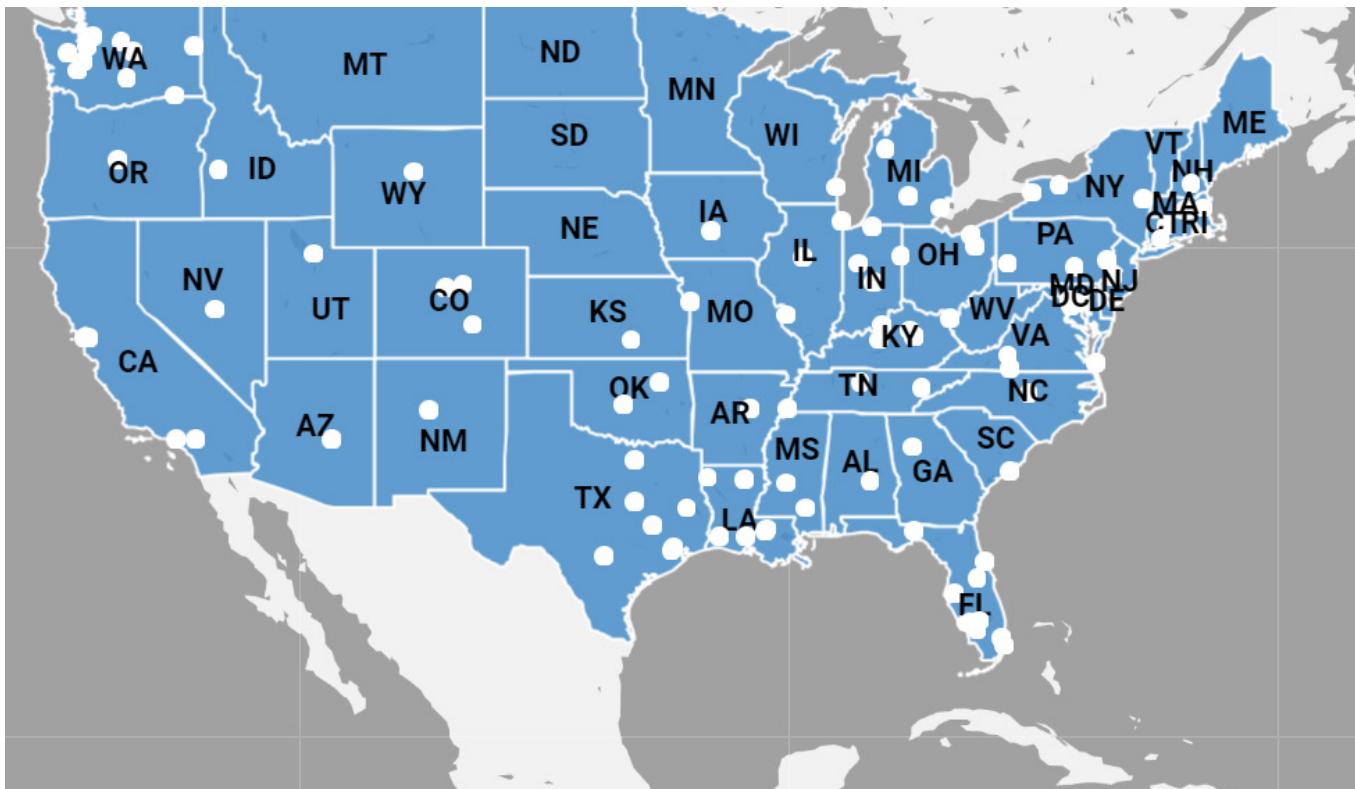
Bank On Hampton Roads is one of 100 coalitions that fall under the Cities for Financial Empowerment (CFE) - Bank On Initiative





Cities for
**FINANCIAL
EMPOWERMENT**
Fund

BankOn
Norfolk



National Bank on Coalitions

Norfolk's participation in Bank On Hampton Roads makes it one of 100 Coalitions that fall under the Cities for Financial Empowerment Fund (CFE) - National Bank On Platform. The CFE Fund's mission is to leverage municipal engagement to improve the financial stability of households with low and moderate incomes by embedding financial empowerment strategies into local government infrastructure. As part of this work, the CFE Fund leads a national movement supporting local Bank On coalitions with strategic and financial support, as well as by liaising with national banking, regulatory, and nonprofit organization partners to expand banking access and connect it to municipal entities and services. "A bank or credit union account is a cornerstone of

financial stability – which is why the CFE Fund's Bank On movement has focused on growing the availability of safe, affordable accounts that meet Bank On National Account Standards," said Paige Diner, Principal at the Cities for Financial Empowerment Fund. Bank On works to connect the unbanked and underbanked with access to safe and affordable financial products and services by establishing the Bank On National Account Standards. These standards include core account features such as low costs, no-overdraft fees and online bill pay.





2023 Bank On National Conference

Bank On Norfolk staff attended the 2023 Bank On National Conference, the largest conference in the banking access field. The conference took place at the National Press Club in Washington, DC where keynote addresses by FDIC Chairman Martin J. Gruenberg and Office of the Comptroller of the Currency's Acting Comptroller Michael J. Hsu highlighted Bank On movement progress.

The national conference brings together key stakeholders from multiple sectors across the country: local Bank On coalition program leads and their community partners, Mayors, city administrators, tribal governments, financial institutions large and small, federal banking regulators, national nonprofit organizations, philanthropic partners, consumer advocates, and more. Educational sessions covered a variety of topics included the promise of state-led Bank On coalitions, young adult banking and movement myth-busting.



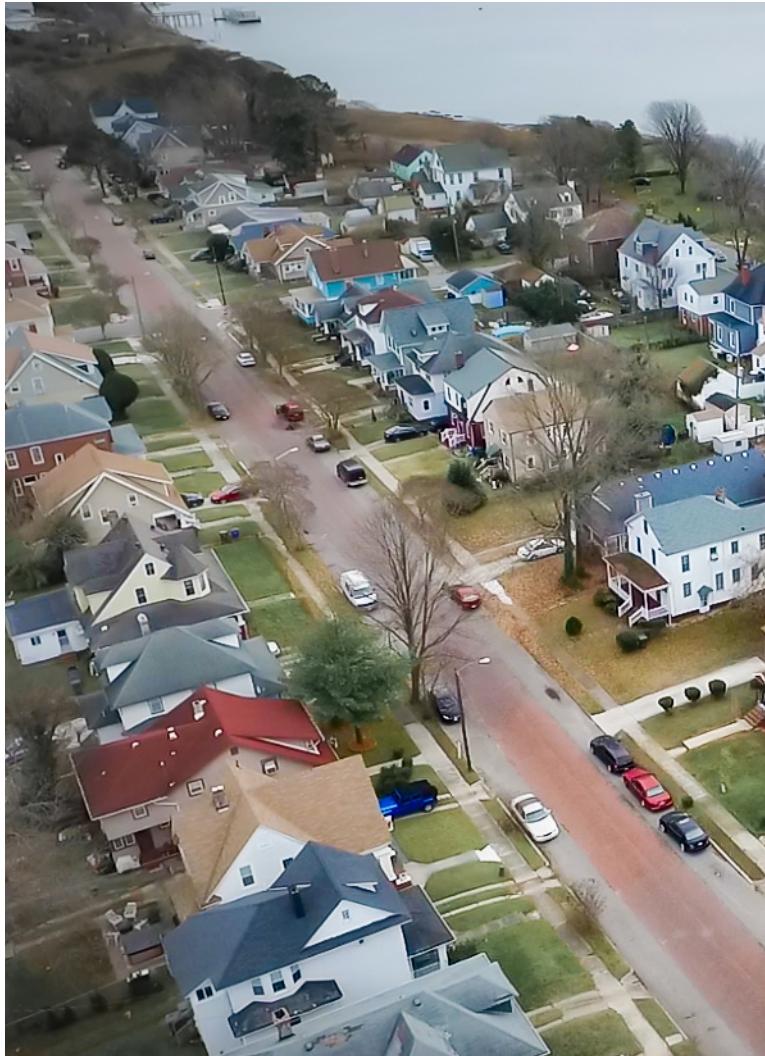


Bank On Norfolk

In 2023 Bank On Norfolk held two in-person classes at Revive Community and one in-person class at The Slover Library. The face-to-face classes were held once a month on Saturdays from 9:30 - 11:30 a.m.

Alternatively, residents could choose to attend one virtual class each month on Tuesdays, Wednesdays, or Thursdays from 6 - 8 p.m. Classes are offered multiple times each month to allow families with busy schedules the flexibility to complete the program even as their schedules change.

In total, 46 Norfolk residents attended every class of the 5-month financial education program designed to assist citizens in increasing their financial knowledge and empowering them to make sound financial decisions.



The Bank On Program is divided into three main components:

Classroom Instruction (Monthly)

The classes that are offered begin with financial basics and build a foundation of financial management strategies for controlling cash flow, increasing savings, reducing debt, and improving credit scores.

Action Plans (Monthly)

Action Plans are designed to apply principles learned in the classroom environment to the participant's own personal financial situation. Action plans include assignments such as tracking spending, reviewing credit reports and creating a debt reduction plan.

Coaching (Monthly)

Each participant is paired with a volunteer financial coach. The coach provides accountability and encouragement to ensure that the information gathered through classroom instruction and action plans is being applied to the participant's own personal financial plan.

Participant Highlight



Gina Johnson

What I liked most about the Bank On Hampton Roads program?

There were many things that I liked about the program, but I think the thing I like most of all is how practical the lessons are, how convenient the classes are and the convenience of the make up classes. It was really hard not to complete this program.

Would I recommend this program?

The answer to this question is yes. I have recommended this program to several different people, both family and friends and four of them have registered for the upcoming program session.

Why would you recommend this program?

This program provides valuable information that anyone can benefit from regardless of their financial status.

Matched Savings Eligibility Requirements

The Matched Saving Program offers an opportunity for Bank On participants to create an alternative to using predatory loans by establishing their own emergency savings. Participants who complete the rigorous Bank On financial literacy program, save \$150 of their own money, and satisfy other eligibility requirements, can apply for \$150 of matched savings to help them reach the minimum goal of \$300 in emergency savings.

The Matched Saving Program is funded by grants and private donations from churches, Bank On partners, graduates, and private donors. Each city is responsible for raising its own funds to provide residents with this opportunity. Norfolk's available balance for the Matched Savings Program as of March 5, 2024 is \$5768.12

The funds are disbursed on a first come first served basis to Bank On Norfolk graduates.

Matched Savings Eligibility Requirements:

01. Attend all five Bank On Classes
02. Must reside in Norfolk
03. Meet 5 times with a coach
04. Establish \$150 of personal savings
05. Complete and submit the Financial Empowerment Passport Documents
06. Have gross income less than 400% Poverty level
07. One incentive per household
08. Recommended by coach
09. Apply within 6 months of completing Bank On classes

Participant Highlight



Sheena Johnson

Why did you apply for Matched Savings?

I needed to open a savings account and save money. It's a great opportunity to receive \$150.00 from saving \$150.00. It is a motivational opportunity you don't want to miss out on.

What steps did you take to save \$150?

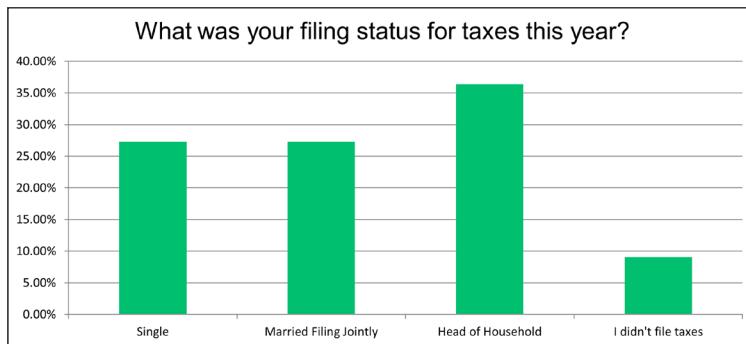
I had to determine my financial savings priority, set my financial savings goal and include my financial savings goal in my financial budget. I found ways to cut my spending to add to my savings account. I would look for other options around having to go to my savings account.

Why would you recommend this program?

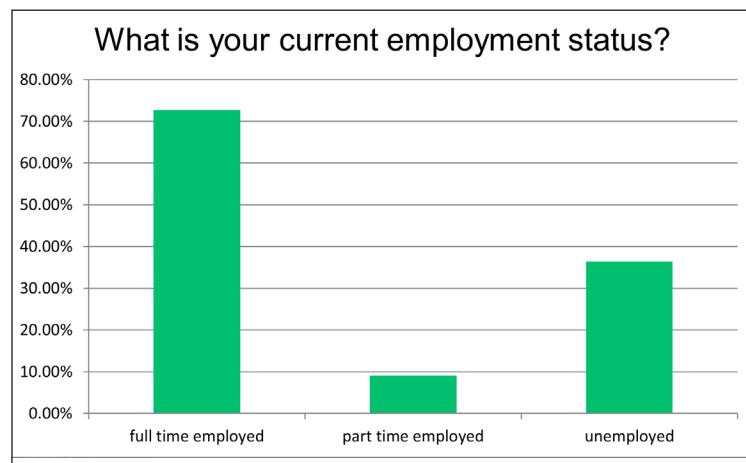
Yes, I would. After you complete the program, you will have a guaranteed bank account with \$300.00 in your savings account as well as gain some discipline in saving money and managing your finances better.

Participant Demographics

Bank On combines classroom instruction with coaching to help our participants become financially empowered and feel confident in making sound financial decisions. Bank On Norfolk sent out a survey in 2023 to better understand the type of residents who seek out our program. We identified that Norfolk residents continue to need education and guidance on emergency funds, saving for retirement, improving their credit score and much more. All of these financial strategies are taught in the Bank On classes. Below are some of our survey findings.

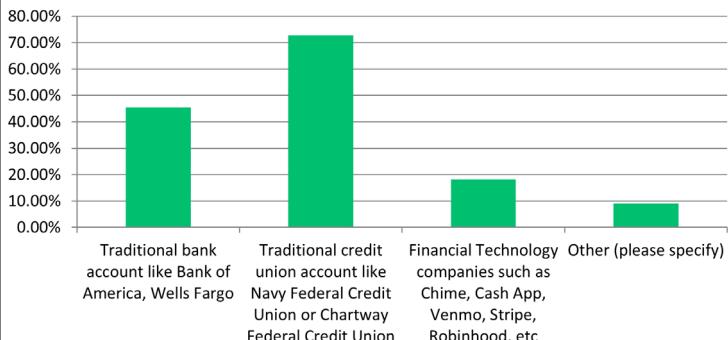


The IRS filing status is used to determine eligibility for certain credits such as the earned income credit. Thirty-six percent of Norfolk respondents support a qualifying dependent or relative and claim the Head of Household status on tax returns. Twenty-seven percent file single or married filing jointly.



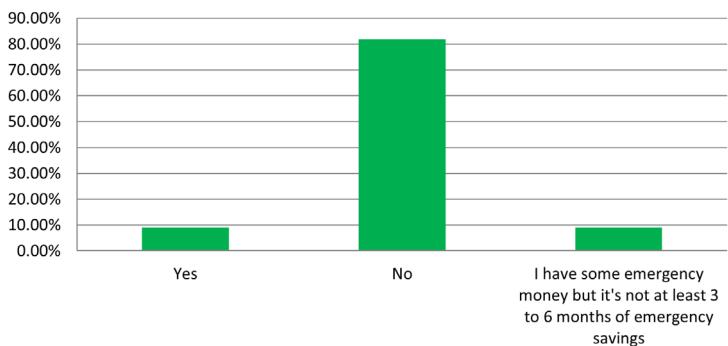
Employment can be defined as an occupation by which a person earns a living. Seventy-two percent of Norfolk respondents are employed full time and 30 percent are unemployed. Nine percent work part time.

What type of accounts do you use to store your money?



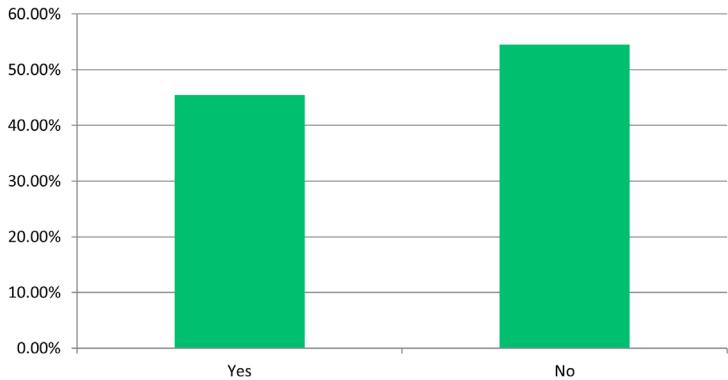
The 2021 FDIC National Survey on Unbanked and Underbanked Households reports that 4.5 percent of U.S households were unbanked and 14.1 percent were underbanked. Seventy-two percent of Norfolk respondents use a traditional credit union and 45 percent use a traditional bank to store their money. Eighteen percent use a Financial Technology company such as Chime or Cash App

Do you have at least a 3 to 6 month emergency fund?



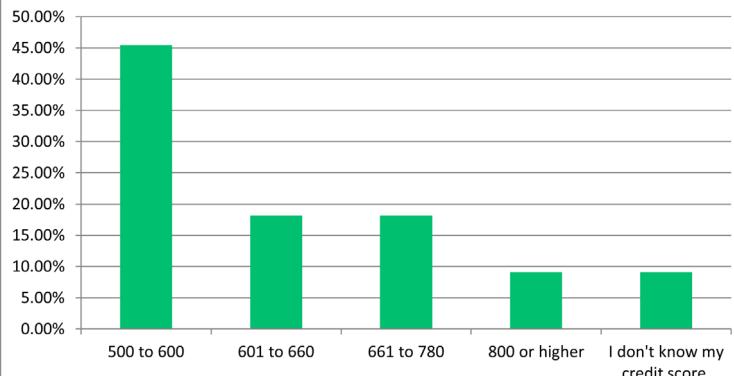
An emergency fund is money set aside for urgent, unexpected and unpredictable expenses. Experts recommend setting aside 3 to 6 months of savings. Eighty-one percent of Norfolk respondents do not have 3 to 6 months of emergency savings. Nine percent either do have the recommended amount or some savings below the recommendation.

Do you have any retirement savings?



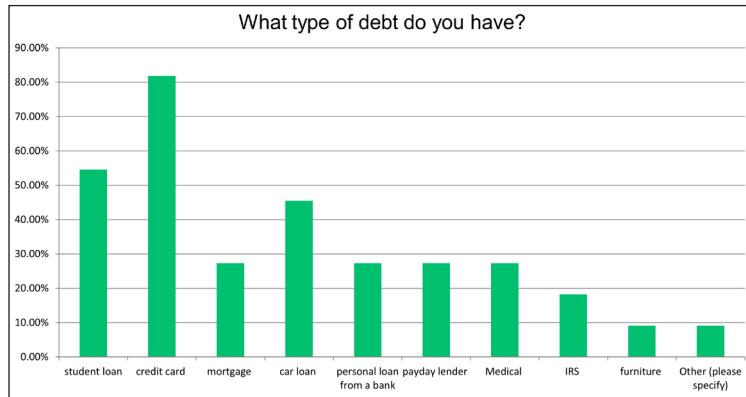
Almost half of Americans don't have a dedicated retirement savings account, according to the Federal Reserve's 2022 Survey of Consumer Finances. Similarly, fifty-four percent of Norfolk respondents do not have retirement savings.

What is your credit score range?



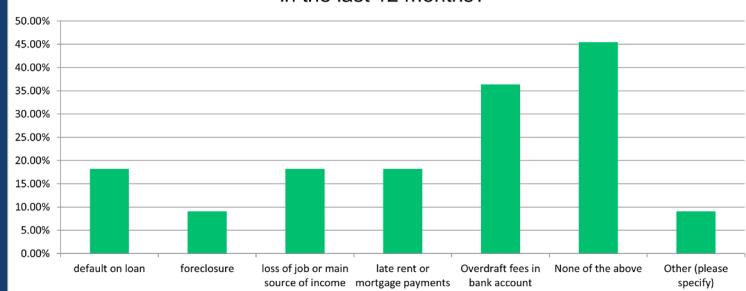
According to Experian, the average U.S. credit score was 715 in 2023. A credit score of 700 or above is considered good. Forty-five percent of Norfolk respondents say their credit score is between 500 and 600. Eighteen percent say between 601 and 660 and an additional 18% said between 660 and 780.

What type of debt do you have?



The average consumer owed \$6,501 in credit card debt, \$38,787 in student loan debt and \$23,792 in auto loans in 2023, according to Experian. Eighty-two percent of Norfolk respondents say they have credit card debt, 54 percent have student loan debt and 45 percent have car loan debt.

Which of the following financial stresses have you experienced in the last 12 months?



The Consumer Financial Protection Bureau says that an overdraft occurs when consumers have insufficient funds in their account to cover a transaction, but the financial institution nevertheless pays it. Thirty-six percent of Norfolk respondents are stressed about overdraft fees. Eighteen percent are concerned about defaulting on a loan, losing of main source of income and making late rent or mortgage payments.

Beyond Bank On

Bank On Norfolk is branching out beyond the classroom

Our program also includes monthly workshops and events that allow participants and residents to learn and discuss a financial topic in-depth and get their questions answered.

Young Terrace Times

The Young Terrace Times is a monthly newsletter that is distributed among the Young Terrace public housing community that consists of 746 families. Bank On provides a monthly column with financial education tips to help residents navigate their finances.

12 Columns



Monthly Money Minutes

Bank On Norfolk produces monthly personal finance videos that are distributed to Norfolk employees. We have published 12 videos so far with many more to come!

12 Videos



Community Events

Bank On stays active in the community by attending local events to share information about the program. Some of those events include the Freedom COGIC Community Event, Ward 4 Town Hall Meeting with Councilman Paige, National Night Out at Young Terrace and Norfolk Public School's Unity In the Community Back to School event.

14 Events



Master Your Money

Master Your Money are hour-long workshops offered by Bank On that focus on specific topics within financial education such as taxes, bankruptcy, getting out of debt, strategies for saving and budgeting for a home.

6 Workshops



What's on the Horizon

In 2023 the City of Norfolk was selected to participate in a grant program called the CityStart initiative, with a focus on racial wealth equity. This program is funded by the Cities for Financial Empowerment Fund (CFE Fund).

Norfolk received technical assistance, along with a \$75,000 planning grant. The CityStart initiative helps local leaders develop and implement proven strategies to help families and communities become more financially stable.

Bloomberg Philanthropies' Greenwood Initiative whose mission is to accelerate the pace of Black wealth accumulation in the U.S., is advising the CFE Fund and grantees on the design and execution of the CityStart program utilizing a racial wealth equity lens.

CityStart is part of a suite of investments from Bloomberg Philanthropies to promote financial stability among residents in U.S. cities.

The City of Norfolk's Department of Housing and Community Development, working with the CFE Fund and the local consulting firm Recover Fund, has been crafting its municipal financial empowerment blueprint identifying actionable implementation steps based on the financial needs of residents, especially Black residents; key administration priorities; and partnership opportunities. These efforts are rebranded as The Norfolk Wealth Project and its development is informed by a series of key stakeholder meetings, with a specific focus centering the needs of Black residents and identifying opportunities to address the racial wealth and assets gap, facilitate intergenerational wealth transfer, and build resident, family, and community financial stability.

This work will build off the recommendations of the Mayor's Commission on Social Equity and Economic Opportunity and the 2022 Analysis of Impediments to Fair Housing to improve economic opportunities for black residents.

