

Summary of Selected Findings: Vermont

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	10%	11%	11%	
Somewhat difficult	40%	39%	37%	
Not at all difficult	49%	48%	49%	
Spending vs. saving				
Spending less than income	37%	40%	43%	
Spending about equal to income	40%	38%	37%	
Spending more than income	22%	18%	16%	
Overdraw checking account occasionally	15%	19%	16%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	17%	21%	16%	
Number of times mortgage payments have been late				
Once	8%	7%	5%	<i>Respondents with mortgages</i>
More than once	8%	9%	8%	
Have taken a loan from retirement account in past year	10%	13%	10%	<i>Respondents with self-directed employer plan or non-employer plan</i>
Have taken a hardship withdrawal from retirement account in past year	1%	10%	7%	
Have experienced large unexpected drop in income in past year	20%	22%	19%	
Planning Ahead				
Have emergency funds	45%	46%	48%	
Do not have emergency funds	52%	50%	47%	
Have tried to figure out retirement savings needs	38%	39%	39%	<i>Non-retired respondents</i>
Have not tried to figure out retirement savings needs	59%	56%	57%	
Have set aside money for children's college education	35%	41%	43%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	63%	56%	54%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	60%	53%	57%	<i>Non-retired respondents</i>
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	34%	28%	31%	
Regularly contribute to self-directed retirement account	76%	79%	79%	<i>Respondents with self-directed employer plan or non-employer plan</i>

State Nation Region

Stocks, Bonds, and Mutual Funds

Invest in stocks, bonds, mutual funds, or other securities outside of retirement account 35% 30% 33%

Managing Financial Products

Banking

Have checking account 93% 91% 93%

Have savings account, money market account, or CDs 79% 75% 79%

Credit Cards

Credit card behaviors in past year

Always paid credit cards in full 53% 52% 54%

Carried over a balance and was charged interest 47% 47% 45%

Paid the minimum payment only 29% 32% 29%

Charged a late fee for late payment 15% 14% 12%

Charged an over the limit fee for exceeding credit line 5% 8% 6%

Used the cards for a cash advance 9% 11% 10%

Respondents with credit cards

Other Payment Methods

Use reloadable prepaid debit cards 13% 24% 20%

Use mobile payment methods 16% 22% 22%

Mortgages

Have mortgage 60% 57% 61%

Have home equity loan 21% 16% 20%

Homeowners

Home “underwater” (negative equity) 4% 9% 9%

Homeowners

Other Debt

Have student loan 27% 26% 27%

Have auto loan 40% 30% 31%

Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan 6% 10% 7%

Short term ‘payday’ loan 5% 12% 8%

Pawn shop 5% 16% 12%

Rent-to-own store 7% 10% 8%

Used one or more non-bank borrowing methods in past 5 years 15% 26% 20%

State Nation Region

Financial Knowledge & Decision-Making

Financial Literacy

Suppose you had \$100 in a savings account and the interest rate was 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow?

<u>More than \$102</u> (correct answer)	86%	75%	77%
Exactly \$102	5%	8%	7%
Less than \$102	3%	5%	5%
Don't know	6%	12%	11%

Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, how much would you be able to buy with the money in this account?

More than today	8%	10%	9%
Exactly the same	5%	10%	10%
<u>Less than today</u> (correct answer)	70%	59%	61%
Don't know	16%	20%	19%

If interest rates rise, what will typically happen to bond prices?

They will rise	21%	19%	17%
<u>They will fall</u> (correct answer)	29%	28%	31%
They will stay the same	3%	5%	5%
There is no relationship between bond prices and the interest rate	8%	9%	8%
Don't know	39%	38%	38%

Suppose you owe \$1,000 on a loan and the interest rate you are charged is 20% per year compounded annually. If you didn't pay anything off, at this interest rate, how many years would it take for the amount you owe to double?

Less than 2 years	2%	4%	2%
<u>At least 2 years but less than 5 years</u> (correct answer)	40%	33%	34%
At least 5 years but less than 10 years	30%	29%	28%
At least 10 years	6%	8%	9%
Don't know	21%	25%	25%

A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less.

<u>True</u> (correct answer)	84%	75%	78%
False	6%	8%	7%
Don't know	10%	16%	15%

Buying a single company's stock usually provides a safer return than a stock mutual fund.

True	6%	10%	7%
<u>False</u> (correct answer)	56%	46%	49%
Don't know	38%	44%	43%

Mean number of correct quiz answers	3.66	3.16	3.31
Mean number of incorrect quiz answers	1.03	1.25	1.14
Mean number of "don't know" quiz answers	1.30	1.54	1.50

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<i>Comparison Shopping</i>				
Compared credit cards	36%	35%	35%	<i>Respondents with credit cards</i>
Did not compare credit cards	59%	58%	58%	

Notes:

Region = New England Census Division (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont).

State figures are weighted by age x gender, ethnicity and education.

National figures are weighted by age x gender, ethnicity, education and Census Division.

Census Division figures are weighted by age x gender, ethnicity, education and state.

Differences between groups may or may not be statistically significant.

Percentages may not add up to 100 because of missing or “don’t know” responses.

Survey was conducted June - October 2015.

For additional findings and details, full survey results are available for download at http://usfinancialcapability.org/downloads/NFCS_2015_Full_Data_Tables.xls