

Summary of Selected Findings: Minnesota

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	7%	11%	9%	
Somewhat difficult	35%	39%	38%	
Not at all difficult	56%	48%	51%	
Spending vs. saving				
Spending less than income	44%	40%	41%	
Spending about equal to income	36%	38%	38%	
Spending more than income	18%	18%	17%	
Overdraw checking account occasionally	12%	19%	16%	Respondents with checking accounts
Have unpaid medical bills	11%	21%	20%	
Number of times mortgage payments have been late				
Once	5%	7%	6%	Respondents with mortgages
More than once	4%	9%	7%	
Have taken a loan from retirement account in past year	9%	13%	10%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year	4%	10%	6%	
Have experienced large unexpected drop in income in past year	17%	22%	19%	
Planning Ahead				
Have emergency funds	53%	46%	47%	
Do not have emergency funds	44%	50%	49%	
Have tried to figure out retirement savings needs	44%	39%	40%	Non-retired respondents
Have not tried to figure out retirement savings needs	53%	56%	56%	
Have set aside money for children’s college education	40%	41%	39%	Respondents with financially dependent children
Have not set aside money for children’s college education	56%	56%	58%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	56%	53%	55%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	32%	28%	30%	
Regularly contribute to self-directed retirement account	81%	79%	79%	Respondents with self-directed employer plan or non-employer plan

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Stocks, Bonds, and Mutual Funds

Invest in stocks, bonds, mutual funds, or other securities outside of retirement account

33%	30%	31%
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Managing Financial Products

Banking

Have checking account

93%	91%	92%
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Have savings account, money market account, or CDs

81%	75%	76%
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Credit Cards

Credit card behaviors in past year

Always paid credit cards in full

59%	52%	55%
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Carried over a balance and was charged interest

41%	47%	45%
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Paid the minimum payment only

25%	32%	30%
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Charged a late fee for late payment

11%	14%	13%
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Charged an over the limit fee for exceeding credit line

5%	8%	6%
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Used the cards for a cash advance

8%	11%	9%
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Respondents with credit cards

Other Payment Methods

Use reloadable prepaid debit cards

18%	24%	20%
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Use mobile payment methods

19%	22%	19%
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Mortgages

Have mortgage

65%	57%	58%
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Have home equity loan

17%	16%	15%
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Homeowners

Home "underwater" (negative equity)

7%	9%	8%
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Homeowners

Other Debt

Have student loan

28%	26%	28%
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Have auto loan

29%	30%	34%
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Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan

7%	10%	10%
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Short term 'payday' loan

7%	12%	11%
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Pawn shop

14%	16%	15%
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Rent-to-own store

5%	10%	9%
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Used one or more non-bank borrowing methods in past 5 years

18%	26%	25%
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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)	79%	75%	80%
Exactly \$102	7%	8%	6%
Less than \$102	3%	5%	4%
Don't know	11%	12%	10%

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	8%	10%	8%
<u>Less than today</u> (correct answer)	64%	59%	64%
Don't know	20%	20%	18%

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

They will rise	18%	19%	19%
<u>They will fall</u> (correct answer)	32%	28%	29%
They will stay the same	5%	5%	4%
There is no relationship between bond prices and the interest rate	6%	9%	9%
Don't know	38%	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	3%	4%	4%
<u>At least 2 years but less than 5 years</u> (correct answer)	35%	33%	36%
At least 5 years but less than 10 years	29%	29%	30%
At least 10 years	7%	8%	7%
Don't know	25%	25%	23%

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)	78%	75%	79%
False	6%	8%	6%
Don't know	16%	16%	14%

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

True	6%	10%	8%
<u>False</u> (correct answer)	50%	46%	51%
Don't know	43%	44%	40%

Mean number of correct quiz answers	3.39	3.16	3.39
Mean number of incorrect quiz answers	1.04	1.25	1.14
Mean number of "don't know" quiz answers	1.54	1.54	1.44

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<i>Comparison Shopping</i>				
Compared credit cards	26%	35%	31%	<i>Respondents with credit cards</i>
Did not compare credit cards	65%	58%	61%	

Notes:

Region = West North Central Census Division (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota).

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