

Summary of Selected Findings: Vermont

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	10%	12%	10%	
Somewhat difficult	36%	35%	34%	
Not at all difficult	52%	50%	52%	
Spending vs. saving				
Spending less than income	39%	41%	42%	
Spending about equal to income	38%	36%	35%	
Spending more than income	22%	19%	19%	
Overdraw checking account occasionally	23%	19%	19%	Respondents with checking accounts
Have unpaid medical bills	23%	23%	18%	
Number of times mortgage payments have been late				
Once	7%	9%	7%	Respondents with mortgages
More than once	9%	9%	10%	
Have taken a loan from retirement account in past year	17%	16%	16%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year	14%	13%	12%	
Have experienced large unexpected drop in income in past year	17%	20%	17%	
Planning Ahead				
Have emergency funds	46%	49%	51%	
Do not have emergency funds	49%	46%	43%	
Have tried to figure out retirement savings needs	43%	41%	41%	Non-retired respondents
Have not tried to figure out retirement savings needs	52%	54%	53%	
Have set aside money for children’s college education	31%	38%	43%	Respondents with financially dependent children
Have not set aside money for children’s college education	66%	57%	52%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	58%	54%	56%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	31%	29%	30%	
Regularly contribute to self-directed retirement account	76%	79%	80%	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

38%	32%	35%
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Managing Financial Products

Banking

Have checking account

92%	89%	91%
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Have savings account, money market account, or CDs

76%	71%	76%
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Credit Cards

Credit card behaviors in past year

Always paid credit cards in full

55%	54%	57%
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Carried over a balance and was charged interest

44%	46%	44%
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Paid the minimum payment only

32%	35%	33%
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Charged a late fee for late payment

17%	16%	16%
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Charged an over the limit fee for exceeding credit line

11%	10%	8%
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Used the cards for a cash advance

12%	13%	10%
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Respondents with credit cards

Mobile Payment Methods

Use mobile phone to pay at point of sale

30%	35%	34%
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Use mobile phone to transfer money to another person

29%	37%	34%
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Mortgages

Have mortgage

55%	56%	57%
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Have home equity loan

22%	16%	19%
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Homeowners

Home “underwater” (negative equity)

8%	9%	8%
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Homeowners

Other Debt

Have student loan

26%	26%	26%
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Have auto loan

42%	33%	34%
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Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan

12%	11%	9%
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Short term “payday” loan

8%	14%	9%
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Tax refund advance

7%	10%	9%
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Pawn shop

9%	18%	15%
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Rent-to-own store

12%	12%	11%
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Used one or more non-bank borrowing methods in past 5 years

22%	29%	23%
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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)	75%	72%	75%
Exactly \$102	8%	7%	8%
Less than \$102	4%	6%	5%
Don't know	12%	13%	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	12%	12%	13%
Exactly the same	11%	10%	10%
<u>Less than today</u> (correct answer)	58%	55%	57%
Don't know	19%	21%	19%

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

They will rise	21%	22%	22%
<u>They will fall</u> (correct answer)	27%	26%	28%
They will stay the same	4%	6%	6%
There is no relationship between bond prices and the interest rate	7%	10%	8%
Don't know	40%	36%	35%

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	5%	5%	4%
<u>At least 2 years but less than 5 years</u> (correct answer)	35%	30%	32%
At least 5 years but less than 10 years	30%	29%	29%
At least 10 years	7%	8%	9%
Don't know	22%	26%	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)	79%	73%	76%
False	5%	9%	7%
Don't know	14%	17%	16%

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

True	8%	11%	10%
<u>False</u> (correct answer)	45%	43%	46%
Don't know	45%	45%	43%

Mean number of correct quiz answers	3.19	3.00	3.13
Mean number of incorrect quiz answers	1.21	1.35	1.29
Mean number of "don't know" quiz answers	1.52	1.58	1.50

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<i>Comparison Shopping</i>				
Compared credit cards	38%	38%	39%	<i>Respondents with credit cards</i>
Did not compare credit cards	57%	56%	54%	

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 2018.

For additional findings and details, full survey results are available for download at http://usfinancialcapability.org/downloads/NFCS_2018_Full_Data_Tables.xlsx