



PRE-COVID-19 SURVEY ON MONEY MATTERS

METHODOLOGY

Between January 31 and February 17, 2020, Sachs Media Group conducted a survey that included 1,214 Florida voters. Results are representative of Florida voters in terms of age, race, gender, political affiliation, and region of the state, with a margin of error of +/- 2.8% at the 95% confidence level.

BACKGROUND

"MoneyWise Florida" is a statewide multimedia initiative sponsored by Suncoast Credit Union and anchored and partnered with respected key nonprofits and the State of Florida, including the Florida Department of Financial Services and CFO Jimmy Patronis; the Florida Bankers Association; the League of Southeastern Credit Unions; the Florida Insurance Council; the Florida Institute of CPAs; Florida Prosperity Partnership; and the Florida Alliance of Consumers & Taxpayers (FACT), among others.

SUMMARY

Floridians, broadly speaking, prefer to rate themselves better than average in financial knowledgeability. More than half (51%) of respondents rate themselves above average or extremely knowledgeable in financial matters, while barely more than one-third agreed that they needed help understanding financial tasks.

Despite this confidence, large portions of Floridians were unable to identify correct strategies for financial health. This demonstrates a knowledge gap that likely explains the fact that 69% of Floridians can be classified as being worried about their household's financial health.

KEY FINDINGS

How financially knowledgeable would you consider yourself?

EXT + ABOVE (NET)	51%	51% of respondents rate themselves above average or extremely knowledgeable in financial matters.
Extremely financially knowledgeable	11%	
Above average	40%	
ABOUT AVERAGE	38%	
Below average	9%	
Not financially knowledgeable	2%	
NOT + BELOW (NET)	11%	



How strongly do you agree or disagree with the following statement: "I often feel I need help understanding financial tasks."

AGREE (NET)	36%	Slightly more than 1 in 3 respondents (36%) agreed that they needed help understanding financial tasks.
Strongly agree	5%	
Somewhat agree	31%	
Somewhat disagree	36%	
Strongly disagree	28%	
DISAGREE (NET)	64%	

Thinking about your or your household's financial health, how often do you WORRY about finances?

CONST, OFT, OR SOMETIMES (NET)	69%	69% of Floridians sometimes, often, or constantly worry about their household's financial health.
Constantly	9%	
Often	22%	
Sometimes	38%	
Rarely	24%	
Never	7%	
RARELY OR NEVER (NET)	31%	

Rate your level of confidence as it relates to each of the following topics.

Managing a monthly household budget	86%	In each of the listed tasks, the majority of respondents expressed "high" or "some" confidence. The least degree of confidence was associated with choosing and managing investments.
Establishing and improving your credit	85%	
Paying down or managing debt	82%	
Understanding interest and interest payments	82%	
Understanding the responsibilities of being a cosigner on someone else's loan	78%	
Understanding the cost of health care	70%	
Understanding a 401k or retirement savings account	65%	
Choosing and managing investments	52%	



How often do you do each of the following?

Pay bills on time each month	93%	<p>While 86% of respondents considered themselves confident in managing a monthly household budget, only 56% of respondents 'always' or 'usually' follow a monthly budget.</p>
Comparison-shop or buy things on sale	79%	
Keep track of expenses on a regular basis	71%	
Put money aside for savings or emergencies	60%	
Follow a monthly budget	56%	
Prepare your own tax return	52%	
Contribute to a retirement plan or IRA	49%	
Consult with a Certified Public Accountant	16%	
Consult with a Financial Advisor	12%	
Borrow money from family or friends	5%	

The average cost of raising a child is...

CORRECT	16%	<p>Most respondents (84%) are unaware of the average cost to raise a child (\$200K-\$300K).</p>
INCORRECT	58%	
Don't know	26%	

What is the maximum portion of your income that experts recommend you spend on housing (rent or mortgage)?

CORRECT	44%	<p>Most respondents aren't aware that the recommended portion of income to spend on housing is 25% to 35% of income.</p>
INCORRECT	48%	
Don't know	8%	

If you or your household had to make ends meet on savings alone, how many months would your savings last?

6 months or more (financially secure)	39%	<p>By this measurement, only 39% of respondents can be considered financially secure. The corollary is that more than 3 in 5 Floridians report that their savings would not keep their household afloat for six months or more.</p>
3 to 6 months	15%	
1 to 3 months	24%	
I don't have savings or Don't know	22%	

As a general rule, how many months' expenses should you have set aside in an emergency fund?

6 months or more (financially secure)	46%	<p>54% of Floridians don't know that they should have at least six months worth of living expenses saved to cover emergencies.</p>
3 to 6 months	39%	
1 to 3 months	9%	
I don't have savings or Don't know	6%	



How many open CREDIT cards do you have? (Do not include debit cards)

0	9%	68% of respondents report having a healthy number of credit cards (between 1 and 4 cards).
1-2	36%	
3-4	32%	
5-10	20%	
More than 10	2%	

If you are unable to pay off the entire balance you owe in credit card debt, the best way to pay off the balance is to _____.

Pay the maximum your budget allows on the card with the highest interest rate	42%	Almost 3 in 5 respondents (58%) don't know the best way to pay off credit card debt: If you cannot pay off the entire balance, pay the most your budget will allow on the card with the highest interest rate, which reduces the costly effect of compounding interest.
Pay more than the minimum monthly payments on all your credit cards	21%	
Pay off the card with the lowest balance first	22%	
Pay the maximum payment on the card with the highest balance	7%	
Don't know	8%	

When did you last check your credit score?

Within 6 months	78%	11% of respondents ages 18-34 have never checked their credit score.
Within 2 years	10%	
More than 2 years ago	6%	
Never	7%	

For which of the following types of insurance do you feel you have INADEQUATE coverage? In other words -- which types of insurance do you NOT have enough of, currently? Select all that apply.

None of these	37%	Almost two-thirds of respondents (63%) believe they have inadequate insurance for their health, home, vehicle, or life, or to address disability.
Life	35%	
Disability	28%	
Health	22%	
Homeowners or renters	20%	
Vehicle	9%	

What is the lowest range that would still be considered a "good" credit score?

CORRECT	60%	Credit scores range from 300 to 850. A good credit score ranges from about 651 to 750. Two in five respondents (40%) answered this question incorrectly.
INCORRECT	40%	



What is considered an excellent credit score?

CORRECT	67%	An excellent credit score ranges from about 751 to 850. One-third of respondents answered this question incorrectly.
INCORRECT	33%	

If a late payment is sent to a collections agency, how long will it remain on your credit history even if you have paid it off?

CORRECT	46%	Only 46% of respondents realized that a late payment sent to a collection agency will remain on your credit history for 6 to 7 years, even if it has been paid off.
INCORRECT	29%	
Don't know	25%	

If you put \$100 in a savings account that earns 10% interest, how much money would you have in the savings account after five years?

CORRECT	58%	More than 2 in 5 respondents did not know that compounding interest would result in the described account having MORE than \$150 dollars in it.
INCORRECT	32%	
Don't know	10%	

If you were forced to make a choice between paying for your child's college or saving for your own retirement, which would you choose?

Paying for my child's college	39%	Most respondents did not realize that saving for their own retirement has less risk than paying for a child's college because college can be paid for in multiple ways.
Saving for my own retirement	48%	
Don't know	13%	

If you want your household to live on a retirement income of \$48,000 a year, including through Social Security income, how much would you have to save before you retired at age 67?

Would save too little	42%	To retire with an income of \$48,000 per year (including Social Security income), you must save at least \$1.25 million by retirement. Only 25% of respondents knew this.
Would save enough	25%	
Don't know	33%	

What is the recommended ideal percentage of your monthly salary that you should contribute to your 401(k) plan to retire at a reasonable age with enough savings?

Would not save enough	25%	More than 2 in 5 respondents don't know how much of their income they should be saving for retirement.
Would save enough	57%	
Don't know	18%	



Do student loans cause you to do any of the following? Select all that apply.

Spend less on entertainment	41%	<p>Three in five respondents suffer at least one of the pressures caused by student loan debt in this list.</p> <p>Nearly four in five 18-34-year-olds suffer from at least one of the pressures listed.</p>
Feel distracted or worried	38%	
Adjust which groceries I purchase	29%	
Delay repair or maintenance of my car or other property	25%	
Postpone having a child or starting a family	19%	
Delay paying bills such as rent or utilities	15%	
None of these	40%	

Which of the following life circumstances have you experienced in the past year? Select all that apply.

Paid rent	58%	<p>As expected, more 18-34-year-olds show signs of milestones associated with early adulthood than do older age groups:</p> <ul style="list-style-type: none"> • Graduated from college (15%) • Paid rent (67%) – though interestingly, 35-54-year-olds (64%) are statistically indistinguishable in this • Lived with unrelated roommates (31%) • For the first time, leased or purchased a vehicle in their own name (12%)
Moved homes	38%	
Been unemployed	25%	
Bought a house	21%	
Lived with unrelated roommates	12%	
For the first time, leased or purchased a vehicle in own name	9%	
Graduated from college	7%	
Have been homeless	5%	
First child was born	4%	

Which two circumstances would you consider most stressful about turning 40 (or when you turned 40)?

Planning for retirement	48%	<p>'Planning for retirement' (48%) was identified as, by far, the most stressful prospect about turning 40. This was even greater than 'caring for aging parents' (37%) and 'wrinkles, mammograms, and/or colonoscopies' (20%).</p>
Caring for one or more aging parents	37%	
Saving for your child's college	27%	
Building your credit score	23%	
Feeling like you're "over the hill"	21%	
Wrinkles, mammograms, and/or colonoscopies	20%	
All of the above	12%	
None of these stress me out	27%	