Launching the Financial Health and Wealth Dashboard: Leveraging Local Data to Improve Financial-Wellbeing

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Housekeeping

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#LiveAtUrban
History of the Work

Why Cities Should Care about Family Financial Security

April 30, 2021

A city is only as strong as the people who live in it. When residents struggle to make ends meet, cities can too.

Over the course of a year, roughly one in four American families at all income levels will lose jobs, experience a sharp drop in income, or suffer an injury or illness that limits their ability to work.

“This isn’t just a low-income issue, it’s a middle-income issue, and to some extent, it’s also a high-income issue,” said Carolyn Ruedo, senior fellow at the Urban Institute.

For families, these income disruptions mean being more likely to miss housing or utility payments, receive public benefits, and worst case, evictions from their homes. Evictions in particular can have long term impacts on families, especially children.

FINANCIAL INSECURE RESIDENTS CAN COST CITIES MILLIONS

January 2017

Financial Health and Wealth Dashboard

A City-Level Dashboard

Cities with low financial stability and fewer opportunities

- Cities with low financial stability and fewer opportunities
- Cities with middle financial stability and more opportunities
- Cities with high financial stability and many opportunities
- Cities with high financial stability and few opportunities

Select cities

One metric

Cities with low financial stability and fewer opportunities

- Cities with low financial stability and fewer opportunities
- Cities with middle financial stability and more opportunities
- Cities with high financial stability and many opportunities
- Cities with high financial stability and few opportunities

Select cities

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Select cities

One metric
The Financial Health and Wealth Dashboard

INTRODUCTION

Median net worth (estimated)
Residents with delinquent debt
Student loan holders with delinquent student loan debt
Low-income households with housing-cost burden
Households with at least $2,000 in emergency savings (estimated)
Median credit score
Mortgage holders who had a foreclosure in the past two years
Residents with health insurance coverage

Homeownership rate
Median home value among homeowners

$770 $120k $250k $440k $720k $1.5M
New Contributions to the Field

- Coverage of financial health for every community across the country
- Racially disaggregated data at the city level for 107 cities
- New local estimates of median net worth and emergency savings
- Holistic suite of evidence-based solutions linked to key indicators of financial health
Defining Financial Health

- Financial health reflects a person’s ability to manage their **daily finances**, be **resilient to economic shocks**, and pursue opportunities for **upward mobility**.
Residents in majority-Black neighborhoods and east of the Anacostia River are much more likely to have delinquent debt

- Residents living in majority-Black communities are nearly 4X more likely than residents living in majority-white communities to have delinquent debt.

- Among those living in the PUMA east of the Anacostia River, 50% of residents have delinquent debt, making them twice as likely as other DC residents to face this financial burden.


Notes: Residents with delinquent debt are the share of residents with a credit record who have debt that is at least 60 days past due. Communities are considered majority Black, Hispanic, or white when more than 60 percent of residents identify as that race or ethnicity according to the American Community Survey. We use the term "Hispanic" to align with the dataset but recognize it's not necessarily inclusive of how all members of this group identify.
Communities of color and households east of the river are more vulnerable to unexpected economic shocks

- Households in majority white communities are **2X more likely** than households in majority Black communities to have at least $2,000 in savings.

- East of the river, only **42% of households** have at least $2,000 in emergency savings, compared with the **70–89% of households** with emergency savings in the rest of the city.


Notes: Emergency savings are non-retirement savings greater than or equal to $2,000 that can be withdrawn at any time. To calculate the share of households of color, race and ethnicity are measured as the head of household’s.
Communities of color and households east of the river are less able to pursue upward mobility

- In DC, households in majority white communities have an estimated **23X more wealth** than households in majority Black communities.
- In the northwest part of the city, residents have an estimated median net worth of **$620,000**, compared to less than **$9,500** in Southeast DC.


Notes: Median net worth (estimated) is the 50th (median) percentile amounts of household net worth. Net worth is the sum of asset values minus the sum of liabilities for a household.
## Dashboard Metrics

<table>
<thead>
<tr>
<th>Daily Finances</th>
<th>Economic Resilience</th>
<th>Upward Mobility</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Residents with delinquent debt</td>
<td>• Households with at least $2,000 in emergency savings (estimated)</td>
<td>• Median net worth (estimated)</td>
</tr>
<tr>
<td>• Student loan holders with delinquent student loan debts</td>
<td>• Median credit score</td>
<td>• Homeownership rate</td>
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<td></td>
<td>• Residents with health insurance coverage.</td>
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</tr>
</tbody>
</table>

**Data Sources:** American Community Survey (ACS), Survey of Income and Program Participation (SIPP), Credit Bureau Data
Selecting Your Data View: PUMA vs. City-Level Data

Enter a city or zip code and (1) select a PUMA on the map or (2) explore the "Bonus City Data"
PUMA Level Data:

1. Demographic data for every PUMA
2. Data for all 10 metrics across daily finances, economic resilience, and upward mobility
3. Comparisons to state and national statistics
City-Level Data:

1. City-level data for 5 metrics, disaggregated by race/ethnicity
2. Comparisons to state and national data

**Financial Health Metrics**

For Chicago, IL

We define financial health as people's ability to manage their daily finances, be resilient to economic shocks, and pursue opportunities for upward mobility.

**DAILY FINANCES**

These metrics are signs of financial distress or residents' financial burdens, which can make it hard for households to manage their daily finances.

- Residents with delinquent debt
- Communities that are majority
- Residents of color total
- Asian
- Black
- Hispanic
- White

<table>
<thead>
<tr>
<th></th>
<th>Overall</th>
<th>Asian</th>
<th>Black</th>
<th>Hispanic</th>
<th>White</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>34%</td>
<td>15%</td>
<td>20%</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>Communities</td>
<td>20%</td>
<td>12%</td>
<td>31%</td>
<td>22%</td>
<td>12%</td>
</tr>
<tr>
<td>Residents</td>
<td>41%</td>
<td>35%</td>
<td>21%</td>
<td>38%</td>
<td>25%</td>
</tr>
<tr>
<td>Asian</td>
<td>40%</td>
<td>25%</td>
<td>30%</td>
<td>35%</td>
<td>25%</td>
</tr>
<tr>
<td>Black</td>
<td>34%</td>
<td>30%</td>
<td>20%</td>
<td>35%</td>
<td>20%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>26%</td>
<td>25%</td>
<td>20%</td>
<td>30%</td>
<td>15%</td>
</tr>
<tr>
<td>White</td>
<td>17%</td>
<td>12%</td>
<td>15%</td>
<td>20%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Bonus City Data**
Additional Resources

- Financial Health & Wealth Dashboard: Strategies for Local Leaders
- Financial Health & Wealth Dashboard: Data catalogue
- Financial Health & Wealth Dashboard: Technical Appendix
- Washington, DC, Has Glaring Financial Health Inequities. So Do Most American Cities
- Thriving Residents, Thriving Cities: Family Financial Security Matter for Cities
- Cost of Eviction and Unpaid Bills of Financially Insecure Families for City Budgets
- Debt in America: An Interactive Map
- Credit Health during the COVID-19 Pandemic
- Developing Solutions: Strategies to Improve Resident Financial Health and Propel Inclusive Growth
- How Policymakers Can Ensure the COVID-19 Pandemic Doesn’t Widen the Racial Wealth Gap