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Financial Stress in Mountain West Cities and Townships, 2020

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**FINANCIAL STRESS IN MOUNTAIN WEST CITIES
& TOWNSHIPS, 2020**

Economic Development & Workforce Fact Sheet No. 37 | August 2021

Prepared by: Saha Salahi, Kristian Thymianos, Eshaan Vakil, Caitlin J. Saladino, and William E. Brown, Jr.

PURPOSE:

This factsheet highlights financial stressors facing 16 cities in four Mountain West states: Arizona, Colorado Nevada, and New Mexico. The data included are reported in the 2020 “*SmartAsset* Study” by Ben Geier.¹

ABOUT THE DATA:

The *SmartAsset* Study is a tool that helps consumers plan and receive advice on personal finance. The original *SmartAsset* report includes data for 99 of the largest U.S. cities and townships, including the unincorporated townships of Paradise, NV and Spring Valley, NV, located within the Las Vegas metro. For each city and township, the 2020 *SmartAsset* Study offers an overall “Financial Stress Ranking,” which is calculated from city/township-level, county-level, and state-level metrics (shown below). The “Financial Stress Ranking” for each city and township weighs every metric equally except unemployment, which is measured at double the weight.

<i>SmartAsset</i> Financial Stress Ranking Metrics	STATE-LEVEL DATA	<ul style="list-style-type: none"> housing insecurity in July 2020 food insufficiency in July 2020 population who reported not seeing a doctor because of cost in 2018
	COUNTY-LEVEL DATA	<ul style="list-style-type: none"> unemployment rate in May 2020
	CITY/TOWNSHIP- LEVEL DATA	<ul style="list-style-type: none"> population living below the poverty line in 2018 households severely burdened by housing costs in 2018 four-year change in median household income from 2014 to 2018 divorce rates in 2018

This fact sheet reports the overall “Financial Stress Rankings” for each of the 16 Mountain West cities and townships appearing in the original report, as well as data on city/township-level and county-level metrics (indicated in red, above). Metrics measured at the state level are not included in this fact sheet.

KEY FINDINGS:

1. Arizona cities experienced the lowest unemployment rates, but ranked highest in rates of poverty, and severely housing cost-burdened households.
2. Nevada cities rank among the poorest performing cities and townships in all financial stress metrics; during May 2020, almost 29% of Clark County residents were unemployed. Six Nevada localities top the list of 20 Mountain West cities and townships.
3. Albuquerque experienced relatively high rates of financial stress compared to other cities and townships in the Mountain West.

¹ Ben Geier, “Cities with Most Financial Stress – 2020 Edition,” (August 27, 2020) (<https://smartasset.com/checking-account/cities-with-the-most-financial-stress-2020>)

Figure 1 shows a map of cities and townships within Clark County, Nevada. In addition to the cities of Las Vegas, North Las Vegas, and Henderson, data for the Census Designated Places (CDP) of Paradise and Spring Valley are included in this fact sheet.

Figure 1: Clark County City and Township Map

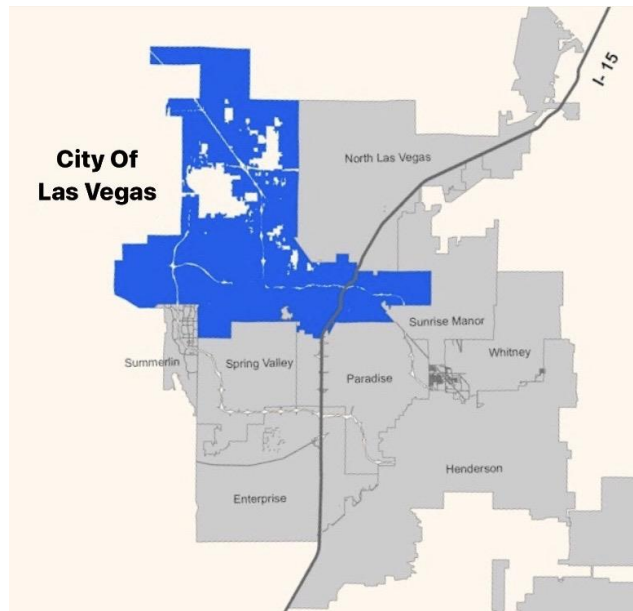


Table 1 identifies 16 Mountain West cities and townships facing the most financial hardship. A rank closer to 1 indicates high levels of financial stress, while a rank closer to 99 indicates low levels of financial stress. For example, a “financial stress rank” of 2, means that Las Vegas, NV is the second most financially stressed city among the top 99 largest U.S. cities and townships. Six Nevada cities and townships appear in the top 15 cities in the nation with the most financial stress.

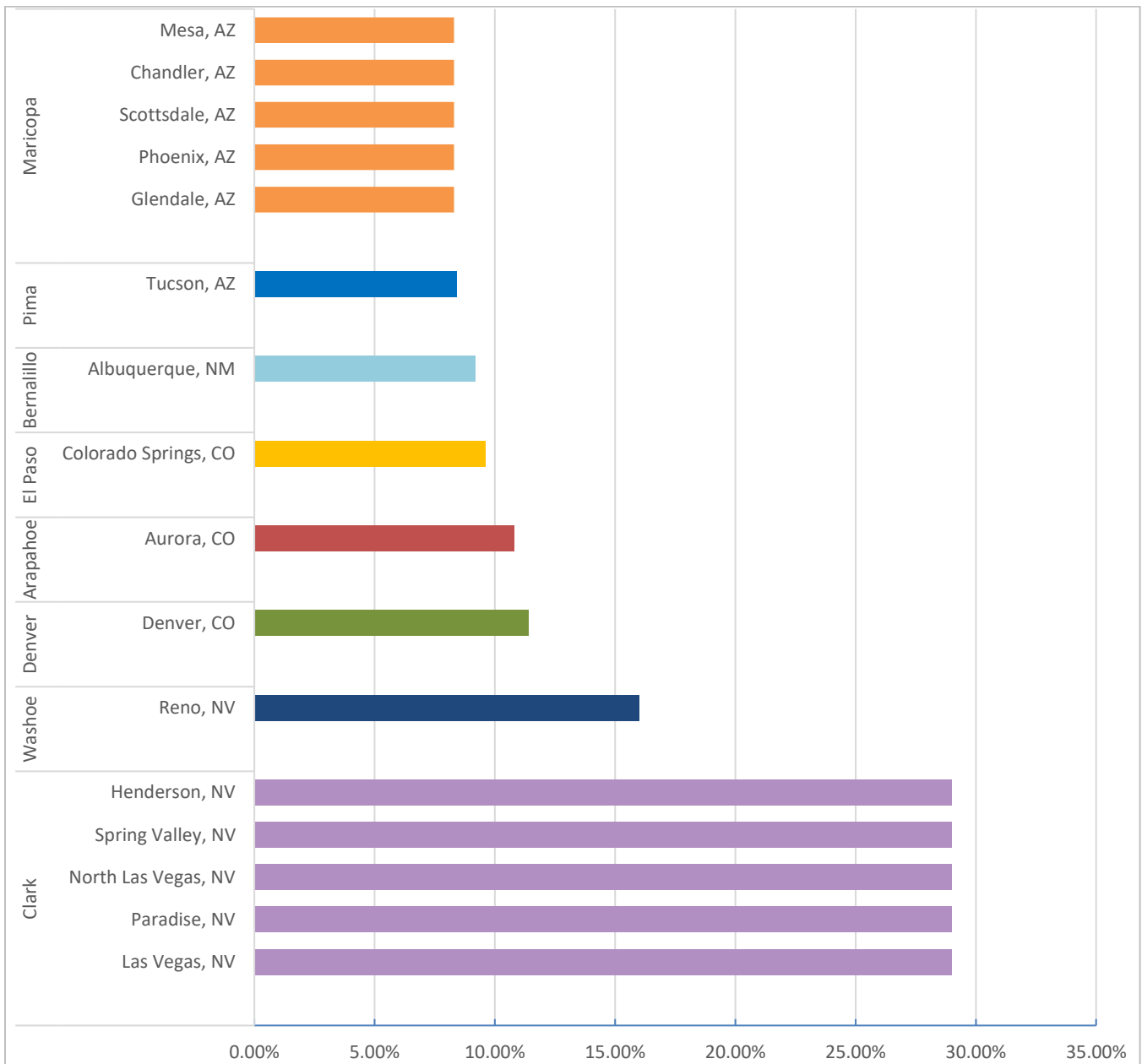
Table 1: Financial Stress Rankings of Mountain West Cities and Townships

National Financial Stress Ranking	Mountain West City / Township
2	Las Vegas, NV
3	Paradise, NV
5	North Las Vegas, NV
6	Spring Valley, NV
11	Henderson, NV
15	Reno, NV
40	Albuquerque, NM
58	Tucson, AZ
67	Glendale, AZ
71	Phoenix, AZ
77	Scottsdale, AZ
83	Chandler, AZ
84	Mesa, AZ
89	Denver, CO
93	Aurora, CO
94	Colorado Springs, CO

*Adapted from SmartAsset, “Cities with the Most Financial Stress - 2020 Edition.”

Figure 2 illustrates May 2020 unemployment rates among Mountain West cities and townships and reflects some of the impact that the COVID-19 pandemic had on these cities. These figures are reported at the county level, so cities in the same county are reported as having the same unemployment rates. Clark County (Las Vegas, NV, Paradise, NV, North Las Vegas, NV, Spring Valley, NV) reports the highest unemployment rate at 29%. Cities in Maricopa County (Phoenix, AZ, Mesa, AZ, Chandler, AZ, Glendale, AZ, Scottsdale, AZ) experienced the lowest unemployment rate at 8.3%.

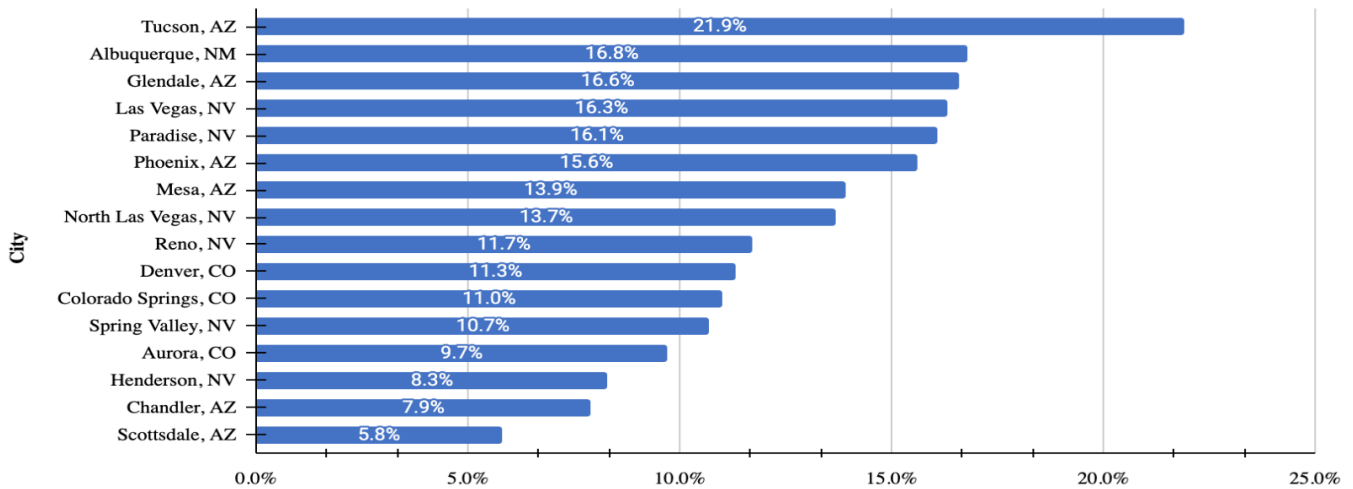
Figure 2: Unemployment Rates in Mountain West Counties, May 2020



* Adapted from SmartAsset, "Cities with the Most Financial Stress - 2020 Edition."

Figure 3 shows the percentage of population living below the poverty line in 2018, for each Mountain West city or township. Tucson, AZ (21.9%) has the highest poverty rate in the Mountain West, followed by Albuquerque, NM (16.8%), Glendale, AZ (16.6%), Las Vegas, NV (16.3%), Paradise, NV (16.1%), and Phoenix, AZ (15.6%). Scottsdale, AZ (5.8%) experienced the lowest percentage of residents living below the poverty line in 2018.

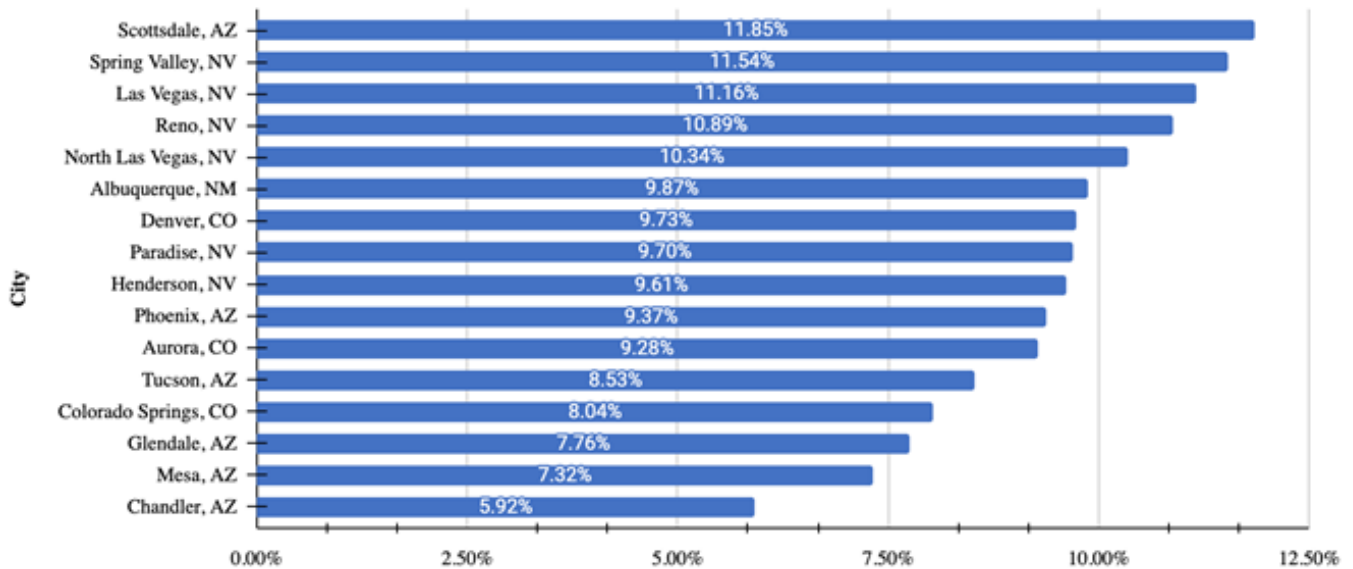
Figure 3: Percent of Population Living Below the Poverty Line in Mountain West Cities and Townships, 2018



*Adapted from SmartAsset, “Cities with the Most Financial Stress - 2020 Edition.”

Figure 4 reports the percentage of households that pay more than 30% of their income towards housing and are therefore categorized as “severely housing cost-burdened households.” The cities can generally be grouped into upper (11.8%-10.9%), middle (10.3% to 9.3%), or lower (8.5% to 5.9%) clusters. The upper group, consisting of Scottsdale, AZ; Spring Valley, NV; Las Vegas, NV; and Reno, NV has the highest percentages of housing cost-burdened households. The middle group (North Las Vegas, NV; Albuquerque, NM; Denver, CO; Paradise, NV; Henderson, NV; Phoenix, AZ; and Aurora, CO) has an intermediate percentage of such households, and the lower group (Tucson, AZ; Colorado Springs, CO; Glendale, AZ; Mesa, AZ; and Chandler, AZ) has the least percentage of housing cost-burdened households in the Mountain West.

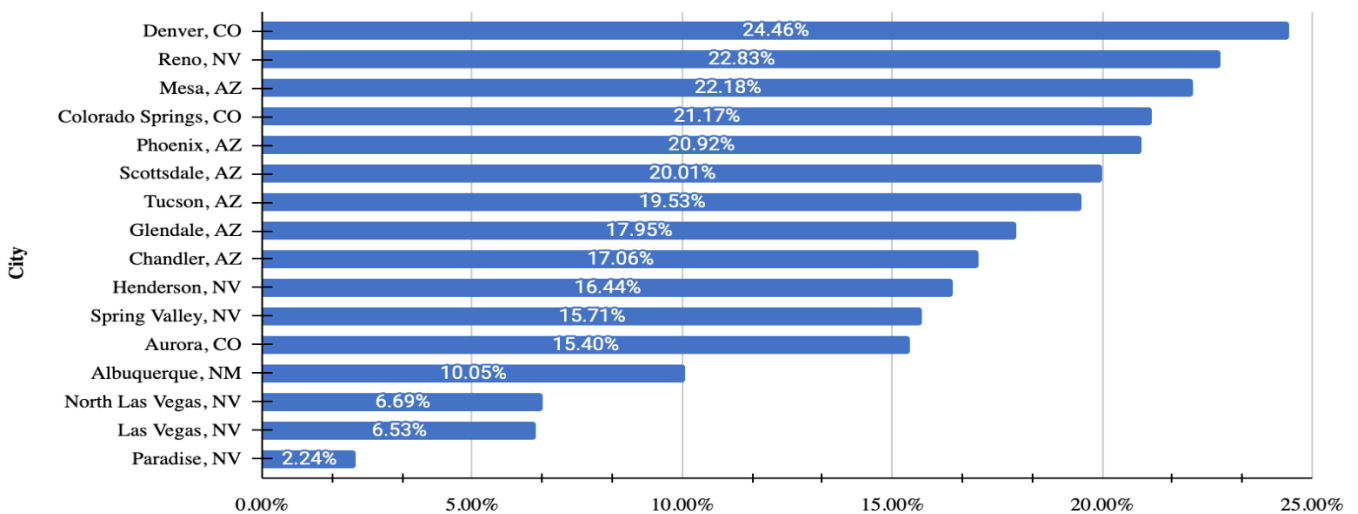
Figure 4: Severely Housing Cost-Burdened Households in Mountain West Cities and Townships, 2018



*Adapted from SmartAsset, "Cities with the Most Financial Stress - 2020 Edition."

Figure 5 reflects the change in median income from 2014 to 2018 in Mountain West cities and townships. Income in Paradise, NV (2.24%) grew the slowest over the four-year period. Income in Las Vegas, NV and North Las Vegas, NV grew at nearly identical rates (6.53% and 6.69% respectively), with less growth than other cities and townships in the Mountain West. Denver, CO (24.46%); Reno, NV (22.83%); and Mesa, AZ (22.18%) experienced the highest rates of growth in median income in the Mountain West over the four-year period.

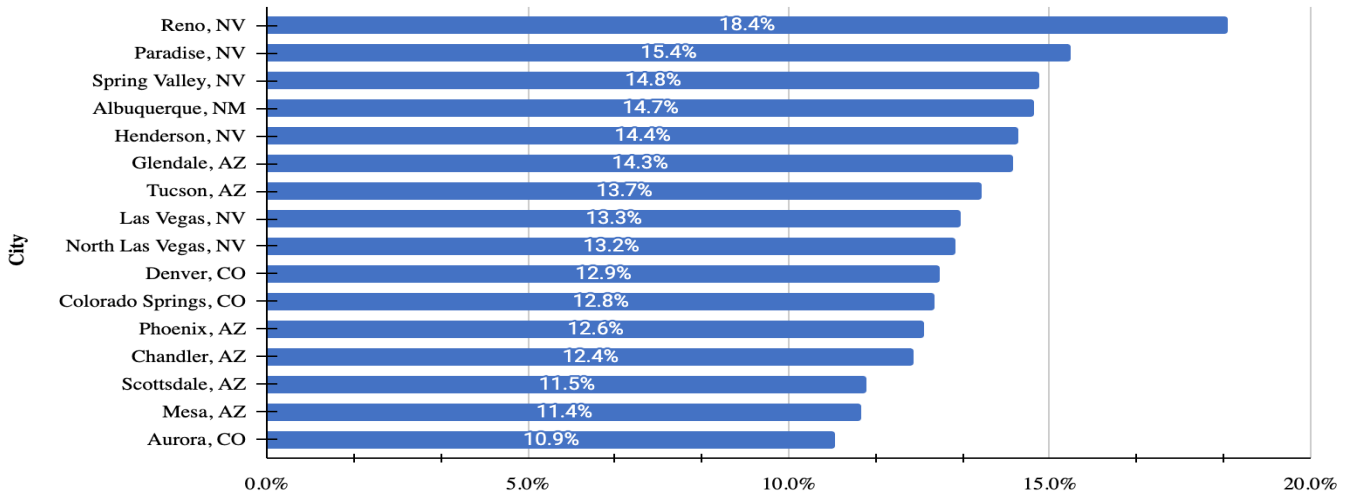
Figure 5: Four-Year Change in Median Household Income in Mountain West Cities and Townships, 2014 - 2018



*Adapted from SmartAsset, "Cities with the Most Financial Stress - 2020 Edition."

Figure 6 reports divorce rates among the 16 Mountain West cities on the report. Reno, NV outpaces all other cities listed at 18.4%. Scottsdale, AZ (11.5%), Mesa, AZ (11.4%), and Aurora, CO (10.9%) experience lower divorce rates than other Mountain West cities.

Figure 6: Divorce Rates in Mountain West Cities and Townships, 2018



* Adapted from SmartAsset, "Cities with the Most Financial Stress - 2020 Edition."