YEAR 4

Gaithersburg Financial Empowerment Center

2026 ANNUAL REPORT



CITY OF GAITHERSBURG™

Gaithersburg Financial Empowerment Center

Executive Summary

This program year was our biggest yet at the Gaithersburg Financial Empowerment Center! We reached more of the City's most vulnerable residents and helped them achieve more significant financial outcomes than in any prior year.

We focused on targeted outreach to increase awareness of and enrollment in our financial counseling program and saw our highest enrollment numbers since our launch in 2022. What is especially exciting is that we also increased enrollment in a few key target demographic groups: we more than doubled our number of senior clients (aged 65 +), quadrupled our number of young adult clients (aged 18-25), and grew our share of French-speaking newcomer clients, a rapidly-growing demographic group in the City. Eighty-three percent of our new clients were non-White and 90% came from low-income households.[1]

Collectively, our clients eliminated more than $700,000 in non-mortgage debt this year, bringing our total amount of debt reduced to $2.8 million since launching in 2022. Our clients also increased their savings by nearly $79,000, bringing our total savings increases to $766,000 since our launch. Twenty-seven clients eliminated delinquent accounts and 33 increased their credit scores by 35+ points, taking big steps forward toward their financial goals. In October 2025, we launched a new legacy planning service, helping to educate our clients on the importance of preparing a will and other estate planning documents, counseling them on the documents and information needed to create a plan, and connecting them to legal services and resources to create their legacy plans. We helped 20 clients complete legacy planning activities, ensuring their assets and loved ones are protected.

We could not have done any of this without the help of our funders, our referral partners, our Financial Wellness Coalition members, and our collaborators across the City's departments and divisions. We hope you will take a moment to read about how the City's investments in financial empowerment have paid off this year and consider how you might want to join this movement in the year to come.



Tanisha Briley
City Manager | City of Gaithersburg



[1] Defined as having a household income equal to less than 80% of the Area Median Income for a household of the same size.

FEC Highlights of 2026



$78,825
of Savings Increased

of which $65,347 (83%)
was saved by low-income clients



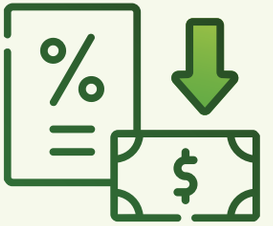
277
Clients Served

163 new clients



752
Sessions

2.7 sessions per client,
on average



$702,057
of Debt Reduced

$574,197 (82%) was reduced
by low-income clients

A WORD FROM THE MAYOR

"At a time when many residents across our City are struggling with the national affordability crisis, I am proud and grateful to have a resource like the FEC to help them make the most of their finances, navigate challenges, and make progress on their goals. Everyone deserves to feel like they have someone in their corner, someone who can give them good guidance, encourage them, and help them through rough times. That's what the FEC has to offer and that's why I believe in it so strongly."



Mayor Jud Ashman
City of Gaithersburg



About the Gaithersburg Financial Empowerment Center

The Gaithersburg Financial Empowerment Center (FEC) offers professional, one-on-one financial counseling to all City residents as a free public service. Counselors work with their clients to help them meet their financial goals, such as:



Paying Down Debt



Improving their Credit



Increasing their Savings



Making a Budget



Creating a Legacy Plan

Although financial counseling can be a benefit to anyone at any income level or stage of life, this service is especially valuable to those who are more likely to lack trusted, knowledgeable financial mentors in their families or communities, such as first-generation immigrants,[2] people of color, and those who come from generational poverty.[3] The City provides this service to all residents, with the goal of leveling the playing field between those who inherited financial literacy and have financial access from their families and those who have historically been excluded from our financial institutions.

[2]Barcellos, S. H., Carvalho, L. S., Smith, J. P., & Yoong, J. (2016). Financial Education Interventions Targeting Immigrants and Children of Immigrants: Results from a Randomized Control Trial. The Journal of consumer affairs, 50(2), 263–285. https://doi.org/10.1111/joca.12097

[3]Mitchell, E. (2025, January 24). What We Can Learn About Wealth Disparities in a Moment of Unprecedented Intergenerational Wealth Transfer - Financial Health Network. Financial Health Network. https://finhealthnetwork.org/what-we-can-learn-about-wealth-disparities-in-a-moment-of-unprecedented-intergenerational-wealth-transfer/

Who We Served

At the FEC, we pride ourselves on serving a diverse caseload that mirrors the diversity of our City, but we try to go beyond representation and seek to prioritize getting services to demographic groups that have the lowest average incomes and experience the highest rates of poverty. This year, we served clients from 31 countries, including the United States, 10 African countries, 16 Latin American and Caribbean countries, and four Asian countries. Eighty-three percent of our clients were non-white compared to 70% of the City's overall population and two thirds of our clients spoke a language other than English. Our clients had a variety of education levels, with 41% having a high school education or less. And while some of our clients had high incomes, almost 80% were very-low income (defined as having a household income that was 50% or less of the Area Median Income for a household of a similar size).



AT A GLANCE

90% of the FEC's caseload was low-income.

Race and Ethnicity	FEC Clients	City Population
African-American/Black	26%	15%
American Indian	0.4%	0.10%
Asian	1%	20%
Multiple/Other	0%	4.60%
White (non-Hispanic)	17%	30%
Hispanic **(all races)**	55%	30%

CLIENT TESTIMONIAL

"When I became a client of [the] FEC in 2023, I had just arrived in the United States and was starting from scratch. I had no bank account or credit history, and I had many goals: to understand how credit worked, find my own apartment, improve my income, learn English and buy a car.

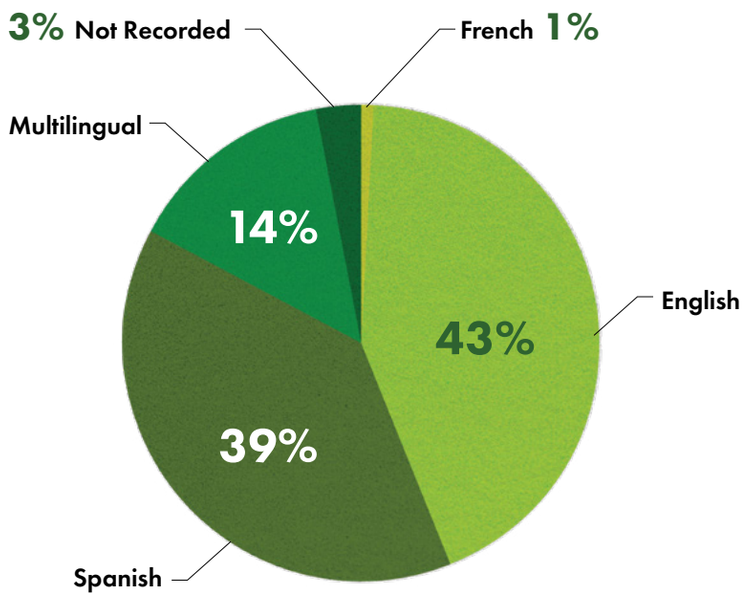
With the guidance and support of [the] FEC, I began building my credit and working toward those goals. Eliud (my counselor) played an important role by helping me get a secured credit card and encouraging me throughout the process.

Recently, the FEC helped me refinance my car loan. When I first bought my car, I had a 21% interest rate because I had no credit history. After years of working hard to build my credit responsibly, I was able to refinance at 6%, which has helped me save significantly on my monthly payment.

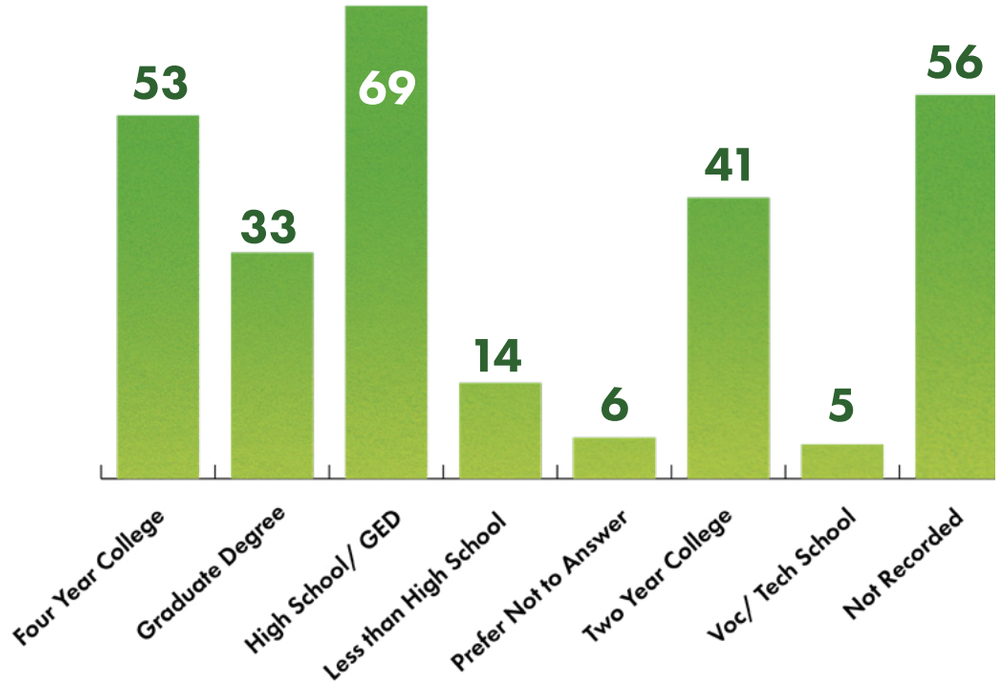
I am very excited about what I have accomplished and the goals I am continuing to work toward."

– **Andrea**
FEC Client

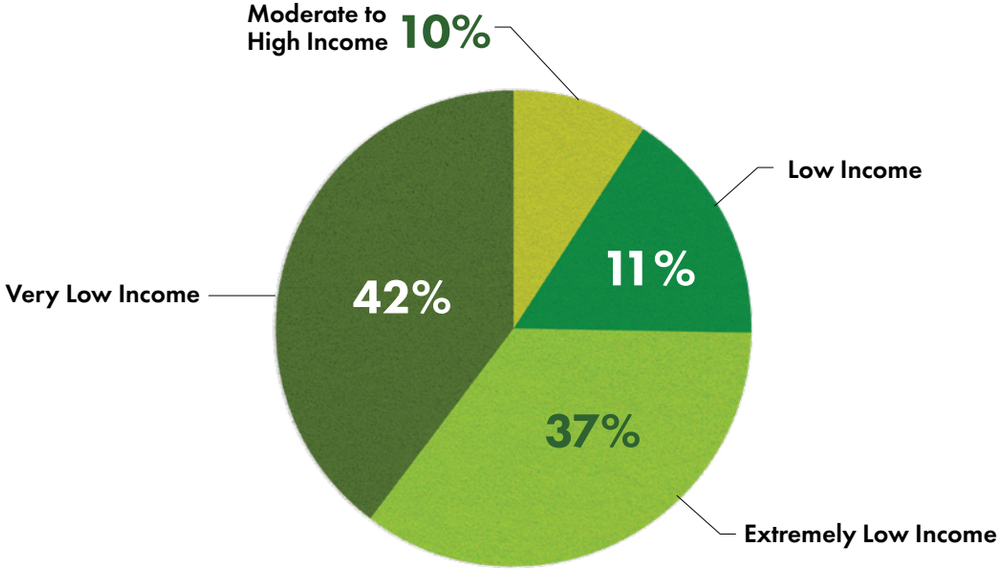
Primary Language



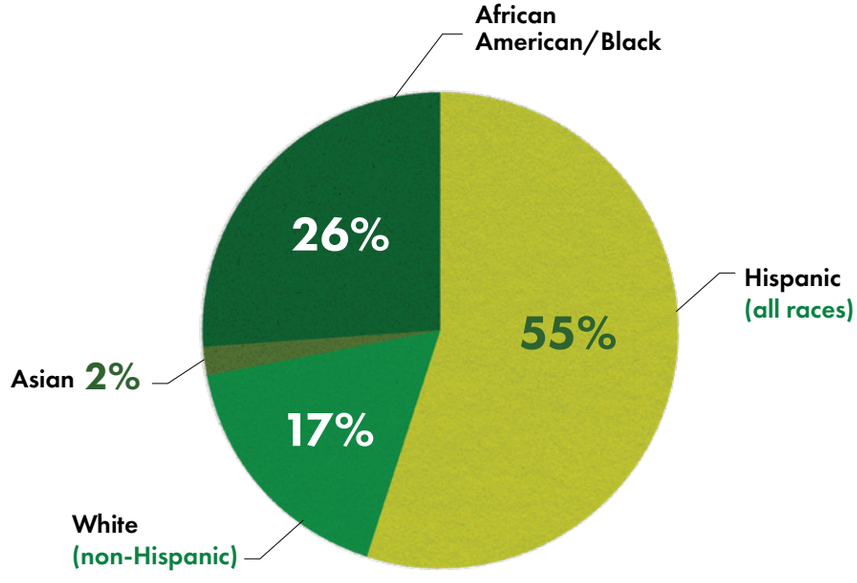
Highest Education Level



Income Level of Clients



Race & Ethnicity



Outcomes

Debt Reduction

The FEC helped 88 clients collectively pay down and eliminate more than $700,000 in non-mortgage debt this year, averaging almost $8,000 in debt reductions per person. Eighty-three of those 88 clients came from low-income households and collectively eliminated more than $574,000 in debt. This level of debt reduction has significant financial impacts for low-income families in particular: fewer monthly payments mean more money for everyday expenses, and improved credit can lead to lower interest rates and lower monthly payments in the future.

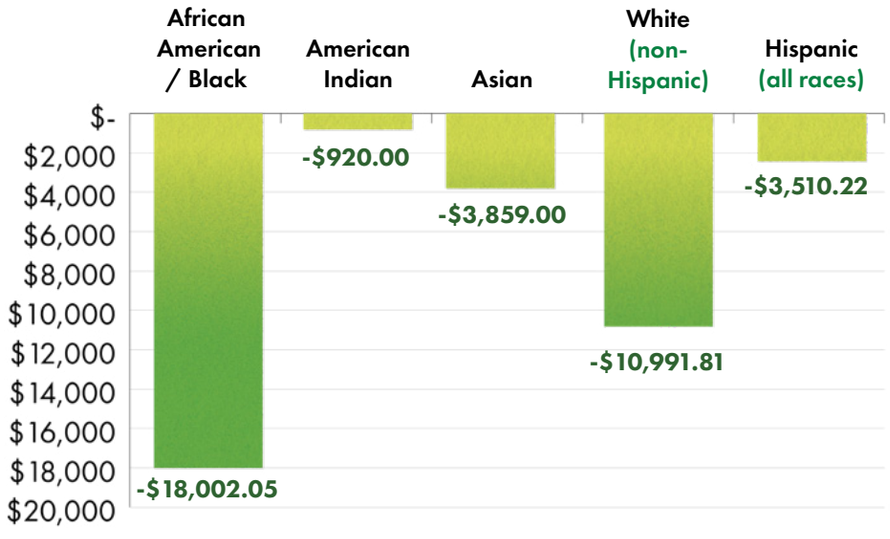
At a time when families need to make every dollar stretch, reducing debt has never been more important. Notably, 75% of the debt reduced this year came from non-White clients. This is significant because non-White families in Montgomery County are more than twice as likely as White families to have debt in collections.[4]



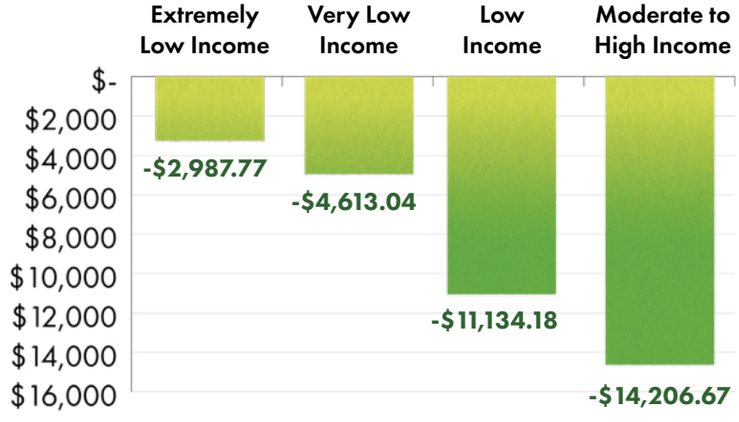
AT A GLANCE

The FEC helped 88 clients collectively pay down and eliminate more than $700,000 in non-mortgage debt this year.

Average Amount of Debt Reduced by Race/Ethnicity



Average Amount of Debt Reduced by Income-Level



Race and Ethnicity of Clients with Debt Reduction	
African-American /Black	19
American Indian	1
Asian	2
White (non-Hispanic)	16
Hispanic **(all races)**	50
Total	**88**

Income Level of Clients with Debt Reduction	
Extremely Low Income	36
Very Low Income	38
Low Income	9
Moderate to High Income	5
Total	**88**

[4]Braga, B., Mckernan, S., Atherton, S. & Martincheck, K. (2025, November 20). Debt in America: An Interactive Map. Urban Institute. https://apps.urban.org/features/debt-interactive-map/?type=overall&variable=totcoll&state=24&county=24031

Outcomes

Savings Increase

The FEC helped 15 clients increase their savings this year. This represents an increase from 11 clients in Fiscal Year 2025 but is still a very small share of the FEC's overall caseload and reflects just how difficult it is for FEC clients to set money aside for the future. Those clients who were able to save made major progress toward their goals, collectively setting aside more than $78,000–an average of $5,200 per person. Almost two-thirds of these savings were earned by non-White clients, which is significant, given that two-thirds of Black and Hispanic households nationally lack enough savings to survive a three-month financial emergency.[5] It is also noteworthy that 80% of these savings came from low-income clients who increased their savings by an average of $3,500 per person.



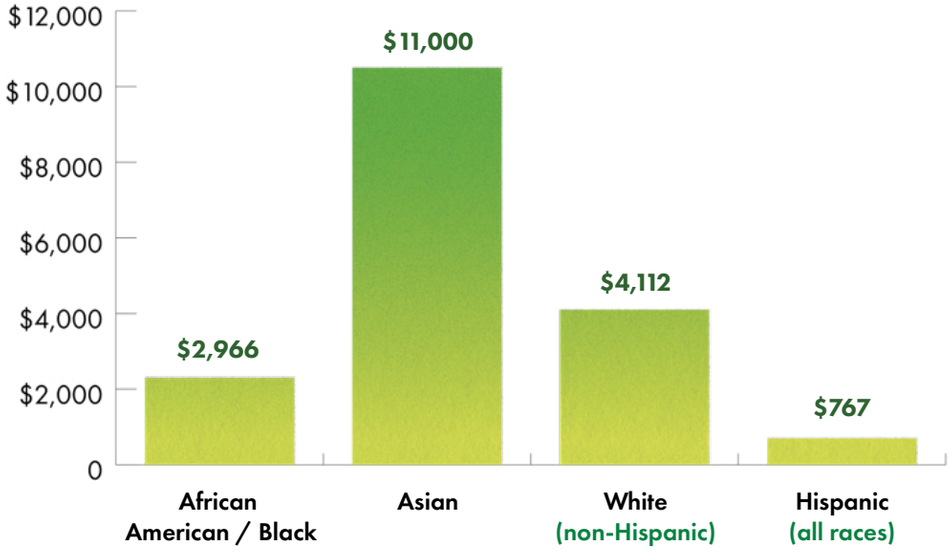
AT A GLANCE

FEC clients increased their savings by $78,000 this year.



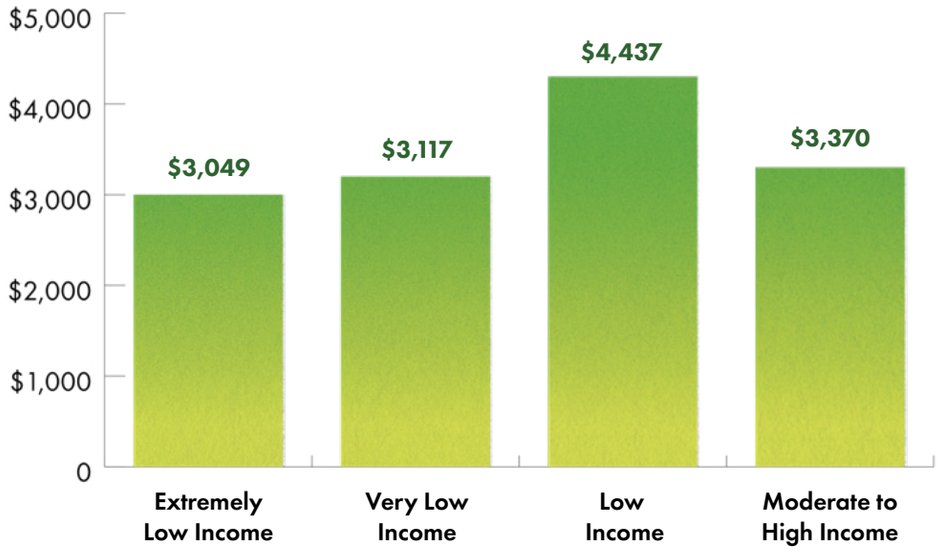
[5]Dean, J. (2024, October). The Racial Wealth Gap 1992 to 2022. National Community Reinvestment Coalition. https://ncrc.org/the-racial-wealth-gap-1992-to-2022/

Average Amount Saved By Race/Ethnicity



Race and Ethnicity of Clients with Saving Increase	
African-American / Black	6
Asian	1
White **(non-Hispanic)**	6
White (Hispanic)	2
Total	**15**

Average Amount Saved By Income-Level



Income Level of Clients with Savings Increases	
Extremely Low Income	2
Very Low Income	5
Low Income	5
Moderate to High Income	3
Total	**15**

Other Outcomes

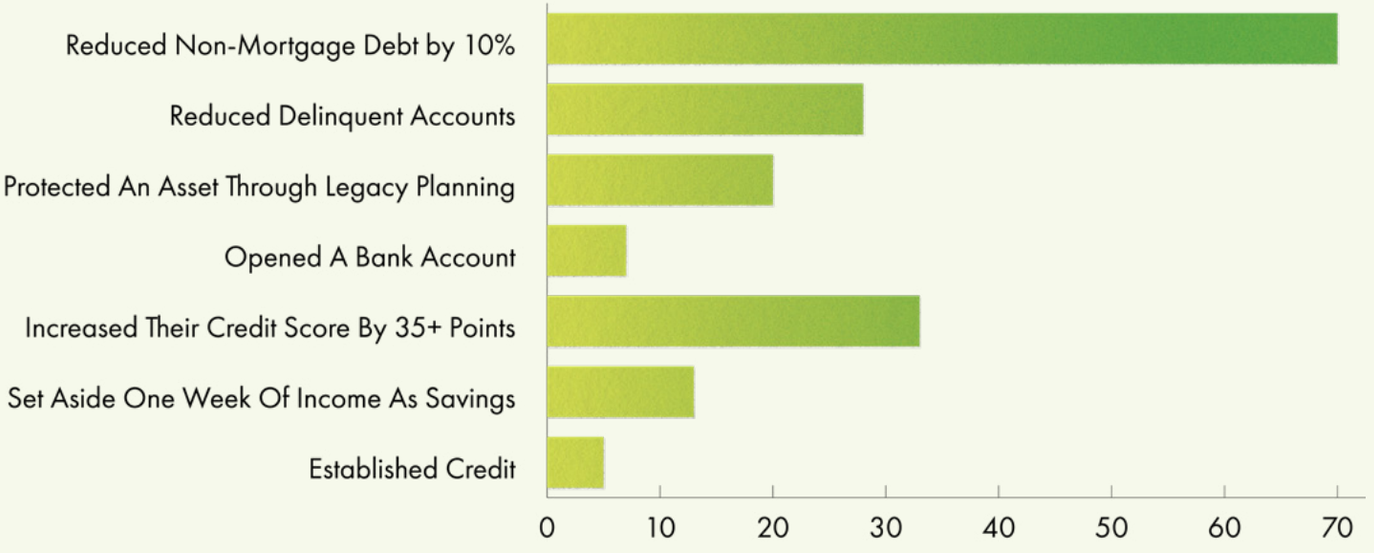
AT A GLANCE

82 clients achieved one or more significant milestones this year.

These clients ranged in income levels, education levels, and racial and ethnic backgrounds, but what they shared in common was consistency in meeting with their counselors over multiple sessions. The median number of counseling sessions for clients who achieved significant milestones this year was nine.

Clients Who Achieved Significant Milestones FY26

Total unduplicated: **82**



Race and Ethnicity	Number of Clients with Milestones
African-American /Black	24
Asian	2
White **(non-Hispanic)**	18
Hispanic (all races)	38
Total	**82**

Legacy Planning

In October 2025, the FEC launched a new legacy planning counseling service to help clients understand the need for legacy planning, counseling them on the documents and information needed to create a plan, and connecting them to legal services and resources to create their legacy plans. Counselors underwent thorough training on the different types of legacy planning documents and setting proper boundaries with clients to avoid the unauthorized practice of law. Since launching the service, 20 FEC clients have achieved legacy planning milestones, including adding beneficiaries to accounts, preparing their documents for legacy planning, and completing a will or other legacy planning document.



CLIENT TESTIMONIAL

"I've known I've needed a legacy plan since I bought my first home, but the idea of legacy planning felt so overwhelming. But when I met with Stephanie [counselor], she broke everything down into doable milestones. She provided me with a document to fill out my list of assets and debts that made it so much easier to go in and complete my legacy plan.

Working on this with my counselor has changed my goals and outlook tremendously. Stephanie gives me homework each month when we meet, so I just focus on one thing at a time. I feel so good knowing I won't be leaving my family in a lurch if something happens to me. I feel like I have something I'm leaving them. It's empowering."

– **Courtney**
FEC Client

Other Programming

Build Your Legacy

Build Your Legacy (Construye tu Legado) is a three-part workshop series targeted at Spanish-speaking parents of Gaithersburg students. It ran once in the fall of 2025, sponsored by Skypoint Federal Credit Union, and once in the spring of 2026, with grant funding from the National Association of Latino Community Asset Builders (NALCAB). Seventy-eight adults from 64 households attended both series.





VITA & SuperVITA

Thanks to the Community Action Agency's VITA team, the City's free tax preparation site at the Casey Community Center completed 411 returns this spring, returning $1.1 million to taxpayers, including $443,000 in federal, state, and county Earned Income Tax Credits. The Financial Wellness Coalition also hosted a "SuperVITA" day at the Activity Center at Bohrer Park, combining free tax preparation with a resource fair. The event was attended by approximately 100 people, 60 of whom completed returns.

Summer Jobs Connect

The Gaithersburg Financial Wellness Coalition held an interactive, hands-on financial literacy event for 130 City summer youth employees in the Aquatics division. Attendees rotated through five stations where they participated in activities on the topics of credit, debt, budgeting, saving, and investing.



Thank You!

The FEC is proud to have received referrals from the following organizations:

Benjamin Gaither Center 55+ Fitness . Travel . Recreation . Education

career catchers A personalized approach to career planning.

Gaithersburg HELP Neighbor Helping Neighbor Since 1968

Housing Initiative Partnership

Helping People. Changing Lives. community Action PARTNERSHIP MONTGOMERY COUNTY, MARYLAND COMMUNITY ACTION AGENCY

identity

INTERFAITH WORKS

U.M.A.N.

WELLS/ROBERTSON HOUSE GAITHERSBURG HOMELESS SERVICES

Partner with the Financial Empowerment Center.

Refer clients: Meet with us to learn how to become an official referral partner of the FEC. We can work with you to develop a customized referral pathway for your clients and train your staff on how to present our services to prospective clients. All partners with more than 10 referrals per year can also receive an annual aggregated outcome report, showing the outcomes their clients achieve each year. ***Please note that the FEC can only serve residents living within incorporated limits of the City of Gaithersburg.***

Join the Gaithersburg Financial Wellness Coalition: This coalition, made up of financial institutions, nonprofits, and government partners, promotes the community's financial wellness through collaborative events, advocacy, and outreach.

Sponsor or co-host a financial education event: Help the FEC deliver vital financial education to those who need it most.

Sponsor the FEC's counseling services: Help the FEC support resident financial empowerment with free one-on-one professional counseling.

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bit.ly/4qHUDXh