

NORTH AMERICA'S **BUILDING TRADES UNIONS**



North America's **Building Trades** Unions

#BuildingTradesWhateverItTakes

SMART RISE
Financial Empowerment Training II
July 30, 2026

Financial Empowerment Training

The Challenge – Our best K-12 schools offer micro and macro economics, but these schools ***don't*** teach their students to how to apply for a **mortgage**, how to find and improve their **credit scores**, or how to evaluate an **auto loan**.

The Solution? Financial Empowerment Training



Financial
education

+



Skill & confidence
to use knowledge

=



Financial
empowerment



Consumer Financial
Protection Bureau

Our goals for today's training?

- to identify core issues in financial empowerment training
- to explore a few of these issues in detail
- to examine where you can go for **further study**
- to provide resources for **further study**

The core issues in financial empowerment training

- Budgeting
- Savings
- Managing Debt
- Long-term Financial Planning = Retirement

The Construction Financial Challenge

- Good jobs in union construction but –
- Construction is cyclical (business cycle)
- Construction is seasonal (weather and climate)
- Construction workers only get paid when they work

Budgeting

- Is one part of life where failure is actually success
- Is the first step in good financial management
- Why don't more people take this simple step?
 - ✓ time
 - ✓ emotions
 - ✓ math skills
 - ✓ lack of training

Budgeting

- Two solutions to the lack of budgeting
- Old school? Build your own budget – tools include **Your Money, Your Goals** from cfpb
- Online Option? Many online budgeting tools available – some BT programs use YNAB – **You Need A Budget**

Financial Empowerment Training - Budgeting



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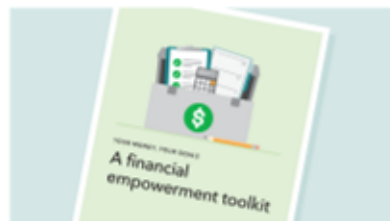
Your Money, Your Goals

Your Money, Your Goals is a set of financial empowerment materials for organizations that help people meet their financial goals by increasing their knowledge, skills, and resources.

Whether you're helping people get a job, find a place to live, or deal with a legal problem, money always comes up. You can use these tools to start the conversation.

Resources for the people you serve

Your Money, Your Goals materials can be used in many different settings. If you're working with people to help set goals and solve financial problems, you'll find helpful tools and information here.



About us

We're the Consumer Financial Protection Bureau (CFPB), a U.S. government agency that makes sure banks, lenders, and other financial companies treat you fairly.

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Reflect

Spending Breakdown

This Month
\$2,652.02

Top Categories

Category	Spent
Mortgage	\$1,000.00
Groceries	\$572.17
Hawaii Vacation	\$280.00
Date Nights	\$172.69
Household Items	\$127.38
All Others	

Net Worth

\$9,500.00

Bike \$800.00
\$700.00 Needed Eventually.

Mediterranean Cruise \$3,107.28
\$6,250.00 Needed Eventually.

<https://www.ynab.com/>

Consumer resources

Wherever you are on your financial journey, you can prepare yourself to make informed financial decisions with these resources.



English | [Español](#)

Educational tools you can use

Guides for financial decisions

Our guides help you understand and plan for big financial goals.

[Buying a house](#)

[Disasters and emergencies](#)

[Filing your taxes](#)

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FURTHER READING

[Blog](#)

<https://www.consumerfinance.gov/consumer-tools/>

You Need A Budget

- Budgeting app, wealth building tool – subscription cost
- Claims to save average user \$600 1st two months, \$6K 1st year
- Teaches users to set priorities, allocate money accordingly
- Allows users to set spending goals, categorize expenses
- <https://www.cnn.com/2015/09/01/tech/ynab-budgeting-app-review/>
- <https://www.forbes.com/advisor/banking/ynab-budgeting-app-review/>
- <https://www.youneedabudget.com/> (Website)

Introduction to the CFPB

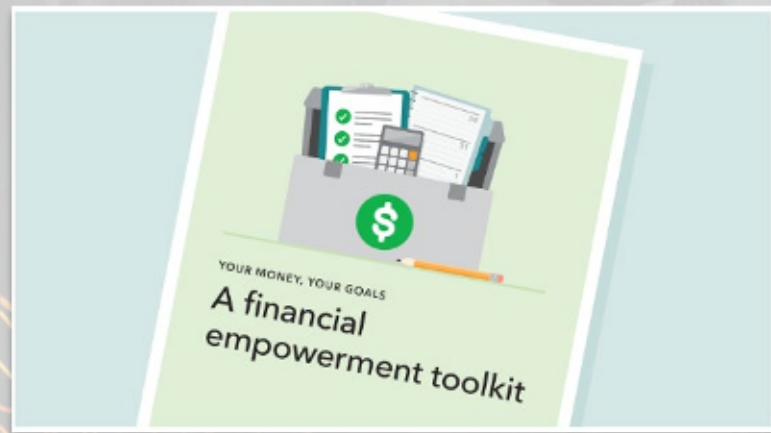


Consumer Financial
Protection Bureau

We are a 21st century agency that helps consumer finance markets work by regularly identifying and addressing outdated, unnecessary, or unduly burdensome regulations, by making rules more effective, by consistently enforcing federal consumer financial law, and by empowering consumers to take more control over their economic lives.

Your Money, Your Goals Toolkit

- The toolkit has information that helps you have money conversations with the people you serve.
- The toolkit includes:
 - 43 tools and handouts
 - Easy-to-follow directions so you can use tools confidently
 - Recommendations on which tools to use based on the situation and time available



Available at:

<https://www.consumerfinance.gov/consumer-tools/educator-tools/your-money-your-goals/toolkit/>

Your Money, Your Goals: Resources



One Toolkit
Comprehensive information
for practitioners.



Four Companion Guides
Help practitioners contextualize the money
conversation to the unique needs of specific
populations.



Four Booklets
Actionable, compact booklets on bills,
credit, debt and saving.
For in-person use.

All Available at: <https://www.consumerfinance.gov/your-money-your-goals/>
Selected materials available in Spanish.

GETTING STARTED

Creating a cash flow budget

A cash flow budget is all about tracking the timing of your income and expenses to make sure you have enough from week to week.

Before you can build a cash flow budget, you will need to track your income, resources, and expenses for at least one month. Use the "Income and benefits tracker" in Module 3 and the "Spending tracker" in Module 4 to help you get started. You'll need the information from both of these tools to create your cash flow budget.

The Cash Flow Budget

		WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5
BEGINNING WEEKLY BALANCE	Starting balance	\$250	\$400	\$	\$	\$
+						
	+ 300					
	+ 100					
	+					
	Total income	= 650	=	=	=	=
-						
	- 200					
	- 35					
	- 15					
ENDING WEEKLY BALANCE	= 400	=	=	=	=	=

Budgeting Tips

- Budgeting is systematically paying your expenses
- You pay – (in order of importance): living expenses, savings, existing debt, long-term goals, and fun \$
- Use only regular income for budget – for irregular income, use an adjusted average
- Understand your paycheck! Monitor **hours**, deductions

Companion Guides

- Guides that support the toolkit by helping you contextualize the money conversation to the unique needs of specific populations.
 - Focus on Military Communities
 - Focus on Native Communities
 - Focus on People with Disabilities
 - Focus on Reentry

Available at: <https://www.consumerfinance.gov/consumer-tools/educator-tools/your-money-your-goals/companion-guides/>



Three types of savings

- Contingency Fund – start here – unexpected expenses that will break your budget – start with \$1,000
- Emergency Fund – 3 – 6 months of income = pays for extended financial challenges
- Long-term Goals Fund – houses, cars and college

Savings Tips

- Use automatic transfers
- Think of savings as your “Financial Health Meter”
- Bank your raises (don't spend, save!)
- Use separate bank accounts for different purposes
- Understand checking vs savings – look at bank fees

GETTING STARTED

Savings plan

Making a weekly savings target helps make saving easier by breaking it up into manageable pieces. This can help you reach your goals and deal with unexpected expenses.

There are many benefits to having a savings plan.

- Your plan builds your own personal safety net one week at a time. A savings plan can help you have peace of mind knowing you have a little money for the unexpected—and that means you'll spend less on late fees for rent payments and the costs that come with borrowing money to cover expenses.

Sample Savings Worksheet

Create a savings target.

	EXAMPLE	YOUR INFORMATION
Savings goal	Save \$1,000 for an emergency fund within 10 months (about 40 weeks)	
Total amount needed	\$1,000	
Weeks to reach goal	÷ 40	÷
Weekly amount to save	= \$25	=

Debt Management

- Most financial planners say that most credit card purchases could have been paid with savings – why not? Consumers want goods right away!
- Debt is what you owe
- Credit is what an institution is willing to lend you
- Average American credit card debt? Take the Quiz!

GETTING STARTED

Debt log

Before you can make a plan for paying your debt, have to know what you owe.

A debt is money you owe. For things like rent-to-own arrangements, credit cards, student loans, and mortgages, the total amount you borrowed is your total monthly payment (including interest or fees) is part of your debt.

☐ I'll pay down the smallest debt first, in this order:

☐ I'll pay down the debt with the highest interest rate first, in this order:

DEBT	AMOUNT	DEBT	INTEREST RATE
1.	\$	1.	%
2.	\$	2.	%
3.	\$	3.	%

Debt Action Plan

Common debt types to help you brainstorm:



Auto loan



Back child support



Credit card debt



Friends and family



Medical debt



Mortgage or past-due rent



Past-due fees and fines



Payday loan



Student loan

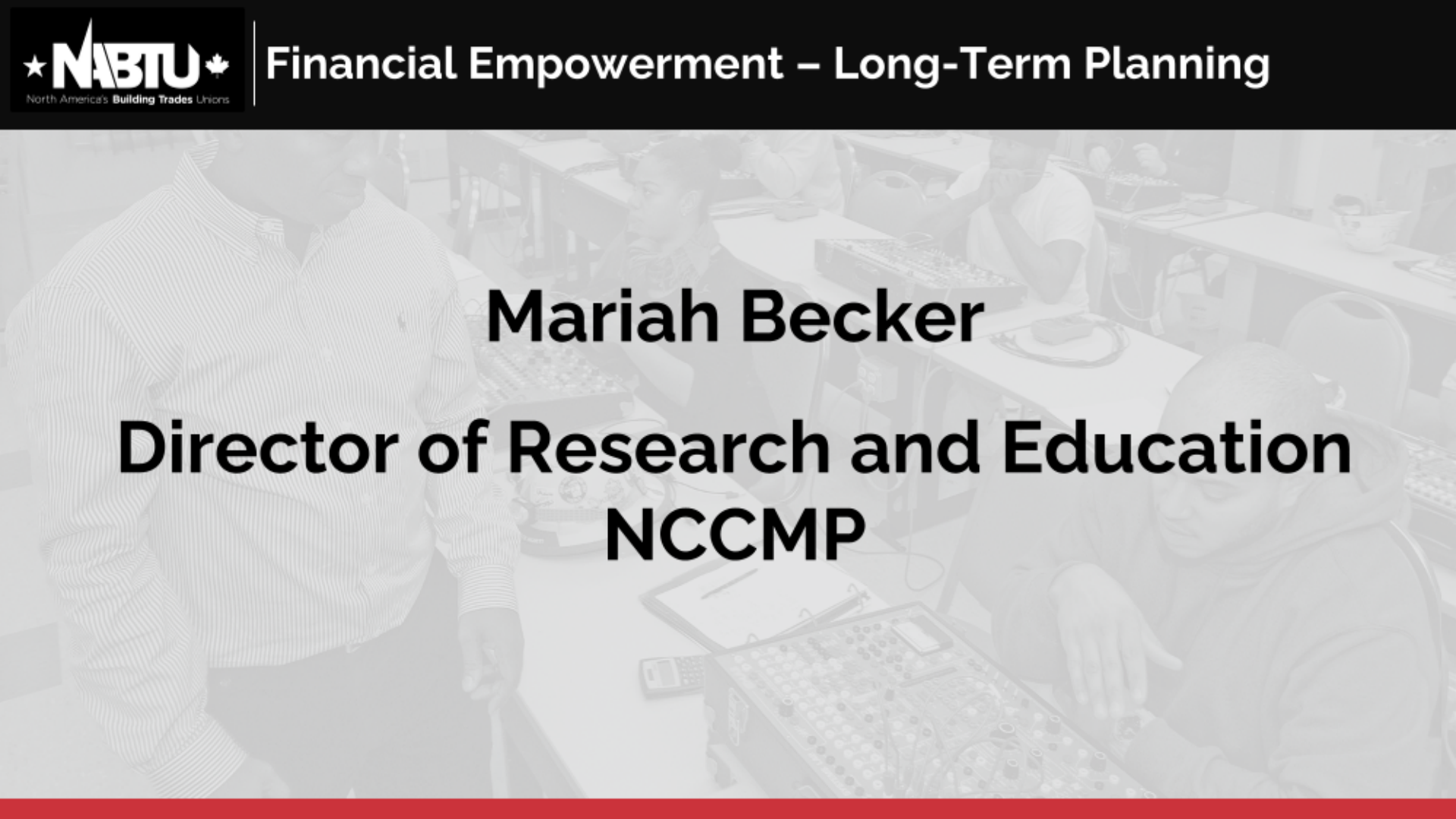
Debt	Payment due this month	Payment is up to date?	Total amount left to pay	Interest rate (if any)	Payoff date or goal
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
Total monthly debt payment	\$				

Debt Management Tips

- Get a full picture of your existing debt – know your credit card interest rates
- Order a credit report – monitor your credit score
- Prioritize debts, set repayment goals
- Plan to avoid future debts (savings)
- Always avoid high-cost debt – pawn shops, payday loans

Long-Term Financial Planning

- Investments – Stocks? Bonds? Real estate? Learn the basics
- Learn the new pitfalls – **subscription fees**
- Retirement Planning – the three-legged stool: Savings, Pension and Social Security (check your SS account) -
<https://www.ssa.gov/myaccount/statement.html>
- You should know the 2 types of pensions: Defined Benefit plans (pensions) and Defined Contribution plans (savings – 401Ks) – DB plans are better – average US 401k? \$112,000



Mariah Becker

**Director of Research and Education
NCCMP**

Common Retirement Advice – Use Caution!

From Google's AI Summary for “Retirement Rules of Thumb”

Key Savings and Spending Guidelines

***The 15% Rule:** Save at least 15% of your pre-tax income each year, starting as early as possible and including any employer match.*

***The 25x Rule:** Aim to accumulate a nest egg equal to 25 times your planned annual expenses by the time you stop working.*

***The 4% Rule:** Withdraw 4% of your total portfolio value during your first year of retirement, then adjust that dollar amount upward for inflation each subsequent year.*



These rules of thumb are meant for people who don't have the kinds of benefits that you do!

DB Pension – Income You Never Outlive

What is a defined benefit pension plan?

How is that different than a 401(k)?

Other income in retirement:

Social Security

Canada Pension Plan

Annuity funds



Planning Ahead – Choices when you retire

- Retirement options
 - Single life annuity
 - Joint and survivor annuity
 - Level income option?
 - Lump sum?
- What happens if you're married?
- What if you get a divorce?

Plan Ahead – Helpful Rules of Thumb

Consider future spending

Will you stay where you are or move to a lower cost-of-living area?

Expenses might be lower if you don't have work-related expenses

Do you plan to travel? Care for grandchildren?

Don't forget healthcare!

Consider income in retirement

Pensions

Social Security / CPP

Annuity plans

Savings make up the difference



80% “Replacement Ratio”