Tools for Building
Sustainable Rural Communities
April 2002
Scranton, PA
Jane Schuchardt, USDA-CSREES
Financial Assets

★ 50% of American households have accumulated:
< $1,000 in financial assets
< $35,000 in net wealth

Source: Consumer Federation of America & Primerica. (1999, October 28). New study: Typical American household has net financial assets of $1,000.
Personal savings
As a percentage of disposable personal income

7%

SOURCE: Bureau of Economic Analysis

THE WASHINGTON POST

February 6, 2002
Consumer credit outstanding
In trillions of dollars, seasonally adjusted

$1.8
2001*: 1.65 trillion

1.6
1.4
1.2
1.0
0.8
0.6
0.4
0.2
0

'96 '97 '98 '99 '00 '01*

*Through November.
SOURCE: Federal Reserve

THE WASHINGTON POST
Increasing Personal Responsibility for Financial Future

- Employer-provided pensions
  - Fewer traditional pension plans
  - More self-directed plans
  - Many small employers without plans
Increasing Personal Responsibility for Financial Future

★ Civilian wage and salary workers:
  ✧ 62% currently have access to pension
  ✧ 38% do not have a pension plan

Increasing Personal Responsibility for Financial Future

★ Employers ................ < 25 employees
   ✩ 19% have access to pension plan
★ Employers ............... =25-99 employees
   ✩ 48% have access to pension plan
★ Employers ................ >100 employees
   ✩ 83% have access to pension plan

Increasing Personal Responsibility for Financial Future

★ Retirement gap
  ✦ Women
  ✦ Minorities
  ✦ Rural populations
Vision

• A nation of financially literate and secure individuals
• Knowledge, attitudes, skills, and confidence to apply planning strategies
• Improved community sustainability and prosperity
Goals

★ Make responsibility for later life financial security a priority for individuals
★ Enhance the capacity of local educators and their partners to deliver effective programs
★ Increase economic vitality and quality of life for families and communities
Target Audience

★ Baby Boom cohort
★ Women, minorities, and immigrants
★ Individuals facing retirement income gap
★ Farm families
★ Employees of small businesses
★ Limited resource individuals and families
Strategies

★ Far-reaching communications and marketing
★ Research insights
★ New/adapted educational strategies
★ Comprehensive evaluation
★ Targeted resource development
★ Strategic partnerships
★ Nationwide leadership with local application
Outcomes

★ Educators will have increased ability to plan, deliver, and evaluate educational programs

★ Participants will experience financial security in later life
For Educators

★ Educational strategies
★ Research summaries
★ Marketing tools
★ Funding sources
★ Evaluation guidelines
★ Capacity building
For Consumers

★ A toolkit including:
  ✩ Planning for long-term care web site
  ✩ Financial legal check-up workshop
  ✩ Personal savings program
  ✩ Basic investing course
  ✩ Retirement planning checklist
Encourage Participants to:

Take the Road to Financial Security in Later Life

★ PLAN
  ✧ For a long and vital life

★ ACT
  ✧ Do it now!

★ EVALUATE
  ✧ Your plan as changes are needed

★ ACHIEVE
  ✧ Financial security for yourself and others
Partners to Date

CFA
Consumer Federation of America

AARP

AMERICAN SAVINGS EDUCATION COUNCIL

ASEC
Financial Security in Later Life Web Site

- www.reeusda.gov/financialsecurity