

HOUSING AND WELLNESS PROGRAM

A Comprehensive Wellness Guide for Tenants and Occupants Living On-Reserve

FINANCIAL LITERACY



First Nations Housing
Professionals Association

L'Association des professionnels de
l'habitation des Premières Nations



Tenants

Supporting the wellness of tenants living on-reserve is key to building strong, resilient communities. Tenants play a vital role in community life, and their physical, mental, emotional, and financial well-being matters.

This wellness guide is designed specifically for on-reserve tenants. It offers practical tools and strategies to support mental health and self-care, understand tenant rights and responsibilities, and build financial literacy.

By promoting knowledge and empowerment, the guide helps tenants take care of themselves, their homes, and their communities.

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Acknowledgment

The **First Nations Housing Professionals Association (FNHPA)** is delighted to introduce the Housing and Wellness Program, aimed at offering crucial information and guidance to First Nations individuals residing on-reserve or engaged in housing-related roles. This initiative delivers educational programs, tools, and resources tailored for First Nations housing staff, residents, and youth. Through the implementation of this program, our aim is to address housing, health, and safety concerns holistically.



FINANCIAL LITERACY

Financial literacy is the ability to understand and manage your personal finances. It includes skills like budgeting, saving, borrowing, and managing debt. Strong financial literacy helps you make informed decisions, avoid financial stress, and plan for the future.

Why it matters for tenants:

Understanding rental terms

Having strong financial literacy helps you understand agreements, including rent, deposits, utility costs, and any extra fees, reducing the risk of confusion or disputes.

Creating a budget

It allows you to build a realistic budget that covers your rent, utilities and other essentials, helping you stay on track with monthly payments and living costs.

Saving and planning ahead

Strong financial literacy supports healthy saving habits, whether you're building an emergency fund or working toward long-term goals like homeownership.

Managing debt

It helps you handle credit cards, loans, or other debt responsibly by understanding interest rates, repayment plans, and strategies to reduce debt over time.

Building financial stability

You'll be better equipped to make sound decisions that lead to greater financial security, both now and in the future.

Knowing your rights and responsibilities

Being financially aware helps you keep up with rent and bills, and gives you confidence to speak up if you're treated unfairly.

Disclaimer: This guide provides general information intended to support tenants and occupants. Each First Nation may have its own housing policies, rental agreements, and other community documents. Please refer to these for the specific rules, responsibilities, and details that apply to your home.

Common Terms

Financial literacy

The combination of knowledge, skills, and confidence to make informed and responsible decisions about money. This includes budgeting, saving, investing, and managing debt. Being financially literate helps you manage your money effectively, plan for the future, and improve your overall financial well-being.

Fixed costs

Expenses that stay the same each month and are usually predictable. Examples include:

- Rent or mortgage payments
- Insurance premiums (health, car, home, life)
Loan repayments (student, car, or personal loans)
- Property taxes (if you own a home)
- Subscription services
- Childcare or school tuition fees
- Utility bills with a base charge

Variable costs

Expenses that can change from month to month depending on your usage, lifestyle, or choices. Examples include:

- Groceries
- Gas or transportation
- Dining out or takeout
- Clothing and personal shopping
- Utility bills that vary with usage
- Phone bills (*if data/minutes go over your base plan*)
- Personal care (*haircuts, toiletries*)
- Healthcare out-of-pocket costs (*co-pays, prescriptions, treatments not covered by insurance*)
- Household supplies and small repairs
- Entertainment and leisure
- Travel and vacations
- Gifts and donations
- Education and training (*courses, certifications, books*)
- Pet care (*vet visits, food, grooming*)



Credit

Money you borrow and agree to repay, usually with interest. It includes credit cards, loans, and lines of credit. Using credit responsibly helps build your credit history.

Credit report

A record of your borrowing history and payment activity.

Credit score

A number that reflects how reliably you repay borrowed money. A higher score makes it easier to qualify for loans, while a low score can limit borrowing options.

Interest

The cost of borrowing money or the return earned on savings or investments, usually shown as a percentage.

Debt

Money you owe to a person, business, or financial institution, such as loans, credit card balances, or unpaid bills.

Savings

Money set aside instead of spent, usually kept in a bank account for short-term needs. Savings are safe, easy to access, and earn a small amount of interest.

TFSA (Tax-Free Savings Account)

A type of savings account where the money you earn (like interest or investment growth) is not taxed. You can take money out at any time without penalty. Good for short- or long-term savings goals.

RRSP (Registered Retirement Savings Plan)

A savings plan designed to help you save for retirement. Money you put in is tax-deductible, which can lower your taxes now, and the savings grow until you take them out in retirement.



Emergency fund

Money saved for unexpected expenses, such as medical bills or a sudden loss of income. It acts as a financial safety net.

Investing

Using money to buy assets like stocks or mutual funds to grow wealth over time. Investing involves more risk than saving but can offer higher long-term returns.

Budget

A plan for how you spend and save your money. It helps track income (money coming in) and expenses (money going out).

Budgeting Guide

Creating a budget helps you take control of your money, set goals, and plan for the future. Follow these steps to build a budget that works for you:

- **Know your income**
Add up all your monthly income: wages, freelance work, government benefits, or other sources.
- **List your expenses**
Write down all monthly expenses, including fixed and variable costs.
- **Separate needs from wants**
Identify which expenses are essential (needs) and which are optional (wants). Essentials include housing, food, and transportation; wants include dining out, streaming services, etc.
- **Prioritize spending**
Make sure your most important needs, like rent/mortgage, bills, and food, are covered first before spending on non-essentials.
- **Set financial goals**
Think about what you want to achieve. Short-term goals might be saving for emergencies or paying off a credit card. Long-term goals could include buying a home or saving for retirement.
- **Distribute your income**
Use your income to cover essentials first, then put money toward savings or debt. If anything is left, that can go toward non-essential spending.
- **Track your spending**
Keep an eye on where your money goes using a notebook, spreadsheet, or budgeting app. This helps you stay accountable.
- **Review and adjust**
Review your budget monthly or quarterly. Life changes, and so should your budget. Make updates as needed to stay on track.
- **Track your progress**
Celebrate small wins and adjust when needed. If you're falling behind, revisit your spending and goals.
- **Ask for help if needed**
If budgeting feels overwhelming, reach out to a financial advisor, support worker, or someone you trust for guidance.



Emergency Fund Planning

An emergency fund is money set aside to cover unexpected expenses, like car repairs, medical bills, or job loss. It's a financial safety net that helps you avoid going into debt when life throws you a curveball.

Tips to Build Your Emergency Fund:

Start small

Even saving a little each month adds up. Begin with what you can afford and increase it as your income allows.

Make it automatic

Set up automatic transfers to your emergency fund so saving becomes a habit without extra effort.

Keep it separate

Open a separate savings account just for emergencies. This helps you avoid using the money for everyday spending.

Check in regularly

Review your savings and budget every few months. Adjust your savings plan if your expenses or income change.

Cut back where you can

Look at your spending and reduce non-essentials like takeout or subscriptions. Redirect those savings to your emergency fund.

Balance saving and debt

If you have high-interest debt (like credit cards), try to pay it down while still saving a small amount each month.

Refill if you use it

If you use your emergency fund, make it a priority to build it back up as soon as you can.

Celebrate progress

Reaching your savings goals brings peace of mind. Acknowledge small wins to stay motivated.

Credit

Credit is money you borrow and agree to repay, usually with interest. How you manage your credit affects your credit score, a number (typically between **300 and 900**) that shows lenders how reliable you are at repaying money. The higher your score, the easier it is to qualify for loans and other forms of credit.

Why Do I Need a Good Credit Score?

A good credit score makes it easier to:

- Rent a home
- Get a loan or mortgage
- Buy a car with financing

Why Might My Credit Be Bad?

Credit can go down if you:

- Miss or make late payments
- Use too much of your credit limit
- Owe more than you can pay back
- Open too many accounts at once
- Have errors on your credit report

How to Build and Fix Credit:

Check your credit report: Look it over at least once a year to make sure it's correct. If you see mistakes, report them right away.

Pay bills on time: Always pay your bills, such as rent, credit cards, and loans on time. This is one of the biggest factors in your credit score.

Keep balances low: Try not to use too much of your available credit.

Limit new accounts: Don't apply for too many new cards or loans at the same time.

Watch your score: Many banks and apps let you check your score for free.

Be patient: Good credit takes time. Small, steady steps will help improve it.



Saving and Investing

Saving and investing are key parts of managing your money and reaching your financial goals, whether that's covering emergencies, buying a home, or planning for retirement.

Saving Tips

Set clear goals

Know what you're saving for, such as an emergency fund, home down payment, or retirement. Clear goals help you stay focused.

Pay yourself first

Treat savings like a bill. Set up automatic transfers to your savings account every month so it becomes a habit.

Track your spending

Keep an eye on where your money goes. Use apps or spreadsheets to spot areas where you can cut back and save more.

Stick to a budget

Create a budget that includes savings. Adjust it as needed to stay on track with your goals.

Build an emergency fund

Set aside money for unexpected expenses. Aim to save enough to cover 3 to 6 months of basic living costs.

Tackle high-interest debt

Pay down debts like credit cards first. This frees up more money to save over time.

Investing Tips

Learn the basics

Understand different types of investments (stocks, bonds, mutual funds, etc.) and their risks and rewards.

Diversify

Don't put all your money in one place. Spread it across different types of investments to lower your risk.

Start early

The sooner you start, the more time your money has to grow. Even small, regular investments make a difference.

Invest regularly

Make investing part of your routine, set up monthly contributions if possible. This helps smooth out market ups and downs.

Think long-term

Avoid reacting to short-term market changes. Stick to your long-term goals and stay consistent.

Review your plan

Check in on your investments now and then to make sure they still match your goals and comfort level.

Ask for help if needed

A financial advisor can help you choose the right investments for your situation.



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