



CB Benefits News

An update on your pension and benefits plans

Plan performance

There have been a lot of significant changes in the market this year, from the major downturn as the COVID-19 pandemic began in February and March, to a significant recovery through the spring. Since our last issue of *CB Benefits News* in May, the markets have stabilized and all of our Canadian Baptist Pension Plan (CBPP) funds, except the CBM Retirement Fund, showed positive returns at the end of September.

Here is the fund performance as of September 30, 2020:

CBM Conservative Fund	CBM Moderate Fund	CBM Balanced Fund	CBM Aggressive Fund	CBM Retirement Fund
4.67%	3.61%	5.85%	4.84%	-0.81%

When markets experience ups and downs, keep in mind that our plan is designed to succeed and prosper over the long term. It's always a good idea to monitor your pension account regularly – but don't check it too often if it causes you anxiety or you're prone to worrying.

Staying invested during market fluctuations makes sure that your account receives the benefit of more purchasing power when share prices are low, and the benefit of heightened investment returns when the market goes back up. The industry calls this dollar-cost averaging.

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Thinking about retirement: Mid-career considerations

No matter what stage of life you're in, it's always a good time to plan for when you'll stop working. To help you plan and make decisions, the CB Benefits website (www.cbbenefits.ca) has information and resources to meet your needs at each life stage: early career, mid-career and late career.

Retirement may still seem like a far-away prospect when you're in the middle of your career (mid 30s to late 40s). When you're trying to pay off a mortgage and save (or pay) for your kids' post-secondary education, it can be a challenge to balance the financial priorities of today with the needs of tomorrow.

However, since you are likely well-established in your career and earning a reasonable salary, now is a great time to save and plan for the future. Through the magic of compound interest, even modest savings can make a big difference over time!

Here are a few strategies to consider:



1. **Make the most of it!**

While you receive employer matching on your 6% basic contribution to the plan (which doubles your investment right away) you can also make voluntary contributions through payroll deductions in any amount. These voluntary contributions will help boost your savings.

You can also transfer a lump sum into your account, which is helpful should you have a windfall or an opportunity to make a larger contribution than usual.



2. **Review your investments**

It's a good idea to review your investment choices once a year. The decisions you make will depend on a number of factors, including your age, time until retirement and comfort with risk. However, as a general rule, your investments should become more conservative as you near retirement, since you will have fewer working years to offset any losses.

Take the time to consider if your investments still meet your needs and are still appropriate for your personal situation and retirement plans.

If you need help making those decisions, Sun Life offers some useful tools and resources – check www.mysunlife.ca for details.



3. **Let your investments grow tax-free**

In addition to the CBPP, you can also take advantage of the optional group Tax-Free Savings Account (TFSA), which is part of the CBM family of benefits.

A TFSA is a flexible way to save your money in a group plan, offering tax-free investment growth and the ability to save up to \$6,000 (2020 limit) a year, plus any unused contribution room carried forward from prior years. Best of all, you'll still benefit from the lower fees of belonging to a group plan versus investing on your own.



4. **Get personal**

You will also want to consider how your other savings will contribute to your retirement income. How will RRSP contributions factor into your overall retirement plan? Do you plan to downsize your home to help boost your savings?

Your personal savings, along with Canada Pension Plan and Old Age Security benefits, are important aspects to consider as you plan for retirement.

In the next CBM newsletter, read about retirement planning considerations for those in the early career life stage.



Brushing up on your financial knowledge

According to Statistics Canada, most Canadians could use some help with financial education.

Consider the following figures about Canadians they surveyed:



Over 50%

Don't regularly save money to cover unexpected expenses



1 in 7

Often uses credit to pay for basic necessities due to cash shortfalls



10%

Are impulsive spenders, which leads to buying items they can't afford

This year has definitely reminded us all the importance of having some savings and our finances well managed, as we've seen how quickly circumstances can change. Take some time to plan ahead and be prepared when possible.

Did you know there are a wealth of resources available online to help you boost your financial wellness?

The Financial Consumer Agency of Canada has many on their website (www.canada.ca/en/financial-consumer-agency.html), including:

- Financial tools and calculators;
- The Canadian Financial Literacy Database – a collection of resources and event listings about budgeting, investing and saving;
- Educational materials; and
- Canada's financial literacy blog.

The Financial Consumer Agency of Canada offers some tips on setting a budget:

- Record expenses so you can identify areas to cut excessive spending;
- Identify your long- and short-term saving goals;
- Divide expenses between wants and needs;
- Make being debt-free a goal; and
- Pay more than the minimum payment on bills when possible.

The agency also provides simple guidelines on saving for emergencies, avoiding debt and becoming debt-free, and borrowing when you must use credit cards or a line of credit.

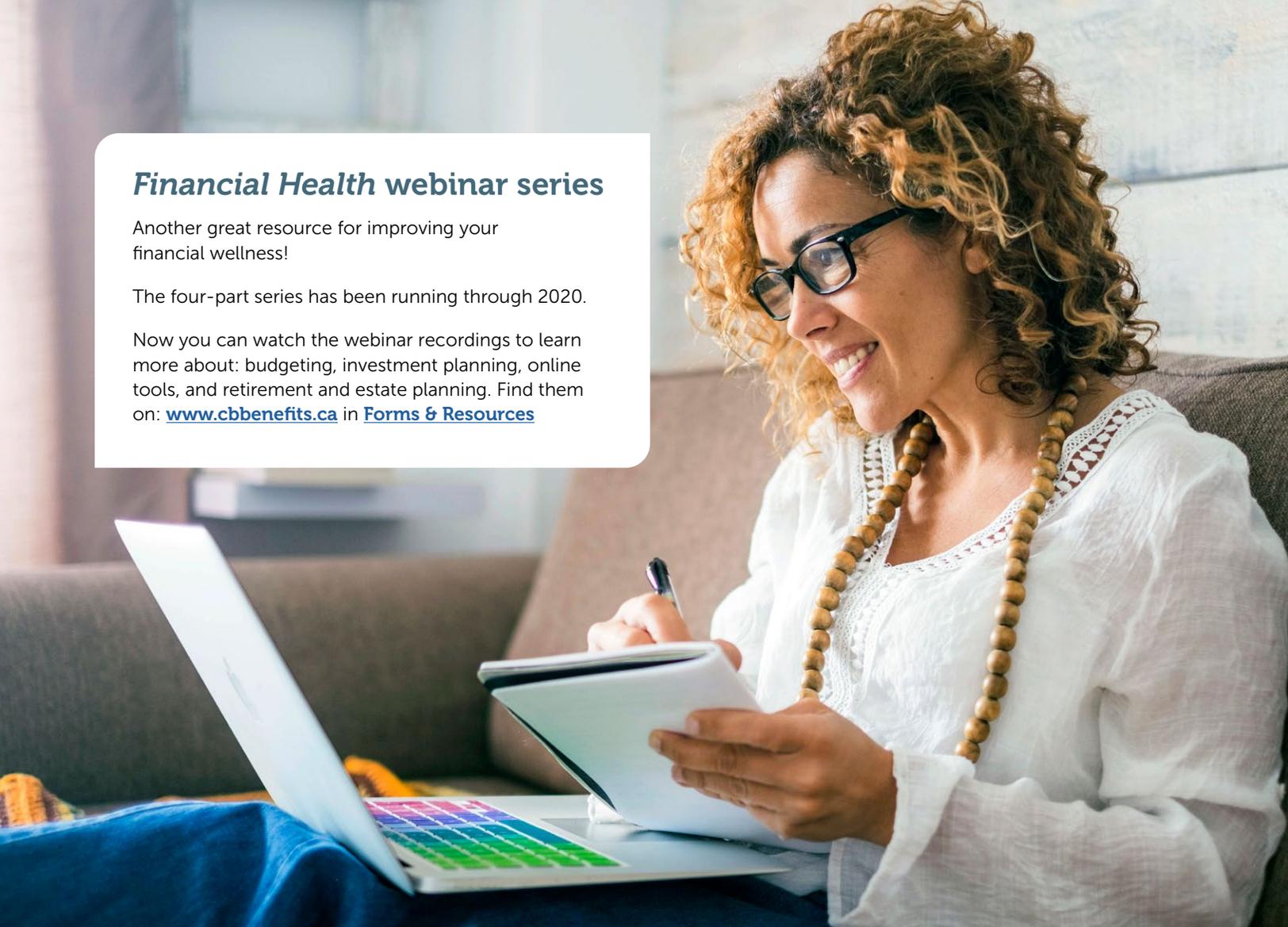
Learning how to better manage your finances can help you achieve a more financially secure future.

Financial Health webinar series

Another great resource for improving your financial wellness!

The four-part series has been running through 2020.

Now you can watch the webinar recordings to learn more about: budgeting, investment planning, online tools, and retirement and estate planning. Find them on: www.cbbenefits.ca in [Forms & Resources](#)



RESOURCES AND CONTACTS

Have questions about your health benefits or your pension plan?

The CB Benefits website has answers at www.cbbenefits.ca! The website is your hub for information and useful resources – including plan booklets and member newsletters, forms, links to retirement planning tools, and who to contact if you have questions. You can also:

- Read our [Insights blog](#) – to learn more about pension and benefits trends.
- Register for [Ready to Retire](#) – take advantage of this free service for CBPP members that provides financial guidance when you're within six months of retirement.

Still have questions? For general inquiries about CB Benefits, email info@cbbenefits.ca. For information about the Ready to Retire program, email CBPP at retire@cbbenefits.ca.

A final word

This bulletin has been prepared exclusively for Canadian Baptist Pension Plan and CB benefits plan members. It is not intended to be comprehensive or to provide advice. If there are any differences between the information provided in this bulletin and any legal documents that govern the delivery of benefits, the legal documents will apply.