



CB Benefits News

It's spring! Looking back at 2020 – and planning ahead in 2021

Tips for saving in your early career years

If you're at the beginning stage of your career, you likely have many demands on your pay cheque already. You may be paying down student debts, struggling to cover your rent, food and internet/phone bills, or trying to save for your first house. Or, you may already be juggling a mortgage and childcare costs.

No wonder it's really hard to put a priority on saving for your retirement years – retirement is a whole lifetime away, and you're facing these other pressures right now.

Your CBPP makes it easier

That's where your Canadian Baptist Pension Plan (CBPP) comes in. With your 6% contribution through payroll deduction, your money is set aside before you ever see it, and then your employer matches that by contributing 6% as well. That's an immediate 100% return on your investment!

And you get lower fees! Because the CBPP has a large pool of assets, the fund management fees you pay as a member are 0.62% – much less than the 1.50% to 3.00% you'd typically pay in the retail market. That's an extra 1% to 2% in your net returns each year. When that money stays in your account and gets reinvested, it can make a big difference to your account balance over time.

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Time & compound interest

Early in your career, time is on your side, because the money that's going into your plan now has a longer time to grow.

It's almost magical how compound interest can increase your account balance over time.

Learn more about how in [gettingsmarteraboutmoney.ca](https://www.gettingsmarteraboutmoney.ca).

Back by popular demand: The CB Benefits summer webinar series!

Come learn with us...

- 1 Health & Wellness: Impact of COVID-19
- 2 Pension: Converting your savings to income
- 3 Benefits: Getting ready for re-enrolment

Watch your email and [cbbenefits.ca](https://www.cbbenefits.ca) in June for dates & registration details.

TFSA: A great way to grow your money tax free.

May is TFSA month. Learn more at [mysunlife.ca](https://www.mysunlife.ca).

Watch for info coming soon from Sun Life's digital coach, Ella!

Make the most of a long timeline

It's never too early (or too late!) to get started with saving for your future. Here are some other small things to consider:



Make a plan and try to stick to it. Try Sun Life's [Budget Calculator](#), which can now feed info directly into your Retirement Planner info. Keep in mind, it's always a good idea to talk to a financial advisor.



If you get a raise at work – can you live without it? Before you get used to the extra money going into your bank account, consider directing it to your CBPP through additional voluntary contributions, or to your TFSA. Want to make a voluntary contribution now? Just contact your local payroll or treasurer for help.



Even if you can't put any money away right now, try to live within your means, and minimize your debt load. With debt, compound interest works in reverse, and you pay interest on interest, making it very hard to get ahead. With less debt accumulation, you'll be able to contribute more to your retirement savings later.

You have a choice – and help is available

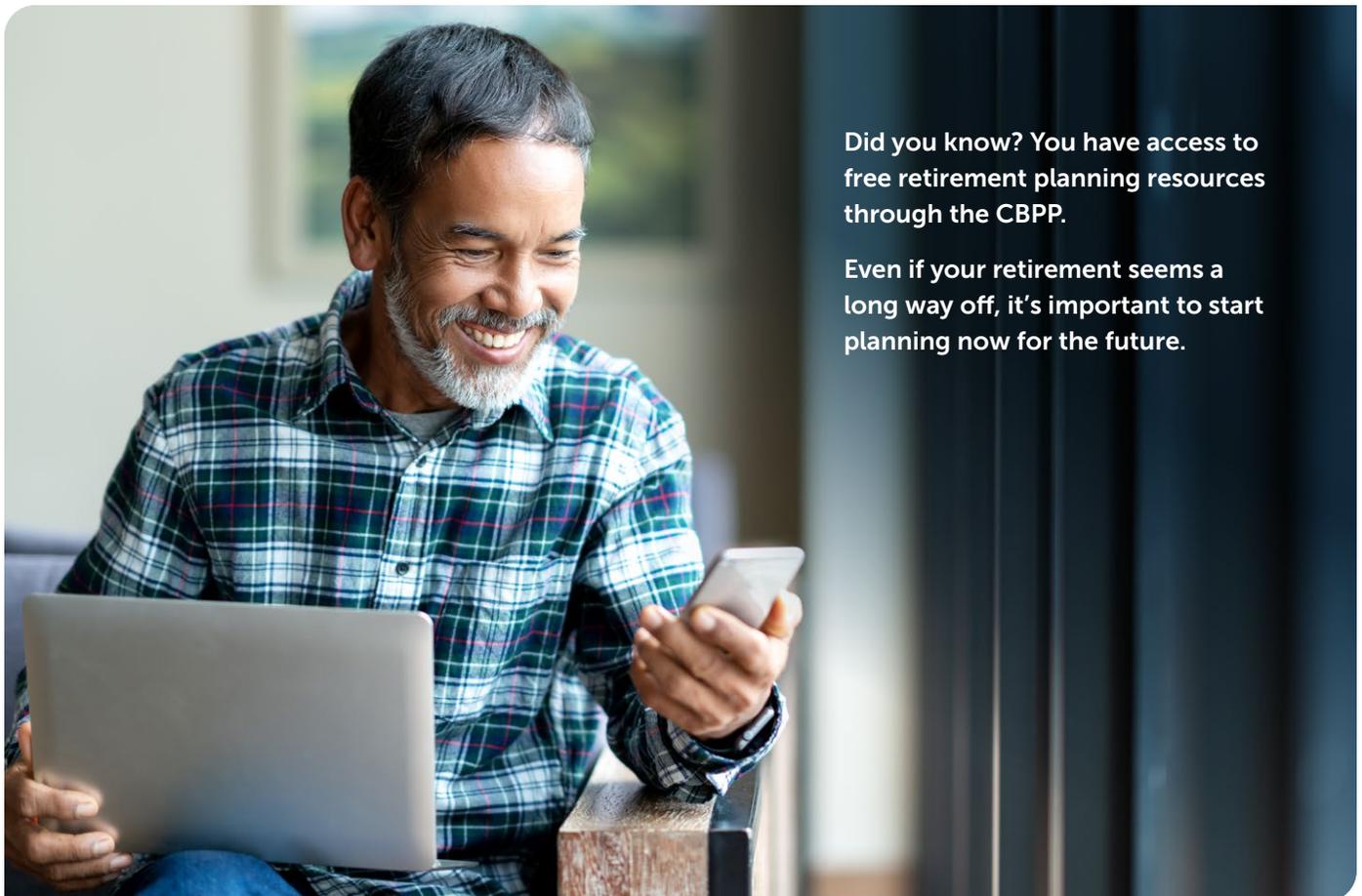


Your plan is a Defined Contribution (DC) pension plan. This means the contributions are fixed, but the benefits at retirement will vary based on the performance of your investments and your account balance. You choose how to invest the contributions made by you and your employer.

The CBPP offers fund options across the risk/reward spectrum: from the low-risk money market fund, to higher-risk funds such as the CBM Aggressive fund.

It's important to choose funds that match your risk tolerance and time horizon to retirement. If you haven't checked your risk tolerance profile lately, take some time to review your profile at mysunlife.ca.

For help, just call **Sun Life at 1-866-224-3906 (Option 1) between 8 a.m. and 8 p.m. ET, Monday to Friday**, and speak to a Retirement Consultant. They can help you figure out how to protect the income you've already earned in the plan, and find the best path to reach your retirement income goals.



Did you know? You have access to free retirement planning resources through the CBPP.

Even if your retirement seems a long way off, it's important to start planning now for the future.

Pension fund performance and asset mix

After a bumpy ride in the stock markets at the beginning of 2020 that was caused by uncertainty around COVID-19 and other factors, there was a significant upswing in the late spring that continued for much of the year. Our funds performed well, ending the year with overall solid returns.

Quarterly fund performance

as of December 31, 2020

CBM Conservative Fund	CBM Moderate Fund	CBM Balanced Fund	CBM Aggressive Portfolio Fund	CBM Retirement Portfolio Fund
3.42%	5.03%	5.89%	7.32%	4.91%

All funds were above their benchmark in Q4.

Canadian Baptist Pension Fund Performance Summary

as of December 31, 2020

RATE OF RETURN	1-YEAR	3-YEAR	5-YEAR	10-YEAR
Conservative				
CBM Conservative Fund	8.26	6.19	5.82	6.47
CBM Conservative Benchmark	7.87	6.15	5.84	5.94
Value Add (target = 0.00%)	0.38	0.04	-0.02	0.53
Moderate				
CBM Moderate Fund	8.82	6.73	6.99	7.48
CBM Moderate Benchmark	8.16	6.74	6.98	6.94
Value Add (target = 0.25%)	0.66	-0.01	0.01	0.54
Balanced				
CBM Balanced Fund	12.08	8.12	8.46	8.39
CBM Balanced Benchmark	8.39	6.98	7.85	7.21
Value Add (target = 0.50%)	3.70	1.13	0.61	1.18
Aggressive				
CBM Aggressive Fund	12.52	8.64	9.61	9.50
CBM Aggressive Benchmark	8.23	7.38	8.87	8.11
Value Add (target = 0.75%)	4.29	1.26	0.74	1.38
Retirement				
CBM Retirement Fund	4.06	5.11	6.10	-
CBM Retirement Benchmark	7.65	6.46	6.79	6.73
Value Add (target = 0.25%)	-3.59	-1.35	-0.70	-

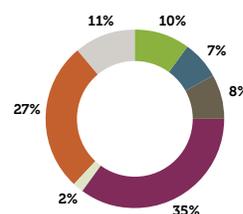
Important note: Returns for periods greater than 1 year are annualized. Returns are calculated using the pooled fund returns, gross of fees. Individual returns will differ due to factors such as investment management fees and timing of contributions. Past performance of a fund is not necessarily indicative of future performance. For a full list of the available investment funds – and to see how your personal investments performed in 2020 – visit mysunlife.ca.

A final word

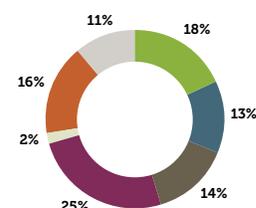
This newsletter has been prepared exclusively for Canadian Baptist Pension Plan members. It is not intended to be comprehensive or to provide advice. If there are any differences between the information provided in this newsletter and any legal documents that govern the delivery of benefits, the legal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

Asset mix for each fund as of December 31, 2020

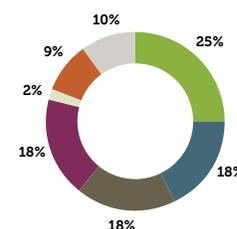
Conservative



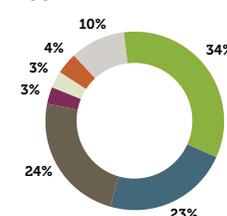
Moderate



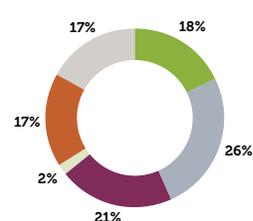
Balanced



Aggressive



Retirement



- Canadian Equity
- U.S. Equity
- International Equity
- Global Equity
- Fixed Income
- Money Market
- Mortgages
- Real Estate