



This year's annual meetings featured food, fellowship, and a presentation from Lorne Robinson, National Director-Canada from Kingdom Advisors.® Here is a brief summary of Lorne's speech:

Scripture clearly states that *"without faith it is impossible to please God."* This can become challenging because many today are so financially secure that a great deal of faith is not necessary. Cain and Abel's offerings provide a powerful illustration on faith and finances. Cain's offering was *"in the course of time"* and did not require faith, while Abel's offering was accepted

by God because it included faith (he gave the firstborn). Five things compete for our money: lifestyle, giving, taxes, debt, savings (Live, Give, Owe, Grow). We *"live by faith"* and therefore, please God when we set the right priorities around the use of our finances.

Two Board vacancies were filled. **Henry Bosch** (President) completed his current term and agreed to serve for another 3-year term. **John Jagersma** (Vice President) also completed his current term and agreed to serve for another 3-year term. Since no other nominees

were presented by the membership, they were both declared elected by acclamation. Thank you for your commitment to our Credit Union!

At the Lethbridge Annual Meeting it was announced that **Hermo Lanting** is the newest member of the Lethbridge Advisory Committee. Hermo is the owner of the Wooden Shoe Bakery and Deli and has been a business owner for 25 years. He and his wife Ellen have 5 children and attend Coleman Christian Assembly. Welcome!

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John Veldkamp, CEO

CEO Message

Welcome to the Spring edition of our Update Newsletter! As you can see on the front page, we recently had enjoyable annual meetings in both Lethbridge and Edmonton. It is always a pleasure to connect with the members we serve.

The theme of this year's annual report and our annual meeting was to *"Find Contentment with Your Finances."* We chose this theme and we are using this phrase in more of our communication because we believe *"contentment"* is what God desires for us with respect to our relationships with our money and possessions. In 1 Timothy 6:6 the Holy Spirit teaches us:

"But godliness with contentment is great gain."

In 1 Timothy 6:9-10 the Spirit goes on to explain,

"Those who want to get rich fall into temptation and a trap and into many foolish and harmful desires that plunge people into ruin and destruction. For the love of money is a root of all kinds of evil. Some people, eager for money, have wandered from the faith and pierced themselves with many griefs."

As you can tell from these verses, money can have a significant impact on our lives. Our encouragement comes from the promise that, if we can help people find contentment with their finances it will be *"great gain."* We believe that if our Credit Union can help our members to find contentment it will go a long way towards achieving our vision *"to be the*

recognized leader in applying Christian values to financial services."

Is the *"love of money"* really a problem for our members? I wouldn't say that I love money and yet I have to admit that I am not always content. At our annual meetings I shared an article written by Tim Challies that argues that the majority of us in North America suffer from a disease called *"Affluenza."* Affluenza is defined by three symptoms:

- A Lack of Contentment
- An Attitude of Self Dependence
- A Lack of Gratitude

I think that we can agree that we all struggle with these symptoms in some way.

Now we are not suggesting that we only want members who have contentment all figured out. I know I struggle with each of these symptoms and I am reasonably certain this would also be the case for all of the Credit Union staff and Board. The point is not that we want to be better than others. The point is that when we join together as Christians we can help each other avoid the *"griefs"* described in 1 Timothy 6. We see the role of the Credit Union to be a guide for our members on the road to contentment. To help guide our members we have started recommending a Map to Financial Contentment that we have obtained through Financial Discipleship Canada. When you are struggling to find

contentment, sometimes it helps to start with some small steps to get you on the right path.

This approach is resonating with our existing and potential members. We are excited to report that, as awareness of our Credit Union grows in the broader Christian community, God is working in the hearts of people to move their banking to Christian Credit Union. Many people are thrilled to hear that there is a Christian option in the banking world.

Before I wrap up my comments, I need to mention a couple of things related to the people who serve you at the Credit Union. On June 3, Pete Peters will start his role as Director, Member Experience and his family will follow shortly after as they move here from Ontario. Welcome Pete! You will also notice that we are adding a few more new faces in Rebecca, Ryan, Mikayla and Coleen without any staff departing. The reason for this is that a number of our staff are expecting to be new moms for the first or second time. We realize that our members have seen a number of new staff faces over the past several years. A lot of that has been related to the fact that we have accommodated or are accommodating 9 maternity leaves over the last few years. We appreciate your patience and we hope you will join us in celebrating the gift of new life in many young families connected to our Credit Union.

Blessings to you all!

We have partnered with a few organizations to provide stewardship resources including Compass Canada, The Ron Blue Institute, and Rachel Cruze. Videos, budgets, and calculators from these organizations are available at www.christiancu.ca.



While you're there, check out the video from the Ron Blue Institute about money, contentment, and your stewardship journey!

Staff Notables

Edmonton



Congratulations to **Karen von Klitzing**, Member Service Representative, who celebrated her 10 year anniversary on March 30. Karen helps members with their day-to-day banking needs. Her knowledge and friendly personality is appreciated.



Congratulations to **Melissa Wielenga**, Business Banking Advisor who celebrated 5 years of service on March 4. Melissa specializes in helping churches and non profit organizations. We appreciate her caring attitude and Christian leadership.

Rebecca Hyde and **Ryan Brown** recently joined us as Member Service Representatives. Welcome to our Credit Union, you are already making a difference!

Welcome to **Mikayla Taylor**, Member Service Representative and **Coleen Dzuda**, King's University Intern, who will be joining us for the summer.

Izzie VanRuitenburg



Izzie has been working as a Member Service Representative in the Lethbridge branch since November 2018. She has previous experience working as a Production Manager in agriculture. She is engaged and plans to be married this summer.

Izzie attends Bethel Free Reformed Church in Monarch. In the past, she has volunteered as Lead Sunday School Teacher and gone on several mission trips to Belize and Mexico. In her free time she likes baking, cooking, and decorating her home. She also plays volleyball and enjoys visiting her family in British Columbia.

Izzie promotes Christian Credit Union and enjoys using her talents to serve members. She helps them exercise good stewardship by uncovering needs and helps them reach their financial goals.

Blue Rein Ranch

Blue Rein Ranch offers a blend of counseling and animal assisted therapy to help people heal from trauma and abuse, as well as cope with mental health concerns like anxiety, depression, ADHD, or grief. Marvin and Erica VandenHoek were operating the business on their ranch but were restricted by the weather and wanted to provide services year round. Christian Credit Union recognized their vision, passion for the future, and desire to serve more people. We provided financing to build an indoor riding arena and participated in a fundraiser for the Blue Rein Ranch Foundation.

St. Albert Canadian Reformed Church



St. Albert Canadian Reformed Church was instituted in 2003 and has over 370 members. The congregation includes many young families and has grown steadily over the last 15 years. They have outgrown their current facility and desire to worship in their own church building. The new church building will promote the communion of saints and help the congregation establish a more permanent presence in the St. Albert community. The new building features a large worship sanctuary, kitchen, children's nursery, classrooms, and boardroom. Christian Credit Union is pleased to provide a mortgage of \$2.6 million.



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Account or a Term Deposit.

Visit www.christiancu.ca and check out the video “How To Have A Bulletproof
Emergency Fund” by Rachel Cruze.

Experience seven days and six nights
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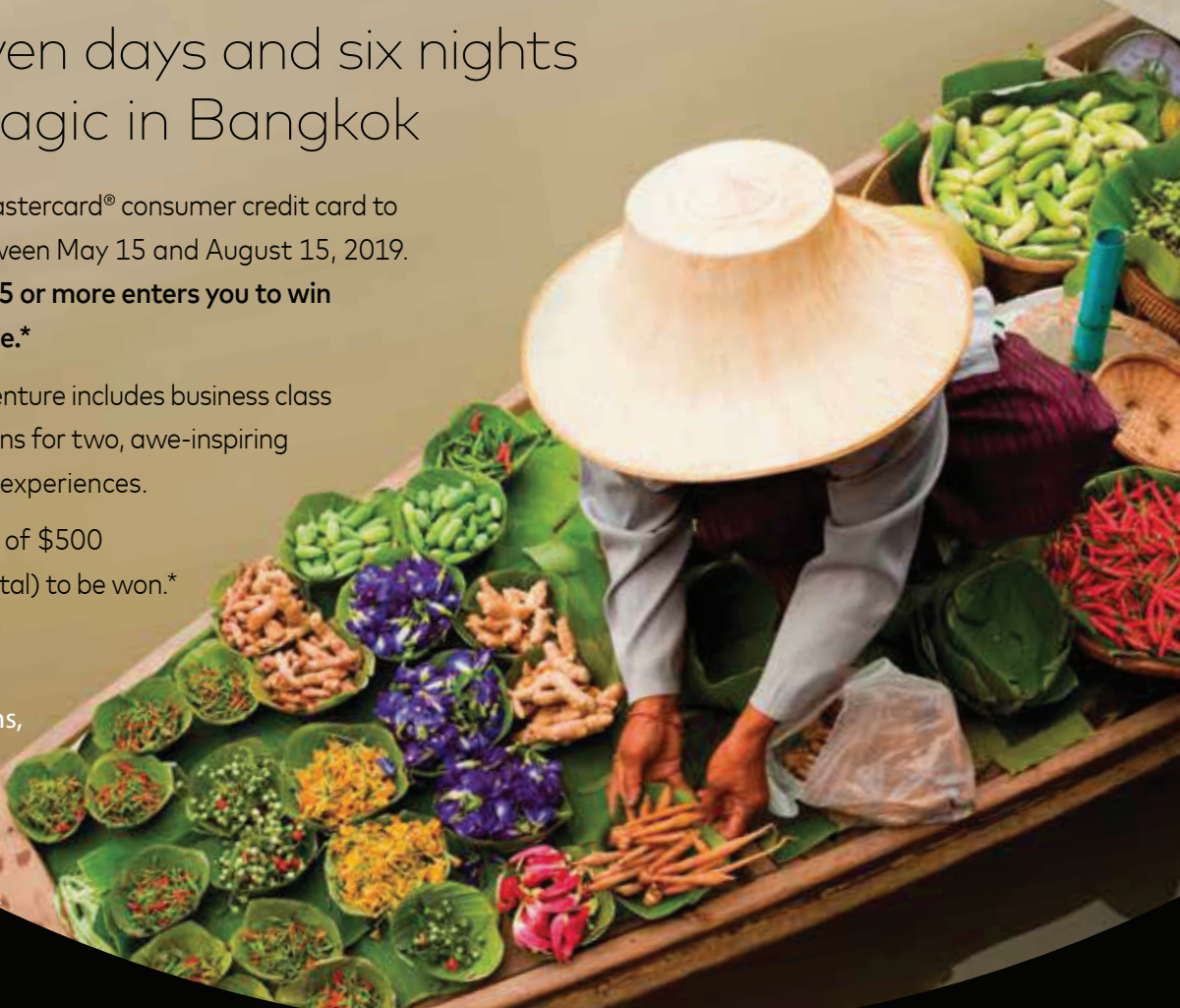
Simply use your credit union's Mastercard® consumer credit card to
pay for everyday purchases between May 15 and August 15, 2019.

**Every eligible transaction of \$5 or more enters you to win
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Your never-to-be-forgotten adventure includes business class
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For contest terms and conditions,
visit www.christiancu.ca or
contact a branch.





Carol Haayema, CFP®, CKA®

Market volatility and negative news can cause some investors to reflect on their current approach. Money managers and product companies continue to bring new choices to market to win your dollars. One of increasing interest is passive investing. What happened in the last two quarters, what is passive management vs active management, and what should we remember?

The last two quarters were note worthily volatile. Two things are generally behind market movement. Central Bank comments or some sort of shock. In the crash of 2008, both of these were responsible.

For the most part positive Central Bank comments generally compel investment, negative comments cause pullback and nervous investor response. Active money managers know this and attempt to take advantage of it. Most often Central Banks strive to be somewhere in between positive and negative which helps to avoid severe market events like December 2018 and quick recoveries like the first quarter. Recent events confirm they do not always get it right. Why do Central Banks have so much influence? Central Banks choose to raise or lower interest rates to speed up or slow down the economy. Interest rates impact what companies and consumers have to pay to service existing debt or to consider using more to expand or buy goods. These actions are a delicate balance. Oil movement and currency are part of the story too.

The impact on investors means coping with your balances rising and falling. In

Fluctuating Markets, Passive vs Active Management, and What to Remember

other words, volatility. It's worth noting that you still have the same number of units regardless of market fluctuations. They are only worth more or less if you sold that particular day. This is why advisors ensure your time line to invest is a key consideration of the investment solution recommended. The vast majority of volatility can be controlled by asset allocation where we reflect the investor's risk tolerance.

Another topic of late is the growth in passive investing which, in its simplest form, is achieved by purchasing a fund that tracks an index. Passive investing has risen in popularity largely due to the reputation of low fees. Another common quote by supporters is that 80% of active managers under-perform their benchmark. Seems like compelling arguments so let's unpack this a little more.

Passive investors believe there are no anomalies in the market and that all details that could influence markets are known and have already been factored into pricing. In other words markets are efficient and therefore you cannot profit by having a money manager. Those in the active management camp do not believe markets are efficient and believe investor reaction to volatility is part of the reason. Active managers examine each company's financials and management along with the particular stocks' opportunity to grow in its sector. It's in this arena that knowing the manager's philosophy is related to the risk you are taking in buying that fund.

The studies referenced that show 80% of active managers under-perform their benchmark are largely USA market focused. It can be argued that the US market is large and more mature making it harder to beat benchmarks and find anomalies. This key consideration is simply not true of all economies. Many money managers use a combination of

both passive and active management strategies to drive fees lower.

Most investors are best served to identify their goals and what they want to achieve with their money, identify any road blocks to success, and then drill down to what investment products to use to get there. Growth, fees and current times are part of the criteria but are not the whole story. How are the managers driving growth, does the product meet your risk tolerance, and how large is the fund? Is it truly diversified? What risk is being taken with your money? What is the year to year performance and the consistency like? Mathematically you'll end up with more dollars in your jeans without wide fluctuations year to year. What about values? Does it matter what impact companies have on our world and humanity that your money is supporting? Our goal is to help you look at your full picture and goals so you can make the right choice for you.

If you invest for purpose rather than single objectives like fees or avoiding taxation you are more likely to be content with the products chosen, the risks, and fees involved to get to your future. For most investors having a plan, considering all these details, and implementing the plan will help you get to where you want to go. Want to talk more about it? Already on a plan? Many appreciate a free second opinion to make sure you are on track. We are happy to help.

Carol Haayema, CFP®, CKA®

Senior Financial Advisor

Christian Credit Union

Credential Asset Management Inc.

Mutual funds are offered through Credential Asset Management Inc. The information contained in this report was obtained from sources believed to be reliable; however, we cannot guarantee that it is accurate or complete. This report is provided as a general source of information and should not be considered personal advice. Please speak to your personal financial representative before making any financial planning decision or implementing any strategy.



Ryan Van Niejenhuis, BA

Will You Outlive Your Money?

DIY Pension

Are you one of the many concerned about outliving your retirement savings? Thanks to medical advancements we are living longer than our ancestors. Today's retirees can expect to live approximately 25% longer on average in retirement than their grandparents, to age 87 for men and 88 for women. What's more, about 20% of us will live to see our 95th birthday or more.

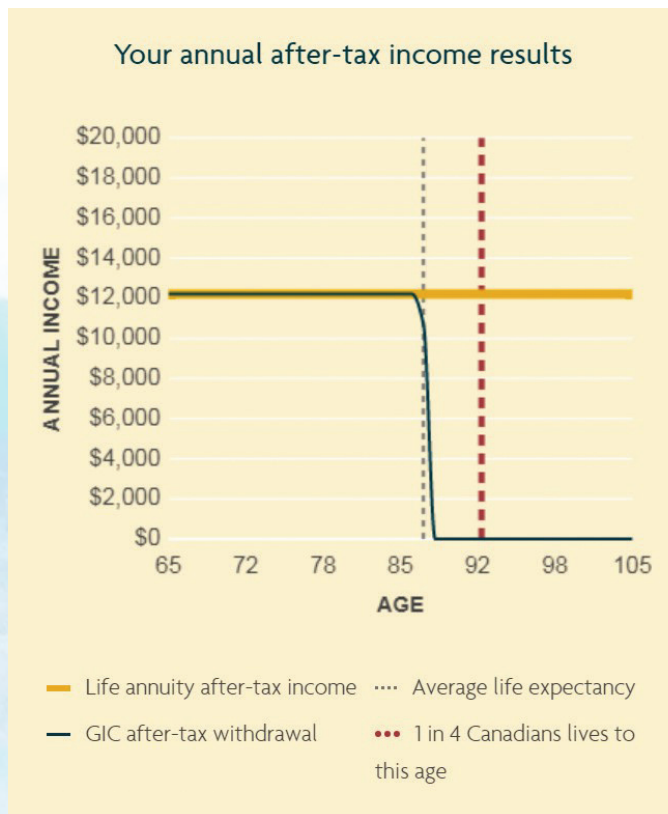
Most of us would like to live a long and healthy life, but that can create some financial challenges. You may find yourself in a situation where you do not have sufficient retirement savings to support your desired lifestyle. What can we do to remedy such a predicament? A well planned annuity strategy can ensure that even if you live to be over 100 you will have sufficient income to cover your retirement expenses.

Annuities may be the best retirement product that we rarely discuss. An annuity is basically a DIY (Do It Yourself) Pension. Not all of us are blessed by having an employer that provides a fully funded defined pension plan. For those of us without a fully funded pension, an annuity may be the perfect fit to cover our fixed expenses in retirement. Annuities are designed to be one part of a larger retirement income plan. Typically it is recommended to annuitize around 25% of your retirement

savings; this gives you guaranteed income for life and the flexibility to spend your other money as you wish. If you like the guaranteed income that a pension can provide, then an annuity may be a perfect fit for you. Studies have shown that retirees with pensions and/or annuities are more content.

Many experts say the "sweet spot" for buying annuities is around age 70. One option is to gradually annuitize over three to five years. For example if you plan to annuitize \$300,000, you might buy \$100,000 of annuities at ages 70, 72 and 74. This timing works great for retirees, since they must convert their RRSPs into either RRIFs or annuities by the end of the year they turn 71. It is important to note that if you purchase annuities with registered funds (from an RRSP) the entire payout is taxable exactly the same as RRIF or RRSP withdrawals. With non-registered funds you can purchase a "prescribed annuity" which is subject to tax only on the payout's interest portion (small percentage).

In the graph above I have compared an annuity with a GIC (or Term Deposit). As you can see, the annuity will continue to pay the same amount as long as you live, but the GIC option will run out of money around age 87. In this example we started with \$250,000 of RRSP money for a 65 year old male with payments beginning immediately. For the GIC we assumed an average 3% rate of return (today our best Term Deposit rate is 2.35%). The annuity will provide an income for a minimum of 10 years guaranteed. The estimated annual income will be \$15,263 before tax and \$12,210 after tax.



Comparison from Sun Life Financial
For illustrative purposes only.

With the right planning and the right annuity, there will be no need to worry about how long you live, and your retirement income will be guaranteed.

If you are concerned about outliving your retirement savings or have questions about annuities please contact me for a chat. Along with your financial advisor, we will discuss the pros and cons of each option and design the right plan for you. I look forward to hearing from you.

Blessings,
Ryan Van Niejenhuis, BA
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