



Your Fund, Your Savings, Your Future

# NJMPF

## MEMBER NEWSLETTER

### Your quarterly news update - December 2018

#### MESSAGE FROM THE CEO/PRINCIPAL OFFICER

Welcome to the fourth issue of the Member newsletter for 2018.

The end of the year is near. 2018 has been an interesting year and this is the ideal time to recap.

The country has gone through some tough times on the political and economic front in 2018. Everyone is feeling the crunch with fuel price increases and the daily cost of living continually rising.

For the NJMPF and its members, there is good news to report. The Fund received awards from seven organisations this year, in the areas of governance, investment, communication, financial literacy education and transformation. This fills our members with confidence knowing that their Fund is well controlled, provides superior investment returns and substantial benefits.

Investment returns have been pleasing which has resulted in growth in portfolios and allowed a pensioner increase in line with inflation and a special year end bonus.

The Default Regulations are a set of legislative requirements for the retirement funding industry, they become effective on 1 March 2019. The legislation requires retirement funds to adhere to a number of guidelines relating to the introduction of annuity products for their retiring members. The legislation also specifies the type of investment portfolios and guidelines for fees charged for investing and administration. Ultimately the legislation is aiming to encourage members to preserve retirement savings and on retirement to purchase annuities to ensure income during retirement.



Mr Sam Camilleri - CEO/Principal Officer

#### HELP US HELP YOUR FAMILY, WHEN YOU CAN'T

Keeping beneficiary nomination forms up to date is so important - in the unfortunate event of the death of a member, the entire claim process is speeded up which means your family and dependants need not to experience unnecessary delays waiting for your claim to be paid.

Please update your information via the NJMPF App on your cell phone, secure access on the website, contact the Fund on (031) 279 5300 or send an email to [info@njmpf.co.za](mailto:info@njmpf.co.za) You can also contact your HR department to provide you with the form to complete.

#### ROADSHOWS

Studies have shown that the best way to become financially savvy is to stay in the conversation, hear from the experts and consider the options available.

Please attend the NJMPF Roadshows when we visit your municipality. The aim of the presentations is to bring the NJMPF to you – our sessions bring you important information and give you the opportunity to ask questions.

#### AN ERA OF DIGITALISATION

**Help us to reduce our carbon footprint and opt-in to receive your communication electronically!**

You can receive your news from the Fund faster by opting to receive your newsletters electronically. All you need to do is send an email to [info@njmpf.co.za](mailto:info@njmpf.co.za) and request your communication via e-mail (or contact the Fund on (031) 279 5300).

CONTACT: Client Services | TEL: 031 279 5300/0861 065 673 | FAX: (031) 266 6715 | EMAIL: [info@njmpf.co.za](mailto:info@njmpf.co.za) | POSTAL ADDRESS: P.O. BOX 33, Westwood, 3633 |

STREET ADDRESS: 5 Derby Place, Derby Downs Office Park, University Road, Westville, 3629 | WEBSITE: [www.njmpf.co.za](http://www.njmpf.co.za) | Facebook: Natal Joint Municipal Pension Fund | Twitter: @NJMPF



# FINANCIAL LITERACY



## TAKE CONTROL OF YOUR FUND MATTERS

By registering on the online member portal via the Fund's website, you get direct access to your Personal Member Profile.

## VISIT THE NJMPF WEBSITE

We make finding Fund information easy! Visit our website on [www.njmpf.co.za](http://www.njmpf.co.za) to find previous issues of your member newsletters or general fund information.

## BE SAVVY WITH YOUR FINANCES DURING THIS FESTIVE SEASON

The festive season is almost here and most of us are counting the days to the holidays. This time of the year is a time for family and fun in the sun – and also a time when spending is at an all-time high. The year is drawing to a close and you cannot ignore the fact that a new year also awaits, you don't want to start it on the back foot financially.

According to the National Credit Regulator (NCR), it is very important to be wary of misleading terms in advertisements and direct solicitation for credit, such as 'no credit checks required'. The year-end hype and excitement provides the perfect opportunity to spend money that you do not have. If you want to begin the new year in a financially sound position, be aware of how you spend your money during this period - don't let the hype get to you.

Here are a few tips from the National Credit Regulator (NCR) to help you stay finance savvy this festive season.

Say no to credit – one of the biggest financial traps over the festive season is the excessive use of credit. Consumers look to finance their festive season through debt which is not a clever move.

Saving for January - there's nothing wrong with enjoying yourself through the festive season but remember that January awaits. Don't forget that you still have bills to pay in the new year.

**Members are encouraged and reminded to consult with a Certified Financial Planner (CFP) before implementing any financial decision.**

## KNOW YOUR FUND - RECAPPING NET REPLACEMENT RATIO (NRR)

Since 2016 the Fund has included an NRR component in your Benefit Statement. This ratio measures the replacement capacity of your fund value at retirement. Example, if your salary is R 10 000 and your NRR is 40% - it estimates that you would receive a monthly income at retirement of R4 000 (if estimated as a monthly annuity). Consequently - if you had an NRR of 80% - your estimated post-retirement monthly income could be R8 000. The NRR is a good tool to use to measure if you will have sufficient funds at retirement. Members contributing to the Provident Fund can increase their NRR by increasing contributions or contributing for a longer period of time and those in the Superannuation and Retirement Funds could also increase their NRR through long service to the Fund and salary increases. The NJMPF encourages active contributing members to review their NRR or contact the Fund for clarity or if you require additional information.

## NJMPF RESEARCH STUDY

The NJMPF would like to thank those who participated in the Fund's research study survey. As promised the winner of the R1 000 voucher will be announced in the first quarter newsletter for 2019. We wish you a happy festive season and safe travels during the holidays.

*Happy New Year*

CONTACT: Client Services | TEL: 031 279 5300/0861 065 673 | FAX: (031) 266 6715 | EMAIL: [info@njmpf.co.za](mailto:info@njmpf.co.za) | POSTAL ADDRESS: P.O. BOX 33, Westwood, 3633 |

STREET ADDRESS: 5 Derby Place, Derby Downs Office Park, University Road, Westville, 3629 | WEBSITE: [www.njmpf.co.za](http://www.njmpf.co.za) | Facebook: Natal Joint Municipal Pension Fund | Twitter: @NJMPF

