



Your Fund, Your Savings, Your Future

NJMPF

MEMBER NEWSLETTER

Your quarterly news update - March 2019

MESSAGE FROM THE CEO/PRINCIPAL OFFICER

Welcome to the first issue of the Member newsletter for 2019.

For the NJMPF it promises to be a year concentrating on the implementation of legislative changes including the promulgation of our rationalised regulations.

Rationalisation Project

Great news for Members! The regulations have been promulgated, with an effective date of 21 February 2019.

An important objective of the Rationalisation Project was the equalisation of benefits in the two defined benefit funds, namely the Superannuation and Retirement Funds. Further detail of the regulation enhancements can be found on our website, our recent circular or by contacting Client Services on 031 279 5300 or info@njmpf.co.za.

Following promulgation the name of the Funds are :-

KwaZulu-Natal Joint Municipal Pension Fund (Superannuation)

KwaZulu-Natal Joint Municipal Pension Fund (Retirement) and the Provident Fund remains unchanged as KwaZulu-Natal Joint Municipal Provident Fund.

CEO and Principal Officer, Mr. Sam Camilleri, is delighted to announce that the NJMPF has once again been recognised for excellence by the Institute of Retirement Funds Africa (IFRA) as being deserving of 6 awards at the recent Best Practice Industry Awards ceremony.

The NJMPF notched Best Practice in the following categories:

- Governance – Best in Class certificate,
- Transformation – Best in Class certificate,
- Stakeholder Engagement & Education – Best in Class certificate for Research Project,
- Investment Practice – Best Practice certificate,
- Financial Management and Reporting – Best Practice certificate,
- The Gold Standard – Best Practice for all aspects of Retirement Fund Management.

The NJMPF has also received four international awards from the following institutions recently.

Global Banking & Finance review

- Best Pension Fund South Africa 2019

The European

- Best Financial Inclusion - Pension Fund - South Africa 2019

- Pension Fund of the Year - South Africa 2019

The European CEO

- Best CEO in the Pensions Industry 2019



Mr Sam Camilleri - CEO/Principal Officer



In our December 2018 newsletter we communicated the proposed changes to the retirement funding landscape. The Default Regulations which are a set of legislative requirements for the retirement funding industry became effective on 1 March 2019.

The three sections of new laws relate to:

1. A Default Investment Portfolio in every retirement fund (needs to be appropriate to the membership and cost-effective).
2. Members exiting a fund will become Paid up Members unless they instruct their Fund to pay out or transfer benefits.
3. A Fund is required to have an Annuity Strategy so that members are able to convert their retirement savings into an income post retirement.

KwaZulu-Natal Joint Municipal Pension/Provident Funds

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FINANCIAL LITERACY



RETIREMENT COUNSELLING – YOUR FUND HELPING YOU PLAN BETTER

Retirement Benefit Counselling will be instrumental in delivering better outcomes.

Benefit counselling aims to aid members in making informed decisions at critical stages of their working lives. Benefit counselling will complement NJMPF's existing efforts to assist members to make better financial decisions. Since 2014 the NJMPF has been presenting our financial literacy programme and have been working with various institutions in educating members in becoming financially secure.

Members are encouraged and reminded to consult with a Certified Financial Planner (CFP) before entering into any financial contract, obligation or product.

DIFFERENCE BETWEEN A LIVING AND LIFE ANNUITY

What is the difference between a living and life annuity?

A Life Annuity is purchased on your retirement and pays a guaranteed monthly pension for the rest of your life. At the time of purchase, you will have options to include your spouse's life, guaranteed periods and annual escalations.

Your annuity terminates on the later of the following events: - your death, your spouse's death (if that option was chosen) or the expiration of your guarantee period.

A Living Annuity is also purchased on retirement, but the investment portfolio and monthly drawdowns are more flexible. You will carry the investment risk but when you pass away, your capital will flow to your beneficiaries and dependents.

WHAT IS YOUR DEAL WHEN IT COMES TO RETIREMENT?

This is the question the Fund wants you to ask yourself on a regular basis to ensure that your road to retirement is structured and is one that leads to financial freedom.

The NJMPF has introduced a pack of playing cards - each card has an educational message in English or isiZulu. The cards challenge you in asking the right questions when it comes to financial fitness and we hope you will use the opportunity to educate your family and friends about saving and retirement.

PROVIDENT FUND MEMBERS -YOUR VOTE - YOUR TRUSTEE

The NJMPF will soon be holding elections to appoint Trustees to the Board of the KwaZulu-Natal Joint Municipal Provident Fund. All members of the Fund are invited to nominate member representative's for election to the Board. Each member of the Provident Fund will be able to vote using a ballot form. Electronic and manual voting options will be explained in our upcoming communication. The voting process will only apply to Provident Fund members.

Elections for Superannuation and Retirement Funds take place in 2021.

ANNUAL INFORMATION MEETING (AIM)

The NJMPF's Annual Information Meeting (AIM) takes place on the 14 June 2019. The AIM will be held at the City Hill Church Hall, 9 Greenmeadow Lane, Hillcrest commencing at 10h00 and ending at approximately 13h00. Members are advised that only Members and Pensioners of the NJMPF and Municipal Councillors are eligible to attend the AIM. Invitation letters will be sent along with this newsletter and we urge you to send back the reply sheet indicating that you will be attending the meeting.

NJMPF RESEARCH PROJECT

The NJMPF would once again like to thank those who participated in the Fund's research study survey. The winners of the R1 000 vouchers are Hlongwane Joseph (Member) and Brenda Woolley (Pensioner).

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