



Your Fund, Your Savings, Your Future

NJMPF

MEMBER NEWSLETTER

Your quarterly news update - September 2019

MESSAGE FROM THE CEO/PRINCIPAL OFFICER

Welcome to the Spring 2019 issue of the Member newsletter.

The KwaZulu-Natal Joint Municipal Pension/Provident Funds has done it again! The NJMPF joins a list of high-achieving organisations across the World that received accolades during the 16th Annual International Business Awards, also known as the Stevies.

The Fund scooped two awards:

Gold Stevie Winner for the NJMPF Roadshow presentations and Bronze Stevie Winner for the 'What is your deal when it comes to retirement?' playing cards initiative.

Both these wins for the NJMPF are significant as they are a symbol of providing superior retirement outcomes for Members. The winning nominations are both financial literacy initiatives the NJMPF prides itself in and shows that the Fund is well on its way in achieving the goals of educating Members and improving financial literacy levels.

The NJMPF has been nominated as a finalist for the World Pension Summit Innovation Awards 2019! The nomination is for the implementation of the NJMPF's In-House Living Annuity Policy and Preservation options.



Mr Bonginkosi Mkhize

BENEFIT STATEMENTS

The Fund has distributed all Member Benefit Statements for 2019. If you did not receive your benefit statement you can send an email to info@njmpf.co.za and we will send one to you. Alternatively you can visit our website on www.njmpf.co.za and log into the member portal where you can view your benefit statement.

MARKET PERFORMANCE

According to investment reports, 2018 was the worst year in a decade for South African stocks. The JSE All Share Index (Alsi) was down 11% in Rand terms last year and as a result the investment returns were low in 2018. 2019 has seen improved performance in the markets and the results of the recovery will come through in portfolio returns.

For our Superannuation and Retirement Fund Members, investment performance has no direct effect on the value of your benefits. This is because your benefits are calculated using your salary and your service. In the case of the KwaZulu-Natal Joint Municipal Provident Fund, returns were cushioned due to the smoothing of returns.

The Provident Fund's investment portfolio is diversified and has asset allocations in JSE equities, Bonds, Cash, Property and Global Equities. This diversity of allocations has allowed for the positive performance overall.

WHAT'S YOUR DEAL WHEN IT COMES TO RETIREMENT?

You have the power to choose the hand you are dealt when it comes to your retirement benefit.

Financial literacy is an integral part of the NJMPF as ensuring that Members retire comfortably forms part of providing superior retirement services.

Here are 5 tips that will determine what hand you'll be dealt when you retire;

1. Knowing and monitoring your credit score
2. Understanding 'Good Debt' and 'Bad Debt'
3. Spending what is left after saving
4. Making sure that you do a budget every month
5. Looking into tax free investments and savings plans



KwaZulu-Natal Joint Municipal Pension/Provident Funds

CONTACT: Client Services | **TEL:** 031 279 5300/0861 065 673 | **FAX:** (031) 266 6715 | **EMAIL:** 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 | **Facebook:** Natal Joint Municipal Pension Fund | **Twitter:** @NJMPF





KNOW YOUR FUND



WHAT'S ALL THE HYPE ABOUT PRESCRIBED ASSETS?

There has been a lot of media coverage around Prescribed Assets. The Fund has also received numerous calls from Members enquiring about how it affects the NJMPF and their retirement benefits.

What does this proposed idea mean?

Prescribed Assets, as it relates to your Fund, is when the government forces financial institutions and pension/provident funds to invest a part of their assets in government approved instruments. The aim is to boost the flow of funds into projects and help grow the economy and create jobs. The much-publicised financial strain SOE's are facing makes the public at large weary of investing in these instruments.

Prescribed assets are not new in South Africa. According to a media source, prescribed asset investing took place for almost 30 years before being abolished in 1989. Looking at the poor performance of the assets then, makes commentators more hesitant now.

South African pension funds are already subject to some prescription under Regulation 28 of the Pension Fund Act which limits the extent to which retirement funds may be invested in particular categories of assets.

However, as the Prescribed Assets concept is only a proposal presently, Members and Pensioners should not make any rash decisions about their retirement savings.

No doubt though, these investments are seen as riskier than investments chosen and monitored by your Board of Trustees.

MEET YOUR NEW TRUSTEES VOTED FOR BY YOU

The NJMPF is pleased to announce the newly elected Employer Representatives and Provident Fund Trustees.

According to Section 7C of the Pension Funds Act, the objective of the Board of Trustees shall be to; direct, control and oversee the operations of the Fund in accordance with applicable regulations of the Fund. In pursuing its objective the Board: "shall take all reasonable steps to ensure that the interests of members in terms of the rules of the fund and provisions of this Act are protected at all times."

ELECTED PROVIDENT FUND MEMBERS

TRUSTEES

1. M FUNEKA (Impendle Municipality)
2. FF ZAMA (Ugu Municipality)
3. MS BUTHELEZI (Zululand Municipality)
4. DA LEMMER (Uthukela-Water)
5. ME NGCOBO (Ugu Municipality)
6. S MBUTHUMA (Uthukela-Water)

ALTERNATES

1. BL RADEBE (Uphongolo Municipality)
2. NH MAKHANYA (Harry Gwala Municipality)
3. PX MADWE (Ugu Municipality)
4. T MLAMBO (Big Five Hlabisa Municipality)
5. EV MDLALOSE (Umvoti Municipality)
6. MH ZWANE (Uphongolo Municipality)

ELECTED EMPLOYER REPRESENTATIVE TRUSTEES (COUNCILLORS)

TRUSTEES

1. F PEER (Ethekwini Municipality)
2. TN JOJOZI (Harry Gwala Municipality)
3. Y NAIR (Ugu Municipality)
4. MV NYATHI (Umuziwabantu Municipality)
5. BD MADONSELA (Umvoti Municipality)

ALTERNATES

1. MC ZUNGU (Umkhanyakude Municipality)
2. E XABA (Umgungundlovu Municipality)



KwaZulu-Natal Joint Municipal Pension/Provident Funds

CONTACT: Client Services | **TEL:** 031 279 5300/0861 065 673 | **FAX:** (031) 266 6715 | **EMAIL:** 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 | **Facebook:** Natal Joint Municipal Pension Fund | **Twitter:** @NJMPF

