LA RETIREMENT FUND
Securing your retirement

HR NEWSLETTER

December 2023

NOTE FROM THE PRINCIPAL OFFICER

Dear HR Partner

We have come to the end of another busy year where we have seen another volatile investment market. The Fund has continued to remain resilient through the tough market conditions to ensure that our Fund's members, pensioners, and annuitants' assets have remained protected.

The Board of Trustees regularly review their service provider agreements and test the pricing in the market. The investment consulting services were reviewed this year and the Fund appointed Simeka as the new investment consultant with effect from 1 October 2023. Their pricing will result in a substantial saving in investment consulting fees for the Fund and we look forward to the same high degree of professionalism and sound investment advice as were received from their predecessor, GraySwan.

We held two important webinars in August relating to HR / payroll matters and we encourage you to watch these webinars if you were unable to attend on the day.

We also encourage you to register on the new Verso Online Month-End portal as soon as possible as this online updating process will ease the workload for the HR and payroll officers.

We have thoroughly enjoyed visiting our HR Partners and we would like to take this opportunity to thank our HR Partners, who assisted us in reaching our members this year and for their co-operation during our visits. We look forward to engaging again with you early in the New Year when we start scheduling our visits to the various municipalities during 2024.

You should soon receive the Fund's 2024 calendar and desk pad, and we look forward to seeing these bright items in your offices when we next visit you.

We wish you a safe and joyful time with your loved ones over the holiday season and look forward to sharing more news with you in 2024.

"If you are not making someone else's life better, then you are wasting your time. Your life will become better by making other people's lives better." - Will Smith

Ilse Hartlief
Principal Officer

ANNUAL BENEFIT STATEMENT

We provided our members and In-Fund-Living annuitants with their 30 June 2023 benefit statements and projection statements during September 2023.

We held two webinars on 12 September 2023 when Derek van Wyk, the Fund's Administrator, discussed the details contained in the member benefit statement and annuitant projection statement. He also provided information on the updating of both the Fund Confidential Beneficiary Nomination Form and the Funeral Benefit Beneficiary Nomination Form.

The two webinars have been recorded and are available on the Fund's website under "Webinars" should any member request you to assist them in finding the webinar.

FUNERAL BENEFIT BENEFICIARY NOMINATION FORM

We have requested our members to complete the Funeral Benefit Beneficiary Nomination Form, but despite this, very few members have done so. As a result, we have encountered members who have passed away and whose families have not had the financial means to arrange the funeral.

We urge you to please ensure that our members at your municipality who have not completed the Funeral Benefit Beneficiary Nomination Form do so.

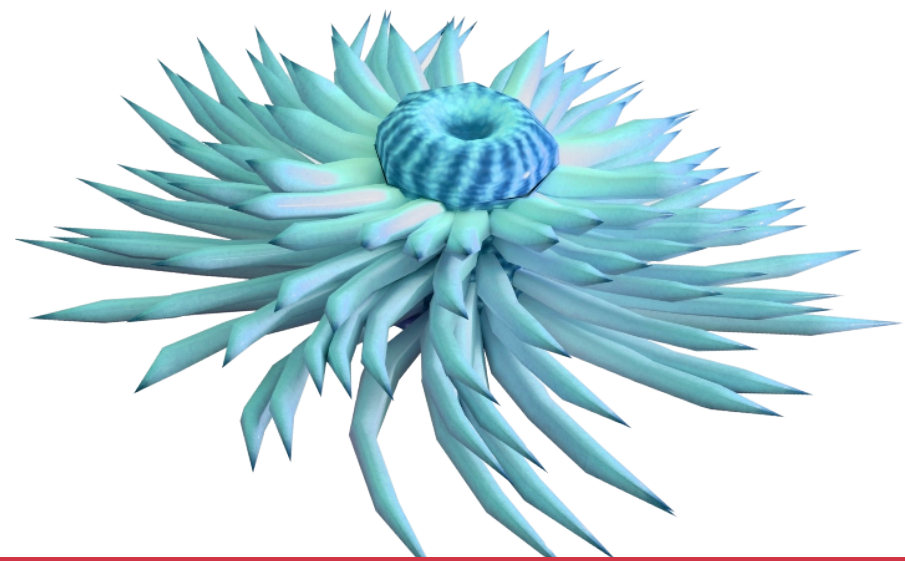
If a member has not completed the Funeral Benefit Beneficiary Nomination Form and they pass away, in terms of legislation, the insurer must pay the funeral benefit to their estate. This leaves the family in a terrible situation where they may not have the means to arrange the funeral of their loved one.

Members should nominate the person who will be responsible for the funeral on this form.

The form can be found on the Fund's website under "Forms / Funeral Benefit Beneficiary Nomination Form", or you may contact the Fund's call centre and they will assist you.

PENSION INCREASE AND BONUS

The Trustees consider the Pension Increase Policy, the investment returns and interest rates as well as the financial strength of the Fund when annually reviewing the granting of the defined benefit pension increase and bonus. The Pensioner Account is 120.3% funded as at 30 June 2023 and the Fund remains in a sound financial condition.



As a result, the Board of Trustees has been able to grant a pension increase which is higher than the pension increase target of 70% of CPI. The Pension Increase Policy targets a pension increase of 70% of price inflation, including the value of any bonus.

We are pleased to advise that our pensioners will receive a pension increase of 4.5% with effect from 1 January 2024. This represents 83% of CPI. In addition, they will receive a bonus to be paid during December 2023 amounting to 100% of their gross December pension.

HR WEBINARS

The Fund recently held two webinars. All webinars were recorded and can be accessed from the Fund's website under "Webinars". We encourage you to watch these webinars if you were unable to attend them. These are short - most are around 30 minutes and are easy to listen to and cover a range of topics.

FSCA Conduct Standard 1 of 2022: Payment of Contributions and the provision of Minimum Information to the Fund

A webinar was held on 21 August 2023 when Brenda Penny and Derek van Wyk from Verso, the Fund's Administrator, presented important information relating to the payment of contributions and the minimum information that is required to be submitted to the Fund in terms of the FSCA Conduct Standard 1 of 2022.

Details relating to this Conduct Standard were included in the July 2023 newsletter.

The recording of this webinar and the detailed infographic can be accessed on the Fund's website.

New Verso Month-End Portal

The Fund held a webinar on 31 August 2023 when we presented the new Verso Month-End portal. This portal will provide employers with access to import and export data and edit member records.

The webinar recording as well as a step-by-step guide on using the employer portal can be accessed on the Fund's website.

We encourage our participating employers to register on the Verso Online Month-End portal as soon as possible as this will assist in easing the workload for the employer.

THE TWO-POT SYSTEM

On 25 October 2023, National Treasury and SARS presented to the Standing Committee on Finance (ScoF). Various changes to the proposed two-pot system were presented.

The main proposed changes were:

Postponing the effective date from 1 March 2024 to 1 March 2025.

The cap on the initial "seed capital" was proposed to be increased from R25 000 to R30 000.

Provident fund members who were 55 or older on 1 March 2021 and who are still members of the same provident fund would automatically be opted out of the two-pot system. These members would have to choose to opt in if they so wished.

We await further information from National Treasury and will advise you once this has been published.

IMPORTANT: The Board of Trustees understands that members have certain financial needs. However, the Board cautions members that when the two-pot system is available, members should not withdraw from their savings pot unless it is absolutely necessary.

A retirement fund is not a bank account. It is meant for long-term savings to provide members with a comfortable retirement. If members keep on withdrawing from their savings pots, they will deplete their retirement savings and may have to depend on the State and their family in retirement.

FESTIVE SEASON OFFICE HOURS

The Fund's walk-in centre, call-centre and WhatsApp will remain open over the festive season from 08:00 to 16:00 (excluding weekends and public holidays).

E-mail: support@laretirementfund.co.za
Tel: 021 943 5305
WhatsApp: 081 806 9959
Walk-in: Belmont Office Park, Twist Street, Bellville

Rina Syer and Glenda Kunene visiting Dawid Kruiper Municipality HR

FUNERAL CLAIMS

In order to ensure that funeral claims are attended to timeously during the festive period, we request that you copy Sanlam when submitting funeral claims over this period.

Sanlam Group Risk contact details

E-mail: sgrdeathclaims@sanlam.co.za.
Please ensure that the subject header of the e-mail includes the code 15883 as this will expedite the identification of the e-mail as a LA Retirement Fund claim.

Sanlam call centre number: 0860 726 526.

Happy Holidays!

P O Box 4300 | Tygervalley 7536 | Belmont Office Park | Twist Street | Bellville | 7530
Whatsapp 081 806 9959 (between 08h00 - 16h00) | Tel 021 943 5305 | Fax 021 917 4114 | Email support@laretirementfund.co.za
www.laretirementfund.co.za | Fund Registration No. 12/8/1278/2 | https://www.facebook.com/LARetirementFund