

GREATER TZANEEN MUNICIPALITY

GROTER TZANEEN MUNISIPALITEIT

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MEDIA RELEASE

05 MAY 2014

UPDATE ON THE DISPUTE BETWEEN MR H MULLER AND GTM

Mr H Muller was dismissed by the municipality in October 2008 after a disciplinary hearing recommended that he should be dismissed however the labour court overturned the decision taken by the disciplinary committee of the municipality and ordered the municipality to reinstate Mr Muller as well as pay him money that he should have earned during his suspension.

The municipality duly complied with the court order and when a dispute arose appointed the services of Munro Consulting/Actuaries to calculate the amount payable to Mr Muller. The calculation showed that GTM owed Mr Muller R2779 014 of which R R1336 544 was paid on 6 December 2013 which left an outstanding amount of R1442 470.

A 15.5 interest per annum was charged on the outstanding balance plus an additional travel allowance from December 2013 to March 2014. The total amount owed as of 11 April 2014 stood at R1555 700. GTM paid an amount of R1546 214 instead of R1555 700 leaving a total shortfall of R9486-00 which was paid after obtaining legal and financial advice.

As per settlement agreement signed by Mr. Muller on the 31st of March 2014, GTM undertook to pay an amount of R1555 700 as per the actuarial report supplied by Munro Consulting/Actuaries. On the 29th of April 2014 GTM obtained a Tax Directive from SARS to deduct an amount of R 618485.6 from gratuity/lump sum payment of R1546 214 due to Mr Muller.

GTM consequently paid Mr Muller an amount of R1546 214 less R 618485.6 on the 2nd of May 2014. The Warrant of Execution obtained by Mr. Muller against GTM on the 19th of May 2014 was not based correct relevant information. The amount Mr Muller wanted GTM to pay over to him is the amount that must be paid over to SARS only R9486-00 is due to Mr Muller and has since been paid.

The GTM would like to state it categorically clear that none of its vehicles have been repossessed due to the Warrant of Execution obtained by Mr Muller. GTM respects all decisions taken by the courts and will always comply with such decisions.

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