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City defends municipal finances

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THE City of uMhlathuze has fired back at claims the municipality failed to pay October salaries.

This follows allegations that a number of employees, including those in the Expanded Public Works Programme (EPWP) were not paid last week.

The accusations circulated on social media, saying city Mayor Xolani Ngwezi and city manager Nkosenye Zulu were inundated with calls from angry employees who demanded answers for not receiving their full remuneration.

The municipality has, however, rejected these claims as 'baseless and malicious' and an election ploy.

"As we approach the 2024 provincial and national elections, it

comes as no surprise that desperate opponents of progress would resort to these reprehensible tactics to mislead the public and tarnish the exceptional service delivery efforts of the City of uMhlathuze," said municipal communications manager Bongani Gina.

Gina said the municipality has 'ample budget' to remunerate staff, including those involved in the EPWP.

"The City of uMhlathuze proudly stands among the select few municipalities to have received a clean audit from the Auditor General," he said.

"Our stellar credit record attests to the responsible management of our finances.

"Detractors of good governance are left grasping at straws, failing

to find any genuine grounds for criticism, and instead resorting to fabrications and counterfeit propaganda," said Gina.

While the municipality has publicly defended its finances, a financial report presented to the municipal executive committee shows the municipality's current cashflow is a cause for concern.

The report states the objective is for the working capital to be two times the average monthly creditors of the municipality.

However, the ratio sits at 1.60:1 (cash in bank against average monthly liabilities - R544 322 / R340 197) - a performance that has been cited as 'unacceptable'.

This is said to have been due to 'over-expenditure in the last financial year'.