



Midvaal Local Municipality
PO Box 9, Meyerton, 1960
Tel: 016 360 7400
Fax: 016 360 7519
www.midvaal.gov.za

MIDVAAL LOCAL MUNICIPALITY INTENTION TO INCUR LONG-TERM DEBT INFORMATION STATEMENT

In accordance with Section 46(3) of the Local Government: Municipal Finance Management Act (No.56 of 2003), the Midvaal Local Municipality hereby makes public an information statement setting out particulars of a proposed long – term debt to be considered for approval by the Council of the Midvaal Local Municipality at its meeting on 26 October 2017. The Midvaal Local Municipality proposes to take up long term annuity loans to fund infrastructure projects as well as installment sale agreements to fund new vehicles. The salient features of the debt are as follows:

Long term annuity loans

Issuer of debt	Midvaal Local Municipality
Amount of debt	ZAR R43 700 000
Purpose of debt	Capital expenditure on infrastructure projects for the purpose of achieving the objects of the Midvaal Local Municipality The capital projects to be funded are as per the Budget as approved on 25 May 2017 read with the adjustments budget approved by Council on 28 September 2017 and which are available on the website of the municipality (www.midvaal.gov.za).
Date of issue of debt	November 2017
Term of debt	10 Years
Repayment of debt capital	Repayable up to December 2027
Effective rate of interest	Prime less 0.16%
Indicative interest rate	10.09%
Payment of interest	Semi-annually
Debt Security	The debt is unsecured

Installment Sale Agreements

Issuer of debt	Midvaal Local Municipality
Amount of debt	ZAR R14 310 000
Purpose of debt	Capital expenditure on vehicles for the purpose of achieving the objects of the Midvaal Local Municipality The vehicles to be funded are as per the Budget as approved on 25 May 2017 which are available on the website of the municipality (www.midvaal.gov.za).
Date of issue of debt	November 2017
Term of debt	5 Years
Repayment of debt capital	Repayable up to November 2022
Effective rate of interest	Prime less 0.4%

Indicative interest rate	9.85%
Payment of interest	Monthly
Debt Security	The vehicles are provided as security as per the inherent conditions of an installment sale agreement (hire purchase)

INVITATION FOR PUBLIC COMMENT

The Midvaal Local Municipality invites written comments or representations from the public, National Treasury and the Gauteng Provision Treasury in respect of the proposed debt. Comments should be directed to:

The Chief Financial Officer
25 Mitchell Street
Meyerton
1960

Or emailed to annettevs@midvaal.gov.za

The closing date for receipt of comments or representations is 24 October 2017.

Any person, who cannot read or write or needs any other assistance, may come to the office of the Chief Financial Officer, Municipal Offices, Civic Centre, 25 Mitchell Street, Meyerton, where the person will be assisted to transcribe that person's comments or representations.

ORIGINAL SIGNED

MR. A.S.A DE KLERK
MUNICIPAL MANAGER

MN NUMBER: 1524