

**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 25 October 2018. The Midvaal Local Municipality proposes to take up long term annuity loans to fund the purchasing of various vehicles, plant and equipment as well as various infrastructure projects and major equipment refurbishment as per the 2018/2019 Capital Budget. The salient features of the debt are as follows:

Installment Sale Agreements

Issuer of debt	Midvaal Local Municipality
Amount of debt	ZAR R10 000 000
Purpose of debt	Capital expenditure on vehicles for the purpose of achieving the objectives of the Midvaal Local Municipality The vehicles to be funded are as per the Budget as approved on 31 May 2018 which are available on the website of the municipality (www.midvaal.gov.za).
Date of issue of debt	November 2018
Term of debt	5 Years
Repayment of debt capital	Repayable up to November 2023
Fixed effective rate of interest	Prime plus 0.0%
Indicative interest rate	10%
Payment of interest	Monthly
Debt Security	The vehicles are provided as security as per the inherent conditions of an installment sale agreement (hire purchase)

Long term annuity loans

Issuer of debt	Midvaal Local Municipality
Amount of debt	ZAR R21 900 000
Purpose of debt	Capital expenditure on infrastructure projects as well as major equipment refurbishment for the purpose of achieving the objectives of the Midvaal Local Municipality The capital projects to be funded are as per the Budget as approved on 31 May 2018 and is available on the website of the municipality (www.midvaal.gov.za).
Date of issue of debt	November 2018
Term of debt	10 Years
Repayment of debt capital	Repayable up to December 2028
Fixed effective rate of interest	Prime plus 0.51%
Indicative interest rate	10.51%
Payment of interest	Semi-annually
Debt Security	The debt is unsecured

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 19 October 2018.

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.