



PUBLIC NOTICE

INFORMATION STATEMENT IN TERMS OF SECTION 46(3) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT NO. 56 OF 2003, WITH REGARD TO INCURRING A LONG-TERM DEBT

Notice is hereby given that the Municipal Council has at its meeting held on 27 July 2021 resolved that a long-term debt (loan) be incurred for the funding of the capital expenditure programme as per the approved 2021/2022 – 2022/2023 budget and medium-term revenue and expenditure framework (MTREF).

A long-term debt of R17.8 million will be incurred in accordance with section 46 of the Local Government: Municipal Finance Management Act, No 56 of 2003 and the details of the loan are as follows:

Lender	Standard Bank
Aggregate Loan Amount	Seventeen million and eight hundred thousand rand (R 17 800 000)
Type of Instrument	5-year Hire purchase Loan
Security	The vehicles to be acquired from the loan shall be used as security for the loan
Amount:	Seventeen million and eight hundred thousand rand (R 17 800 000)
Loan Period:	Five (5) years, payable on a monthly basis – settlement date, 30 June 2027
Interest Rate:	9.55%
Instalments	Monthly (Interest and redemption)
Estimated Interest Repayments	R 4 661 742,41
Estimated Capital Repayments	R 17 800 000
Estimated Total Repayments	R 22 461 742,41
Purpose:	Purchasing of vehicles

After raising the above-mentioned debt-loan agreement, the municipality will have a total long-term debt of R 57 707 531 which will represent an estimated 7% of the total operating revenue for the 2021/2022 financial year as at 30 June 2022.

In terms of section 46(3)(a)(ii) of the Municipal Finance Management Act, No 56 of 2003 read with section 21 of the Municipal Systems Act, No 32 of 2000 the public is hereby invited to submit written comments or representations to the Director Financial Services, Langeberg Local Municipality, 28 Main Road, Ashton 6715 on or before **11 April 2022**, and or send to e-mail address: mshude@langeberg.gov.za or fax number 023 615 1563.

The Municipal Council will at a special council meeting, scheduled for **03 May 2022**, consider the approval of the non-current debt agreement.

For further information and enquiries in this regard, please do not hesitate to contact Mr M Shude on telephone number 023 615 8031.

A S A DE KLERK
MUNICIPAL MANAGER