

Ref : CM 7/2021  
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**MINUTES OF THE SPECIAL MEETING OF COUNCIL  
HELD IN THE CONFERENCE HALL, ONGWEDIVA TRADE FAIR  
CENTRE ON THE 11<sup>TH</sup> MAY 2021**

**PRESENT:**

Councillor Taarah Shalyefu	- Chairperson of Council
Councillor Ulalia Katonyala	- Deputy Chairperson of Council
Councillor Naemi Amuthenu	
Councillor Fabiam George	
Councillor Jona Helao	
Councillor Kaarena Shikongo	
Councillor Otilie Haitota	

**IN ATTENDANCE**

Mr. Damian E. Egumbo	- Chief Executive Officer
Mr. David Mulokoshi	- SM: Planning and Technical Services
Mr. Immanuel Nakale	- SM: Finance and Human Resources
Administration	
Mrs. Rebekka Amadhila	- SM: Economic Development & Community
Services	
Mr. Jackson Muma	- Corporate Communication Officer
Ms. Lonia Nghuulikwa	- Executive Support Services Officer
Members of public	

**CM 69/2021**

**OPENING BY PRAYER**

Cllr. Fabiam George opened the meeting with a prayer.

**CM 70/2021 ADOPTION OF THE AGENDA OF THE SPECIAL MEETING OF COUNCIL**

Cllr. Ulalia Katonyala moved for the adoption of the agenda. Cllr. Jona Helao seconded the proposal and the agenda was adopted without amendments.

**CM 71/2021 APPLICATIONS FOR LEAVE OF ABSENCE**

None, all members were in attendance

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**CM 72/2021 APPLICATION FOR LEAVE TO CONVENE A SPECIAL COUNCIL MEETING**

His Worship Taarah Shalyefu, Chairperson of Council tabled an application for leave to convene a Special Council Meeting for tabling the budget for 2021/2022.

**COUNCIL RESOLVED**

That, the application for leave, by His Worship Taarah Shalyefu to convene a Special Council Meeting be approved without any reservation or objection as proposed by Cllr. Fabiam George and seconded by Cllr. Naemi Amuthenu.

**CM 73/2021 REPORTS AND RECOMMENDATION OF COMMITTEES OR CHIEF EXECUTIVE OFFICER**

**CM 73.1/2021 BUDGET STATEMENT BY THE MAYOR AND CHAIRPERSON OF COUNCIL FOR THE FINANCIAL YEAR 2021/2022**

<b>RESOLUTION: CM 73/2021</b>	<b>ACTION</b>
<p><u>BUDGET ALLOCATION FOR ONGWEDIVA TOWN COUNCIL FOR THE FINANCIAL YEAR 2021/2022</u></p> <p>Section 83(1) of the Local Authorities Act (Act 23 of 1992); as amended; outlines provision for every Management Committee to prepare revenue and expenditure estimates for Local Authority Councils. The statements shall be submitted by the Chairperson of the Local Authority Council concerned to the Local Authority Council for approval.</p>	

Section 82 of the Local Authorities Act (Act 23 of 1992); as amended; outlines provision for every Management Committee to prepare Tariff Structure for its Local Authority Council. The proposed structure shall be submitted to Council for approval.

Draft estimates of revenue and expenditure are hereby submitted for consideration and input following the Councilors Budget Consultative Meeting held on Thursday, March 18<sup>th</sup>, 2021. Management Committee held its meetings on 14<sup>th</sup> and 26<sup>th</sup> April 2021 respectively. Inputs were sourced from the Oshana Regional Councilor's through a formal presentation held on Thursday, 29<sup>th</sup> April 2021 and subsequent approval of the recommendations of the Management Committee of Council at Council Special Meeting held Wednesday, 05<sup>th</sup> May 2021.

The following guidelines were used for the determination of the expected revenue and expenditure:

- (a) Actual Income and Expenditure during the financial year 2019/2020;
- (b) Year to date Income and Expenditure during the financial year 2020/2021;
- (c) Inflation rate;
- (d) Financial viability of the Town Council of Ongwediva;
- (e) Residence and Public Input (Community Meetings);
- (f) Ongwediva Town Council Strategic Plan 2018-2023;
- (g) Ongwediva Town Council Personnel Rules (as approved) and Contract of Employment for Ongwediva Town Council Staff Members';
- (h) Ministerial Guideline - Local Authority Circular for the 2021/2022 Financial Year;
- (i) National Development Plans;

**“2021/2022 BUDGET STATEMENT PRESENTED  
BY HIS WORSHIP TAARAH SHALYEFU,  
MAYOR OF ONGWEDIVA**

**Honourable Deputy Mayor  
Honourable Chairperson of the Management Committee  
Honourable Councillors  
The Chief Executive Officer  
Heads of Departments, Divisions and Sections  
Entire Staff Members  
Members of various Advisory Committees of Council  
Esteemed Residents of Ongwediva and Members of the Public  
Esteemed Media Practitioners  
Ladies and Gentlemen**

I have the distinct honour to present the annual estimates of income and expenditure for the financial year 2021/2022 to this august house for approval. Such estimates, with an underlying purpose of addressing the socio-economic challenges facing our people, especially the delivery of serviced land and basic amenities, the upgrading of settlement areas to proclaimed townships, the promotion of investment and local economic development and the improvement of safety and social welfare, have been prepared in the prescribed format in terms of Section 83 (2) of the Local Authorities Act No. 23 of 1992, as amended.

As outlined in Council’s five-year Strategic Plan, Harambee Prosperity Plan, National Development Plans and Vision 2030, the Council has prioritized key developmental projects such as land delivery, urban planning and surveying of townships, provision of service infrastructure, crop field compensations, maintenance of gravel roads and acquisition of machinery and equipment.

**Honourable Councillors, Ladies and Gentlemen,**

During the financial year 2020/2021, Council initiated key projects some of which will continue and be finalized in the forthcoming financial year: namely tarring of Church Street, construction of sewerage reticulation at Extension 15, upgrading of the fire station, acquiring of a fire truck and construction of the sports field.

The developmental projects will amount to twenty-nine million two hundred and forty-eight thousand, two hundred and six-dollar Namibia dollars (N\$29,248,206).

Allow me at this juncture to highlight on the following key projects during the financial year 2021/2022:

**1. URBAN PLANNING AND DEVELOPMENT**

The council will undertake the surveying of erven 230 and 231, Extension 6, Surveying of Efidi Extension 5, Planning and Township Establishment of the land south of Extension 17 and Subdivision of land at Omatando. To cater for all these projects a combined amount of eight hundred and ninety five thousand six hundred and fifty two Namibia dollars (N\$895,652) has been provided for in the budget of 2021/22.

**2. DEVELOPMENT OF SPORTS FIELD**

During the financial year 2020/2021, Council has identified and cleared a portion of land for the phase development of a multi-purpose sports facility for the town. The concept plan was completed and fencing materials were also purchased during the financial year 2020/2021. For the financial year 2021/2022, Council has made a provision of one million Namibia dollars (N\$1,000,000) to commence with phase two of the development of a sports field, specifically the construction of ablution facilities. This will enhance youth development through participation in various sport codes while enhancing our strategic objective of developing and promoting sports tourism in Ongwediva.

**3. UPGRADING OF THE FIRE STATION**

The construction of sleeping quarters for personnel on standby at the fire station was completed during the financial year 2020/2021. However, due to lack of funds, sleeping quarters were not equipped with furniture's namely beds, chairs, kitchen facilities and gym equipment. The current situation is not conducive for swift response and action during emergencies. Council has therefore made a provision of two hundred and twenty-six thousand and eighty seven Namibia dollars (N\$226,087) to bring the project to its logical conclusion.

**4. ACQUIRING OF NEW FIRE ENGINE**

With new developments in town, Council intends to acquire a modern fire engine with a bigger capacity to respond to the emergency needs in town. To this end, a provision of two million Namibian dollar (N\$2,000,000) was made available in the budget for 2020/21 to serve as a first down-payment on the purchase price while the fire engine was under construction to the Council's specifications. The council has therefore made a provision of three million two hundred and thirty-six thousand six hundred and eighty-five Namibia dollars (N\$3,236,685) in the 2021/22 financial year budget to cater for the second and final installment on the purchase price of the fire engine.

## **5. ACQUIRING OF NEW TIPPER TRUCK**

It has come to the attention of the Council that the tractors used for removing skip containers shall henceforth not be allowed by law enforcement agencies to be driven on public roads in terms of the current legal provisions. The council has therefore made a provision of one million three hundred and ninety one thousand, three and four Namibia dollars (N\$1,391,304) in the budget of 2021/22 to cater for the purchase of a new tipper truck to replace the tractors with a purpose of enabling the council to continue rendering quality services to our business customers in this respect.

## **6. CONSTRUCTION OF SERVICES**

The Council has made a provision of six million three hundred and forty-seven thousand, eight hundred and twenty-six Namibia dollars (N\$6,347,826) for the completion of the construction of sewerage reticulation networks project at Extension 15.

Furthermore, the Council has made a budgetary provision of five million six hundred and fifty-two thousand, one hundred and seventy-four Namibia dollars (N\$5,652,174) for the completion of the construction of sewerage reticulation networks project at Sky Phase 1.

The construction of storm water channels at critical areas shall also commence during the financial year 2020/21 and an amount of one million three hundred and four thousand, three hundred and forty-eight Namibia dollars (N\$1,304,348) has been provided for in the budget of 2021/22 to complete the project.

In order to ensure that we retain a high level of quality of supply and to maintain the sewerage pump stations and make it functional at all times, the Council will acquire a new submersible pump to a tune of one hundred and forty-seven thousand, eight hundred and twenty-six Namibia dollars (N\$147,826) to replace one of the existing pumps that reached the peak of its economic lifetime.

### **Honourable Coucillors, Ladies and Gentlemen**

Following the successful installation of electricity reticulation infrastructure at Efidi Extension 3, the Council shall connect and provide prepaid electricity meters to Wilbard Haindongo Open Market to a tune of fifty-two thousand, one hundred and seventy-four Namibia dollars (N\$52,174) to enable vendors to conduct their business in a conducive environment.

## **7. UPGRADING OF ROAD INFRASTRUCTURE TO BITUMEN STANDARD**

Church street being one of the strategic road networks in town, the Council has made budgetary provision and shall upgrade Church Street to bitumen standard to a tune of eight million five hundred thousand Namibia dollars (N\$8,500,000). This project would add value to the town's road network.

## **8. ACQUIRING OF MACHINERY, EQUIPMENT AND VEHICLE**

In order to enhance the operations of Council, a combined amount of four hundred and nineteen thousand, one hundred and thirty-one Namibia dollars (N\$419,131) has been provided for in the budget for the purpose of replacing aged office furniture, office equipment and computer equipment for various divisions within the Council.

**Honourable Councillors, ladies and gentlemen,**

The total estimated revenue for 2021/2022 has increased with 1.15% from one hundred forty-four million eight hundred and seventy-four thousand, five hundred ninety four Namibia dollars (N\$144,874,594) in the 2020/2021 financial year to one hundred forty six million five hundred thirty six thousand, eight hundred and ninety four Namibia dollars (N\$146,536,894). The budget will be financed by funds as per Medium Term Expenditure Framework (MTEF) 2021/22 amounting to two million Namibia dollars (N\$2,000,000); Sale of erven amounting to five million Namibia dollars (N\$5,000,000), Refunds by Roads Fund Administration amounting to two million and seventy seven thousand, six hundred Namibia dollars (N\$2,077,600); operational revenues amounting to ninety five million eight hundred twenty seven thousand, two hundred and twelve Namibian dollar (N\$95,827,212); and Council's own reserves amounting to forty one million six hundred thirty two thousand, eighty three Namibia dollars (N\$41,632,083). I must point out that included in the total expenditure of one hundred forty six million, five hundred and thirty six thousand, eight hundred and ninety four Namibia dollars (N\$146,536,894) are provision for depreciation of twelve million Namibia dollars (N\$12,000,000); provision for doubtful debts of twelve million Namibia dollars (N\$12,000,000); and provision for leave days amounting to four hundred sixty one thousand Namibia dollars (N\$461,000) in compliance with the Council's adopted International Public Sector Accounting Standards (IPSAS) two years ago.

As required, it is worth mentioning that the budget has been balanced of course with contributions from Council's reserves and it is our hope that the collection of revenue will be realized as projected.

A considerable portion of the budget amounting to twenty nine million two hundred forty eight thousand, two hundred and six Namibia dollars (N\$29,248,206) is devoted to capital projects, representing about 20% of the total budget. Whereas 80% is devoted to operational expenditure amounting to one hundred seventeen million, two hundred eighty eight thousand six hundred eighty eight Namibia dollars (N\$117,288,688). The operational expenditure includes, but not limited to, bulk water purchases amounting to twenty five million eight hundred eleven thousand, seven hundred and ninety one Namibia dollars (N\$25,811,791); crop field compensation payments amounting to five million Namibia dollars (N\$5,000,000); repairs and maintenance of the roads, other municipal infrastructure and machinery and equipment amounting to ten million, six hundred seventy five thousand, three hundred and twenty Namibia dollars (N\$10,675,320); personnel costs amounting to thirty three million, seven hundred and eight thousand, eight hundred and three Namibia dollars (N\$33,708,803); provision for depreciation amounting to twelve million Namibia dollars (N\$12,000,000); provision for doubtful debts amounting to twelve million Namibia dollars (N\$12,000,000) and provision for credit leave days amounting to four hundred and sixty one thousand Namibia dollars (N\$461,000).

**Honourable Councillors, ladies and gentlemen,**

I am happy to report that the personnel cost ratio to the operational Budget stand at 36% which is in compliance with the Ministerial Directive of not more than 40%. May I, at this juncture, clarify that the 36% ratio versus the prescribed 40%, does not translate in the availability of funds for additional personnel expenditure. Accordingly, the overtime budget stand at 2.5% of the personnel budget in line with the Budget Circular of not more 2.5%. Furthermore, the maintenance budget amounts to about 12% of the operational budget which is in line with the Budget Circular that directs a rate of not less than 10%.

**Honourable Councilors, ladies and gentlemen,**

It is imperative that we constantly invest in the human resources development. For this purpose, an amount of three hundred and sixty three thousand, nine hundred and fifty nine Namibia dollars (N\$ 363,959) has been set aside for this purpose, representing about 0.2% of the total Budget.

I must state that a provision of 30% increases in allowances for Local Authority Councilors have been provided for as per paragraph 5 (j) of the Ministerial Budget Circular 14/P, dated 26 April 2021 subjected to the approval by the Honourable Minister of the Urban and Rural Development in terms of Section 18 (1) and (2) of the Local Authorities Act, 1992 (Act 23 of 1992), as amended.

**Honourable Councillors, ladies and gentlemen,**

A provision of a total amount of two hundred and fifty thousand Namibia dollars (N\$250,000) has been made in this budget to cater for incidental cases, emergencies and natural disasters, representing about 0.2% of the total budget. Furthermore, a provision of one million three hundred and eighty seven thousand, one hundred and sixty four Namibia dollars (N\$1,387,164) has been made available in the budget to cater for the 5% rate contribution to Oshana Regional Council in terms of Section 77 (1) of the Local Authorities Act, 1992 (Act no. 23 of 1992), as amended.

Needless to mention, the Council's allocated government subsidies during the fiscal year 2021/22 will only be two million Namibia dollars (N\$2,000,000). Therefore, in ensuring that Council remains a going concern, we shall continue to put measures in place to ensure efficiency on debt collection is achieved even if it means to take unpopular but reasonable and lawful actions against defaulters. The council will do so as to efficiently and effectively implement its projected plans, operational expenditure and developmental projects yet taking into account the reality of the outbreak of COVID-19 pandemic that has negatively impacted Council's socio-economic operations, in general, and the budget 2021/22 in particular.

Council's development agenda is firmly found and built on the rule of law. Hence, all urban developments shall be dealt with in accordance with the law in order to ensure orderly and sustainable development at all times.

The tariff will not be increased for the financial year 2021/22. Although Council's tariffs will remain unchanged premised on the prevailing economic situation in the country, the Council will be expected to operate on a cost recovery basis and, as such, our budget has been balanced as duly required with operating income, proceeds from sale of erven, road maintenance refunds by Roads Fund Administration (RFA), Government subsidies and minimal contributions from Council's existing reserves. All other things being equal, this approach would have no negative effects on Council's operations.

**Honourable Councilors, ladies and gentlemen,**

I must emphasize that our five year Strategic Plan, annual work plans, National Development Plans, ministerial directives and, most importantly, input from all our critics and stakeholders through the media, public meetings that the Office of the Mayor conducted between 2019 and 2021 as well as other means, extensively has been be used as a yardstick during the preparation of this Budget. Therefore, your considered understanding is indispensable if our projects, as provided for in this budget, are to be successfully implemented.

On behalf of Council, and indeed on my own behalf, I wish to reiterate that through its approved tourism development strategy, the Council shall strive to ensure that Ongwediva becomes a tourism destination hub of choice.

Let me acknowledge the generous financial and technical support we continue to receive from the Central Government via the line ministry and at this juncture, allow me to unequivocally affirm that the Council shall continue maintaining its remarkable position of paying its key service providers on time including but not limited to Namibia Water (Namwater) Corporation, Northern Electricity (NORED), appointed contractors and third party creditors.

As required in the terms of Section 83 (1) of the Local Authorities Act, 1992 (Act 23 of 1992), as amended, the consultation and input that Council had received from Oshana Regional Council has constructively contributed to the estimates of revenue and expenditure of the Council for the 2021/2022 financial year. So much so that the council would respond to the socio-economic needs of Ongwediva residents at ease.

Moreover, allow me to acknowledge the advice and contributions we continue to receive from the residents of Ongwediva this advices and contributions shape up the compilation of the critical needs of this town. Undoubtedly, I would certainly fail in my duty if I do not acknowledge tireless efforts and valuable input by all members of the Management Committee, all Honourable Councillors, Management Team and all Staff Members at different levels. Indeed, without their input and support, the preparation of this comprehensive budget could not be possible. Thank you and congratulations to you all for the job well done. A special word of appreciation also goes out to the leadership and management cadre of Oshana Regional Council for the opportunity they afforded Ongwediva Town Council for consultation during the budget preparation. Their questions and input has greatly enriched the content of the final budget and presented us with a broader outlook to the future ahead.

It is now my distinguished honour to certify that the annual Budget for 2021/2022 financial year has been compiled in accordance with Section 83 (2) of the Local Authorities Act, 1992 (Act 23 of 1992), as amended, and I am hereby tabling it for Council's approval in terms of Section 83 (1) of the Local Authorities Act, 1992 (Act 23 of 1992), as amended.

I thank you.

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**His Worship Taarah Shalyefu  
MAYOR OF ONGWEDIVA”**

<p><b>COUNCIL RESOLVED</b></p> <ul style="list-style-type: none"> <li>• That, the Budget for Ongwediva Town Council for the Financial Year 2021/22 as tabled by the Chairperson of Council in terms of Section 83(1) of the Local Authorities Act (Act No. 23 of 1992), as amended, be approved on proposal of Cllr. Fabiam George and seconded by Cllr. Kaarena Shikongo.</li> <li>• That, the approved budget for Ongwediva Town Council for the Financial Year 2021/22 be forwarded to the Ministry of Urban and Rural Development for consideration and approval;</li> <li>• That, the Tariff Structure for Ongwediva Town Council for the Financial Year 2021/22 as tabled by the Chairperson of Council in terms of Section 82 of the Local Authorities Act (Act No. 23 of 1992), as amended, be approved;</li> <li>• That, the approved Tariff Structure for Ongwediva Town Council for the Financial Year 2021/22 be forwarded to the Ministry of Urban and Rural Development for consideration, approval and gazetting;</li> </ul>	<p><b>SM: F&amp;HR</b></p>
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There were no any other businesses and the meeting closed at 15h20.

**MINUTES APPROVED**

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<b>CHIEF EXECUTIVE OFFICER</b>	<b>DATE</b>	<b>CHAIRPERSON OF COUNCIL</b>
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