

# Baseline Questionnaire— Community Profile

## Artashat

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### GENERAL FEATURES OF COMMUNITY

Artashat is located in Ararat *marz*, approximately 29 kilometers southeast of Yerevan on the main highway M-2 and then on H-8 a short distance from the Turkish border. Artashat serves as the *marz* administrative center.



### General Executive Summary

Artashat is located in the Ararat valley referred to as the “garden of Armenia.” Fertile and irrigated lands with fruit orchards, vineyards, and vegetable fields surround this medium-sized town. Relative to other towns, Artashat enjoys a mild climate, which further supports its agriculture base.

One of the most historic cities in Armenia, it was constructed in 176 BC and named after King Artashes I, founder of the Artashesian dynasty. Around 300 AD, the legend of the birth of Christianity in Armenia originated from Artashat.

The official population census is 20,500, but city registration records show 22,576, with approximately 3,000 temporarily residing outside Armenia, mostly in Russia. Approximately 8,500 households live in more than 5,100 housing units. The large apartment buildings are maintained by the city. Artashat is a community rich in historical, cultural, educational, and public health institutions.

The economic base of Artashat is 65 percent agriculture, with small commercial activity accounting for 15 percent and the remainder spread between transportation, industry, and services. The estimated unemployment rate is five percent; however, this does not include any person owning land. Major employers are several food processors and canneries such as Ararat Cannery, Artashat Tinned Food Mills, Art Foods Cannery, and Artashat Cannery OJSC.<sup>1</sup>

Gagik Mouradyan is in his second term as mayor. He oversees a staff of 40. The all-male city council has 15 members, of which 7 were reelected in November, 2005.

A review of the budget years 2003-2005 for Artashat indicates that revenues increased nearly 50 percent from 2004 to 2005. The bulk of the increase in revenue was from the increased collection of land and property taxes and a one-time capital improvement grant of \$105,000<sup>2</sup> from the national government. The tax collection revenues could be improved further, based on the 30 percent error rate of the land and property tax database.

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<sup>1</sup> OJSC = open joint stock company

<sup>2</sup> The dollar calculation is based on one U.S. dollar equaling 450 Armenian drams.

During 2005, the city financed several capital investments by using revenues from the national government. The total is about \$100,000<sup>3</sup> (50,000,000 AMD), partly to offset the damage from floods and street resurfacing. Some international donors have assisted the city with a few small capital investments related to housing bloc roofs, renovation of schools, and water line repairs.

There are no regulations for the sale or lease of property, but the sale or lease of community property is announced publicly. The community needs an asset management program.

Artashat's water and sewer system is managed and maintained by Armenia Water and Sewerage Company (AWSC) a national-government-owned and privately managed company.<sup>4</sup> Other basic services such as solid waste collection, street lighting, street cleaning and repairs, flood and animal control, and cemetery and housing maintenance are maintained by a wholly city-owned enterprise. The city also maintains its own landfill.

The city provides cultural and education services such as nine kindergartens; an art, a music, and two sports schools; a community center, an after-school center, and a library. The kindergarten and music schools are partially financed by fees. The other schools and facilities are covered by the city budget. The total number of city staff and enterprise employees is 454.

The city has one closed joint stock company and one condominium association that provide maintenance services for the large apartment buildings in the city.

Citizens in Artashat have access to the news from a local private TV station and two local newspapers. There is no local radio station. The city staff does have access to citizens via the local TV station and works with the local nongovernmental organizations (NGOs). The city government complies, to a small degree, with the intent of the freedom of information (FOI) law, handling about 100 inquiries, service requests, and complaints monthly. However, the city meets the FOI requirements only 30 percent of the time.

Artashat's 15-member city council has not recently received training on the roles and responsibilities of council, nor has it adopted a set of rules of procedures for conducting council affairs. However, in compliance with legal requirements, the council members do receive meeting agendas 3 days prior to public meetings, and council minutes are available to the public. The city provides a room at City Hall where council members can meet with constituents. The council also receives legal guidance on passing local laws.

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<sup>3</sup> The dollar calculation is based on one U.S. dollar equaling 450 Armenian drams.

<sup>4</sup> In 2005, the AWSC contracted for management services for 5 years with SAUR, a French water and sewage management company.

**Table 1-1. Key Contacts**

Position	Name	Telephone
Mayor	Gagik Mouradyan	(0235) 2-23-83; (091) 28-02-19
Deputy Mayor (2)	Lyova Avetyan; Isahak Grigoryan	(0235) 2-29-58; (0235) 2-11-69
Chief of Staff	Ashot Avetisyan	(0235) 2-26-28

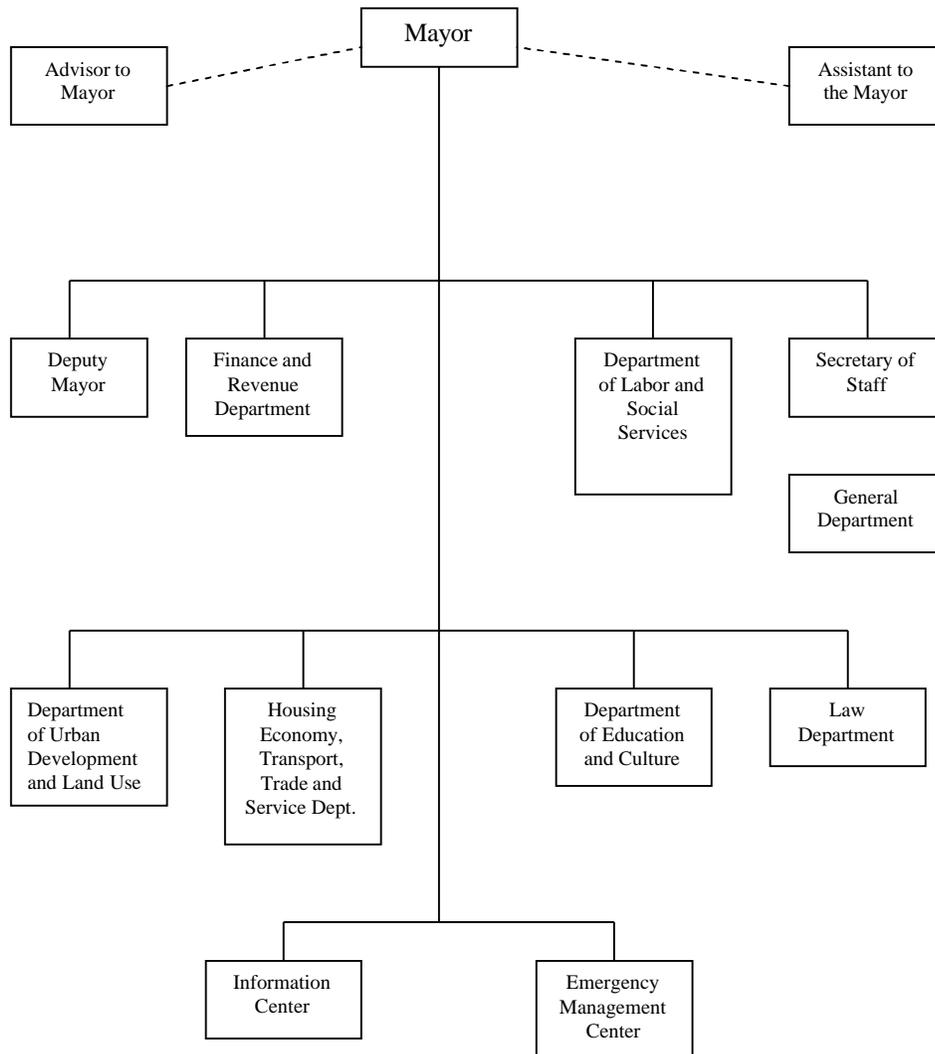
**Table 1-2. General Information**

Item	Number	Yes	No
Population 2002 census	22,576		
Number of households	8,500		
Area (est.)	800 hectares		
Certification of boundary		X	
Term of mayor (1st, 2nd, etc.)	1st term		
Number of local council members	15		
Number of local council members reelected	7		

**Table 1-3. Gender Mix of Council and City Staff**

Office	No. of Males	Percent of Total	No. of Females	Percent of Total
Mayor	1	100	0	0
Local Council	15	100	0	0
Staff of City Hall	21	53	19	47
Total	37	66	19	44

**Figure 1-1. Organization Chart of Local Government**



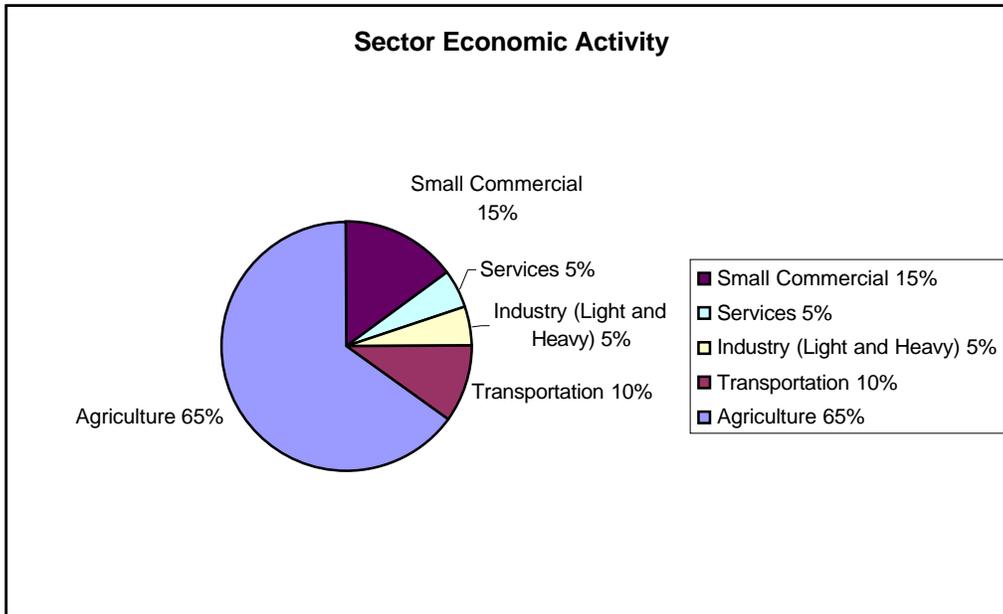
**Table 1-4. Economic Base of City**

Sector	Estimated Percentage of Local Activity
Agriculture	65
Transportation	10
Tourism	0
Industry (Light and Heavy)	5
Services	5
Small Commercial	15

Sector	Estimated Percentage of Local Activity
Other	0
Total	100

The estimated unemployment rate for the city is 5.8 percent. An estimated 3,000 residents (13 percent of the total population) work in other countries, primarily Russia.

**Figure 1-2. Artashat Economic Activity by Sector**



**Table 1-5. Computer and Office Equipment of Local Government**

Equipment Type	Number	Yes	No
Notebook computers			X
Desktop computers	7		
Servers	2		
Networked		X (partially)	
Copiers	1		
Fax machines	0		
Internet service	X		

**Table 1-6. Computer Software in Use**

Software Function	Yes	No
Word processing	X	
Microsoft Excel	X	
Specialized budget		X
Oracle (tax collection)	X	
Geographic information systems (GIS)		X
Citizen registry	X	
Office Works by the Information Systems Development Training Center (ISDTC)	X	

**Table 1-7. USAID or Other Donor Programs Active in Community**

Donor	Type of Program
Janishian Memorial Fund	Apartment building roof renovation
The Church of Jesus Christ of Latter-Day Saints charity	Renovation of water supply in apartment buildings
<i>Armeni villabe</i> , Armenian-French Org.	Kindergarten roof repair
Armenia Social Investment Fund ( ASIF)	Renovation of sports school and water main supply renovation
United Nations Development Programme (UNDP)	Renovation of kindergarten N3

**Table 1-8. Active Nongovernmental Organizations or Civil Society Organizations**

NGO or CSO	Type of Cooperation or Service with Local Government
Councilors of Veterans	Consultative
Association of Disabled People	Consultative

CSO = civil society organization; NGO = nongovernmental organization

**Table 1-9. How the City Receives Information about Adopted Legislation**

Source	Yes	No
IRTEK (Legal Information Center)		X
LGU associations		X

Source	Yes	No
<i>Marzped</i>	X	
National Assembly		X
Other (newspapers, TV, etc.)		X

# COMPONENT TWO

## LOCAL GOVERNMENT FINANCIAL MANAGEMENT SYSTEMS

### Executive Summary

A review of the Artashat city budget years 2003-2005 indicates that revenues increased nearly 50 percent from 2004 to 2005. The bulk of the increase in revenue came from increased collection of land and property taxes and a one-time capital improvement grant of 50,000,000 AMD from the national government. The tax collection revenues could be improved further, based on the 30 percent error rate of the land and property tax database.

The city has financed several capital investments during 2005 from revenues from the national government. The total is about \$100,000 (50,000,000 AMD) partly to offset the damage from floods and street resurfacing. Some international donors have assisted the city with a few small capital investments related to housing bloc roofs, renovation of schools, and water line repairs.

There are no regulations for sale or lease of property, but the sale or lease of community property is announced publicly. The community needs an asset management program. The city does not produce a budget in brief.

**Table 2-1. Revenues and Expenditures, 2003-2005—Planned**

Fiscal Year	Revenues (AMD)	Per Capita Revenues* (AMD)	Expenditures (AMD)	Per Capita Expenditures* (AMD)
2005	298,874,500	13,239	298,874,500	13,239
2004	240,247,500	10,642	240,247,500	10,642
2003	243,204,300	10,773	243,204,300	10,773

AMD = Armenian drams

Budget figures were not adjusted for inflation.

\* Based on census population figures.

**Table 2-2. Revenues and Expenditures, 2003-2005—Actual**

Fiscal Year	Revenues (AMD)	Per Capita Revenues* (AMD)	Expenditures (AMD)	Per Capita Expenditures* (AMD)
2005	272,228,000	12,058	265,322,000	11,752
2004	183,443,100	8,126	177,496,200	7,862
2003	197,302,500	8,739	195,993,300	8,681

AMD = Armenian drams

Budget figures were not adjusted for inflation.

\* Based on census population figures.

**Table 2-3. Property Tax Collections, 2003-2005**

Fiscal Year	Property Tax (AMD)	Per Capita* (AMD)
2005	21,844,300	968
2004	18,054,200	800
2003	16,300,600	722

AMD = Armenian drams

Budget figures were not adjusted for inflation.

\* Based on census population figures.

**Table 2-4. Property Tax Collection Process**

Activity	Amount	Description
Percentage error in property tax data	30%	Difficulty in updating the database and collecting the tax ; enforcement a problem because of court costs
Who collects the property tax ?		City Finance Department
Tax collection commissions		Four commission tax collectors —10% commission of actual collections
Tax collection problems		Database errors and high court costs in collection enforcement

**Table 2-5. Budget Process**

Activity	Amount	Yes	No
Borrowed money from a bank			X
Citizen participation in the formation of the budget			X
Citizen participation in the adoption of the budget			X
Produced a budget in brief			X
Funding for projects in the community development plan			X

**Table 2-6. Asset Management**

Activity	Amount	Yes	No
Asset management plan developed			X
Local legislation regulating the sale or lease of property			X
Public announcement of sale or lease of property		X	
Sale or lease of municipal property	4,315,300 AMD sale by auction; 4,236,000 AMD lease		
Number of responses received	Minimum of 2		
City has real estate market information for sale or lease of property			Local real estate company

AMD = Armenian drams

**Table 2-7. Anticorruption Effort**

Activity	Description
Who do citizens report suspected corruption to?	Marzped or Ministry
Have there been any reports of possible corruption ?	No
Are procurement bids published?	Yes-national newspaper
Are the advertisements posted in locations and in ways to solicit the maximum number of competitive offers?	Yes, local TV
How many bids are sought ?	Three
Are bid evaluation committees staffed with professionals to review offers?	Yes, if construction a local engineer reviews; department heads are also specialists in their respective fields

Activity	Description
Are the winning bids announced publicly?	No
What are the most useful criteria used by the city for accepting an offer for goods or services ?	If purchasing , emphasis is on quality but price is second; if selling or leasing assets , price
Is an internal control system in place ?	No
Who is the internal auditor and who does he report to?	Finance director acts as internal auditor ; reports to the mayor
How is the collection of cash handled?	City collects and deposits in Armsavingbank; cash transactions use the <i>Marzpetaran</i> Cash Collection Ledger System

# COMPONENT THREE

## PUBLIC SERVICE DELIVERY

### Executive Summary

Artashat’s water and sewer system is managed and maintained by Armenia Water and Sewerage Company (AWSC) a national-government-owned and privately managed company.<sup>5</sup> Other basic services such as solid waste collection, street cleaning and repairs, flood and animal control, and housing maintenance are maintained by a private enterprise in which the city has 34 percent stock ownership. Street lighting and cemetery services are provided by local private firms.

The city also provides cultural and education services such as nine kindergartens; an art, a music, and two sports schools; a community center; an after-school center; and a library. The kindergarten and music schools are partially financed by fees. The other schools and facilities are covered by the city budget. The total number of city staff and enterprise employees is 454.

The city has one closed joint stock company and one condominium association that provide maintenance services for the large apartment buildings in the city.

**Table 3-1. Basic Services Provided by the City**

Mandatory Service	Service Provider	Approximate No. of People Served	Number of Employees	Funding Source
Kindergarten (9)	City budget org.	318	146	81% budget; 19% fee
Art school (1)	City budget org.	59	8	100% budget
Music school (1)	City budget org.	446	91	20% budget; 80% fee
Sports school (2)	City budget org.	686	77	100% budget
Library	City budget org.	Entire city	21	100% budget
After school center	City budget org.	Approx. 402	38	100% budget
Community center	City budget org.	Entire city	6	100% budget
Solid waste collection	Artashat Communal Services, OJSC*	Entire city	39	100% fee

<sup>5</sup> In 2005, the AWSC contracted for management services for 5 years with SAUR, a French water and sewage management company.

Mandatory Service	Service Provider	Approximate No. of People Served	Number of Employees	Funding Source
Street cleaning Landscaping Storm drainage Street repair Animal control	Artashat Communal Services, OJSC*	Entire city	Same as above	100% budget
Cemetery	Special Services for Population, Ltd.	Entire city	2	100% budget
Street lighting	Norak Ltd.	Entire city	1	100% budget
Apartment building maintenance	Bnakarayain Tntesutyun, OJSC*	4,930 apartments	15	20% budget; 80% fee
Apartment building maintenance	Lchap condo-minium assoc.	110 apartments	2	100% fee

OJSC = open joint stock company  
\*100% privately owned

**Table 3-2. Environmental Operations**

Service or Activity	Cited or Fined	Not Cited or Fined
Water treatment and supply		X
Wastewater collection		X
Solid waste collection		X

**Table 3-3. Collection Rates for Services**

Service	2003	2004	2005	Remarks
Apartment building maintenance	35%	35%	35%	
Solid waste collection	36%	36%	36%	It is difficult to distinguish between solid waste collection and other services the enterprise carries out because it is one combined payment for all services.

# COMPONENT FOUR

## STRENGTHENING LOCAL GOVERNMENT PUBLIC RELATIONS

### Executive Summary

Citizens in Artashat have access to the news from a local private TV station and two local newspapers. There is no local radio station. The staff does have access to citizens via the local TV station. Staff does work with the local NGOs for information dissemination. No specific staff member is assigned public relations (PR) responsibility in the city. The staff member who received PR-related training has left city employment. The city is handling about 100 inquiries, service requests, and complaints monthly.

**Table 4-1. Access to Local Media**

Media Type	Yes	No
Television; local private TV station	X	
Radio		X
Newspaper; two local newspapers	X	

**Table 4-2. Local Government Public Relations Responsibility and Capacity**

Activity	Amount	Yes	No
Established public relations responsibility			X
Aware of the freedom of information ( FOI) law			X
Received training the role and responsibilities of the council			X
Established an information center			X
Track citizen requests for information, service or complaint		X	
Manual tracking system		X	
Average monthly inquiries, service requests , and complaints	100		
Timely response to FOI requests	100%		
City has an information board			X
City Hall has a directory			X
City staff access to citizens (TV, public meetings, etc.)		X	

Activity	Amount	Yes	No
City produces a newsletter for residents			X
City presents the budget to citizens			X
Youth involvement in local government activities			X
City collaborates with local NGOs		X	
City Hall office numbers are published or otherwise made available to citizens		X	

FOI = freedom of information; NGO = nongovernmental organization

# COMPONENT FIVE

## ASSISTANCE TO LOCAL COUNCILS

### Executive Summary

Artashat's 15-member city council has not recently received training in the roles and responsibilities of the council, nor has it adopted a set of rules of procedures for use when conducting city council affairs. However, in compliance with legal requirements, the council members do receive meeting agendas 3 days prior to public meetings, and council minutes are available to the public. The city provides a room at City Hall where council members can meet with constituents. The council also receives legal guidance on passing local laws.

Although council members conduct service oversight hearings, they do not participate in the strategic planning for the city. They do not feel knowledgeable about the operation of the city.

**Table 5-1. Local Council Composition and Contact Numbers**

Council Member	Gender	Contact Information
1. Styopa Dallakyan	M	(0235) 20-048
2. Haroutyun Mnatsakanyan	M	(0235) 24-282
3. Gor Nazaryan	M	(0235) 23-780
4. Gabriel Poghosyan	M	(0235) 25-444
5. Arman Tadevosyan	M	(0235) 24-886
6. Vazgen Hovhannisyan	M	(0235) 23-603
7. Hermon Avetisyan	M	(0235) 24-664
8. Nersik Hovhannisyan	M	(0235) 22-988
9. Narek Hovhannisyan	M	(0235) 26-062
10. Arman Dermoyan	M	(0235) 23-255
11. Vahram Mouradyan	M	(0235) 22-103
12. Hrachik Hovhannisyan	M	(0235) 25-272
13. Garik Khachatryan	M	(0235) 22-405
14. Martik Sargsyan	M	(0235) 26-867
15. Karen Benyaminayan	M	(0235) 20-442

**Table 5-2. Council Training and Selected Practices**

Item or Activity	Yes	No
Are established rules of procedure s in place?		X
Have council members received training on the role and responsibilities of the council?	not recently	
Do newly elected council members receive any training?		X
Do council members receive meeting agendas 3 days prior to public meetings?	X	
Are meeting agendas and time and place publicized prior to the meetings?		X
Do citizens actively participate in council meetings?		X
Are minutes of council meetings open to the public?	X	
Does the council participate in the strategic planning for the city?		X
Does the council conduct service oversight hearings?	X	
Have council members participated in publicizing issues?	X	
Are council members knowledgeable of city operations?		X
Does the council receive legal guidance on passing local laws?	X	
Do council membe rs meet with constituents regularly?		X
Is there a place at City Hall where council members can meet with constituents?	X	
Has the council used advisory committees, focus groups, or special problem workgroups?		X
Does City Hall have a place for council members to receive mail or other communications?		X