

Baseline Questionnaire— Community Profile

Berd

GENERAL FEATURES OF COMMUNITY

Berd is located near the Azerbaijan border in Tavush *marz*. It is 192 kilometers northeast of Yerevan, 60 kilometers east of Ijevan on road H-36.



General Executive Summary

Berd's population is 8,663. An estimated 2,000 people are temporarily working in other countries, principally Russia. Berd has 3,200 households residing in 2,096 single and large apartment housing units.

About 40 percent of the local economic base is agriculture, 30 percent is small commercial, and the remainder is made up of transportation, light industry, and service sectors. The official unemployment rate is 5 percent, but local estimates place it at triple that number.

Mayor Andranik Sharyan is serving his second term. There are 10 council members, all but one recently reelected. The city administrative staff has 30 people.

Berd is a member of an intercommunity union.

A review of the Berd city budget years 2003-2005 reveals that revenues increased nearly 50 percent during that period. During the same period, land and property tax collections dropped by nine percent.

The city does not have an identified funding source for its capital investment plan. Nor does the city have an asset management program and plan. However, the city does have regulations for the sale and lease of municipal property.

The level of citizen participation in or access to the budget development process is limited. Information about the budget and budget process is provided by individual council members.

Berd's water and sewer services are provided by Armenia Water and Sewer Company (AWSC), a national-government-owned and privately managed company.¹ Other basic services such as solid waste collection, street lighting, street cleaning and repairs, storm drainage and animal control, and cemetery and housing maintenance are provided by several city-owned enterprises. The city also maintains its own landfill.

The city provides cultural and education services such as two kindergartens; an art, a music, and a sports school; and a community center, city museum, and library. The art and music schools and kindergartens are partially financed by fees, and the rest

¹ In 2005, the AWSC entered into a 5-year management agreement with SAUR.

through the city budget. A total of 170 employees of the city and city-owned enterprises provide these services.

Over 1,861 apartment housing units are maintained by the city. In addition, the city owns a hotel.

Berd is served by one local newspaper, but no local TV or radio. However, City Hall did assign a member of its staff public relations responsibility. Also, an information board is maintained at City Hall. However, the city does not publish a newsletter or operate an information center.

The local government has not received training on public and media relations or information handling. The city staff is not aware of the requirements of the freedom of information (FOI) law. City staff responds to 70 percent of citizen inquiries, service requests, and complaints in a timely manner. Although council sessions are open to citizens, citizens do not actively participate in council meetings or in the annual budget process.

Most of the local council members of Berd have received formal training on the roles and responsibilities of council members. The council has not established rules of procedures. Council members receive the agenda for meetings at least 3 days prior to meetings, and the minutes of the meetings are posted at City Hall.

Council members meet with constituents regularly, consider themselves knowledgeable about city operations—they participate in developing strategic plans for the community, and receive legal guidance prior to passing local laws.

Table 1-1. Key Contacts

Position	Name	Telephone
Mayor	Andranik Sharyan	(0267) 21-081; (091) 41-79-05
Deputy Mayor	Albert Mkrtychyan	(0267) 2-34-08
Receptionist	Arevik Machkalian	(0267) 2-17-97

Table 1-2. General Information

Item	Number	Yes	No
Population 2002 census	8,663		
Number of households	3,200		
Area (est.)	2,953 hectares		
Certification of boundary		X	
Term of mayor (1st, 2nd, etc.)	2nd term		
Number of local council members	10		
Number of local council members reelected	9		

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	10	100	0	0
Staff of City Hall	13	43	17	57
Total	24	59	17	41

Figure 1-1. Organization Chart of Local Government

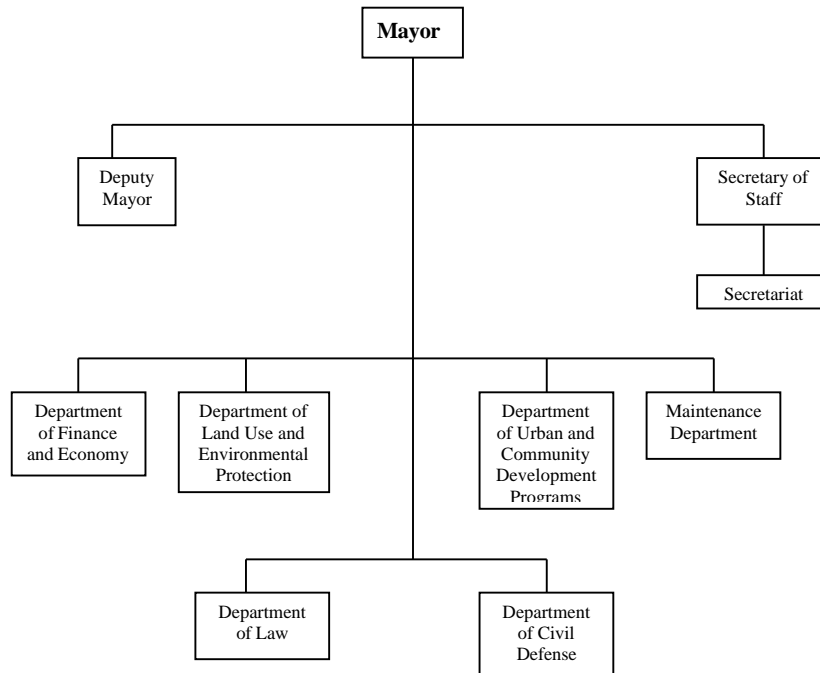


Table 1-4. Economic Base of City

Sector	Estimated Percentage of Local Activity
Agriculture	40
Transportation	10
Tourism	0
Industry (Light and Heavy)	10
Services	10
Small Commercial	30
Other	0

Sector	Estimated Percentage of Local Activity
Total	100

The official estimated unemployment rate for the city is 4.94 percent (with an unofficial rate of 70%). An estimated 2,000 residents (23 percent of the total population) work in other countries, primarily Russia.

Figure 1-2. Berd Economic Activity by Sector

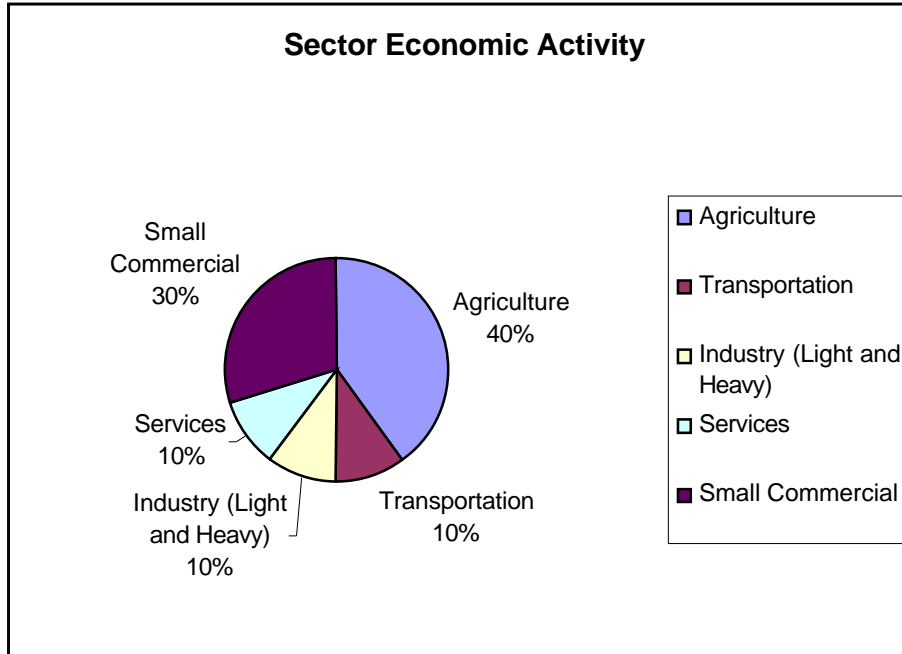


Table 1-5. Computer and Office Equipment of Local Government

Equipment Type	Number	Yes	No
Notebook computers			X
Desktop computers	4		
Servers	1		
Networked		X	
Copiers	0		
Fax machines	1		
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
World vision	Several infrastructure projects
German Technical Assistance Agency (GTZ)	Infrastructure project; Intercommunity Union establishment
World Food Programme (WFP)	Landscaping and drainage

USAID = United States Agency for International Development

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

NGO or CSO	Type of Cooperation or Service with Local Government
Ororots	Child nourishment
Women of Tavush	Children of needy families
Kaghni	Educational programs

CSO = civil society organization ; NGO = nongovernmental organization

Table 1-9. How Cities Receive Information about Adopted Legislation

Source	Yes	No
IRTEK (Legal Information Center)		X
LGU associations	X	
Marzped		X
National Assembly		X
Other (newspapers, TV, etc.)	X	

LGU = local government unit

COMPONENT TWO

LOCAL GOVERNMENT FINANCIAL MANAGEMENT SYSTEMS

Executive Summary

A review of the Berd city budget years 2003-2005 reveals that revenues increased nearly 50 percent during that period. During the same period, land and property tax collections dropped by nine percent.

The city does not have an identified funding source for its capital investment plan. Nor does the city have an asset management program and plan. However, the city does have regulations for the sale and lease of municipal property

The Berd finance department estimates that 10 percent of the property tax data is in error. The department attributes the erroneous data to automobile ownership records. The level of citizen participation in or access to the budget development process is limited. Information about the budget and budget process is provided by individual council members.

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

Fiscal Year	Revenues in AMD	Per Capita Revenues* (AMD)	Expenditures in AMD	Per Capita Expenditures (AMD)
2005	94,390,000	10,896	94,390,000	10,896
2004	76,257,600	8,803	76,257,600	8,803
2003	63,924,900	7,379	63,924,900	7,379

AMD = Armenian drams

Budget numbers include both operating and capital budgets. Budget figures not adjusted for inflation.

* Based on census population figures.

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

Fiscal Year	Revenues in AMD	Per Capita Revenues* (AMD)	Expenditures in AMD	Per Capita Expenditures (AMD)
2005	88,419,100	10,207	88,409,100	10,205
2004	67,836,200	7,831	68,231,300	7,876
2003	59,145,900	6,827	68,052,500	7,856

AMD = Armenian drams

Budget numbers include both operating and capital budgets. Budget figures 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	7,667,800	885
2004	8,611,200	994
2003	8,418,700	972

AMD = Armenian drams

Budget figures 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	10%	The only problems in tax data are errors in the auto information gathered from the State Vehicle Inspection (GAI) data
Who collects the property tax		Municipal Finance Department
Tax collection commissions		Not applicable
Tax collection problems		Database issues continue to present problems

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	1,467,552 sale of municipal assets	X	
Number of responses received	Minimum of two at auction		
City has real estate market information for sale or lease of property			X

Table 2-7. Anticorruption Effort

Activity	Description
Who do citizens report suspected corruption to?	<i>Marzped</i> or Ministries
Have there been any reports of possible corruption?	No
Are procurement bids published?	No
Are the advertisements posted in locations and in ways to solicit the maximum number of competitive offers?	No
How many bids are sought?	Not stated; if less than 1,000,000 AMD, not required to have more than one bid
Are bid evaluation committees staffed with professionals to review offers?	Department heads
Are the winning bids announced publicly?	No
What is the most useful criterion used by the city for accepting an offer for goods or services?	Lowest price in procurements, and highest price in sale or lease of assets
Is there an internal control system in place?	Yes
Who is the internal auditor and who does he report to?	Finance Director [need two answers here: who the auditor is and who he reports to]
How is the collection of cash handled?	Municipal finance department uses the Marzpetaran Cash Collection Ledger for land and property tax payments. All other payments are recorded separately in the city's accounts

AMD = Armenian drams

COMPONENT THREE

PUBLIC SERVICE DELIVERY

Executive Summary

Berd's water and sewer services are provided by Armenia Water and Sewer Company (AWSC), a national-government-owned and privately managed company.² Other basic services such as solid waste collection, street cleaning and repairs, storm drainage and animal control, and cemetery and housing maintenance are provided by several city-owned enterprises. Street lighting is provided by the local closed joint stock company Electracanc. The city also maintains its own landfill.

The city provides cultural and education services such as two kindergartens; an art, a music, and a sports school; and a community center, city museum, and library. The art and music schools and kindergartens are partially financed by fees and the rest through the city budget. A total of 170 employees of the city and city-owned enterprises provide these services.

Over 1,861 apartment housing units are maintained by the city. In addition, the city owns a hotel.

Table 3-1. Basic Services Provided by the City

Mandatory Service	Service Provider	Approximate No. Served	Number of Employees	Funding Source
Kindergarten (2)	City budget org.	240	50	59% budget; 41% fee
Library	City budget org.	7	16	100% budget
Music school (1)	City budget org.	165	26	80% budget; 20% fee
Advanced musical school (1)	City budget org.	51		50% budget; 50% fee
Sport school (1)	City budget org.	151	11	100% budget
Community center	City budget org.	Entire city	16	100% budget
Museum	City budget org.	Entire city	8	100% budget
Hotel	Hotel CJSC*	General traveling public	7	47% budget; 53% fee
Solid waste collection	Jramatakararum & Barekargum CJSC*	2,250	35	100% fee
Street cleaning Landscaping Street repair Cemetery Flood control	Jramatakararum & Barekargum CJSC*	Entire city		100% budget

² In 2005, the AWSC entered into a 5-year management agreement with SAUR.

Mandatory Service	Service Provider	Approximate No. Served	Number of Employees	Funding Source
Animal control				
Street lighting	Electracanc CJ SC	Entire city	1	100% budget
Apartment building maintenance		1861 units		100% budget

*CJSC 100% owned by the city

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	0	0	0	There are no condominium associations active in collection of fees
Solid waste collection	80%	80%	80%	Barakargum is a wholly owned city enterprise.

COMPONENT FOUR

STRENGTHENING LOCAL GOVERNMENT PUBLIC RELATIONS

Executive Summary

Berd is served by one local newspaper but no local TV or radio. However, City Hall did assign a member of its staff public relations responsibility. An information board is maintained at City Hall; however, the city does not publish a newsletter or operate an information center.

The local government has not received training on public and media relations and information handling. Staff is not trained in the requirements of the FOI law. City staff is not aware of the requirements of the law. City staff responds to 70 percent of citizen inquiries, service requests, and complaints in a timely manner. Although council sessions are open to citizens, citizens do not actively participate in council meetings or in the annual budget process.

Table 4-1. Access to Local Media

Media Type	Yes	No
Television		X
Radio		X
Newspaper, local	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 on FOI law			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	95		
Timely response to FOI requests	70%		
City has an information board		X	
City Hall has a directory			X

Activity	Amount	Yes	No
City staff has access to citizen s (TV, public meetings, etc.)		X	
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 o r otherwise made available to citizens		X	

COMPONENT FIVE

ASSISTANCE TO LOCAL COUNCILS

Executive Summary

The local government has not received training on the FOI law; however, the city staff is aware of the requirements of the law. City staff responds to 70 percent of citizen inquiries, service requests, and complaints in a timely manner. Although council sessions are open to citizens, citizens do not actively participate in council meetings or in the annual budget process.

Most of the local council members of Berd have received formal training on the roles and responsibilities of council members. Although the council has established rules of procedures, it does not follow all of the required procedures. Council members receive the agenda for meetings at least 3 days prior to meetings, and the minutes of the meetings are posted at City Hall.

Council members meet with constituents regularly, consider themselves knowledgeable about city operations—they participate in developing strategic plans for the community, and receive legal guidance prior to passing local laws.

Table 5-1. Local Council Composition and Contact Numbers

Council Member	Gender	Contact Information
1. Hovel Navasardyan	M	(0267) 22-390
2. Arthur Virabyan	M	(0267) 22-497
3. Hovik Davtyan	M	(0267) 23-236
4. David Grigoryan	M	(0267) 22-128
5. Arthur Melikyan	M	(0267) 22-772
6. Samvel Hovsepyan	M	(0267) 23-777
7. Tigran Avalyan	M	(0267) 21-528
8. Hrachik Tumanyan	M	(0267) 23-265
9. Arthur Nersisyan	M	(0267) 21-616
10. Merrzhan Badalyan	M	(0267) 21-924

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?	X	
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 meeting open to 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 mem bers knowledgeable of city operations?	X	
Does the council receive legal guidance on passing local laws?	X	
Do council members 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