

Baseline Questionnaire— Community Profile

Charentsavan

GENERAL FEATURES OF COMMUNITY

Charentsavan is located in Kotayk *marz* approximately 38 kilometers due north of Yerevan on highway M-4.



General Executive Summary

Mayor Rudolph Mnatsakanyan, reelected in 2005, is in his second term. The gender mix of the elected local city council is strongly tilted toward male members. Of the 15 council members, 7 are newly elected.

Charentsavan's population is 21,200 based on the 2002 census, although the city claims to have grown to 29,153. The city is on a major rail line, and during the height of the former Soviet Union, was a manufacturing center for both light and heavy industries. Following the fall of the Soviet Union, much of it is now shut down or operating at a fraction of Soviet-era production levels. In an initial interview with the mayor, he reported that many of the privatized, nonproductive properties were recently given a substantial tax reduction, which adversely affected the city's budget. Economic development and the creation of new jobs are very high priorities for the city and its mayor.

The Charentsavan budget expenditures and supporting revenues showed a steady increase during the 2003-2005 budget years. This is partly due to greater efficiencies of the tax collection process, resulting in a significant increase in collections. Although the city lacks funds for many capital improvements, it has set aside a portion of its budget to repair the roofs of several large apartment buildings and to restore the street lighting system.

Water and sewer services are provided by Armenia Water and Sewerage Company (AWSC), a national-government-owned and privately managed company.¹ However, the mayor expressed concern that AWSC failed to completely fix the streets after they fixed the city water lines, resulting in considerable city expense to maintain its streets. Street repairs, street lighting, landscaping, and several other mandatory services are provided by two privately owned companies. Charentsavan City Hall operates its own kindergarten, and sports and music schools, the cost of which is partially offset by fees.

City public relations personnel use two local TV stations and a local newspaper. However, the city also makes use of the Internet, placing public announcements and tendering information on its Web site. The city has received training on public and

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

media relations and information handling, and established public relations responsibility with the head of the Program Department. This department head has given Charentsavan a unique presence in the information technology community, leading the effort of all Armenian cities toward e-governance. He also serves as the President of the Information Systems Development and Training Center (ISDTC), which has distributed software developed in Charentsavan to 31 other Armenian municipalities.

The local council has received training on the roles and responsibilities of local council members, but not in setting or developing strategic plans for the community. Newly elected council members have not received orientation or training. The council is relatively proactive in responding, with its own alternatives and approaches to community problems, to the mayor's proposals, particularly regarding budgeting capital improvements for housing.

Table 1-1. Key Contacts

Position	Name	Telephone
Mayor	Rudolph Mnatsakanyan	(0226) 4-34-34; (093) 40-50-88
Deputy Mayor	Nshan Avdalyan	(0226) 4-60-48; (091) 53-10-50
Chief of Staff	Hasmik Karapetyan	(0226) 4-10-57

Table 1-2. General Information

Item	Number	Yes	No
Population, 2002 census	29,153 (21,200 actual)		
Number of households	7,883		
Area (est.)	400 hectares		
Certification of boundary		X	
Term of mayor (1 st, 2nd, etc.)	2nd term		
Number of local council members	15		
Number of local council members reelected	8		

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	22	54%	19	46%
Total	24	80%	6	20%

Figure 1-1. Organization Chart of Local Government

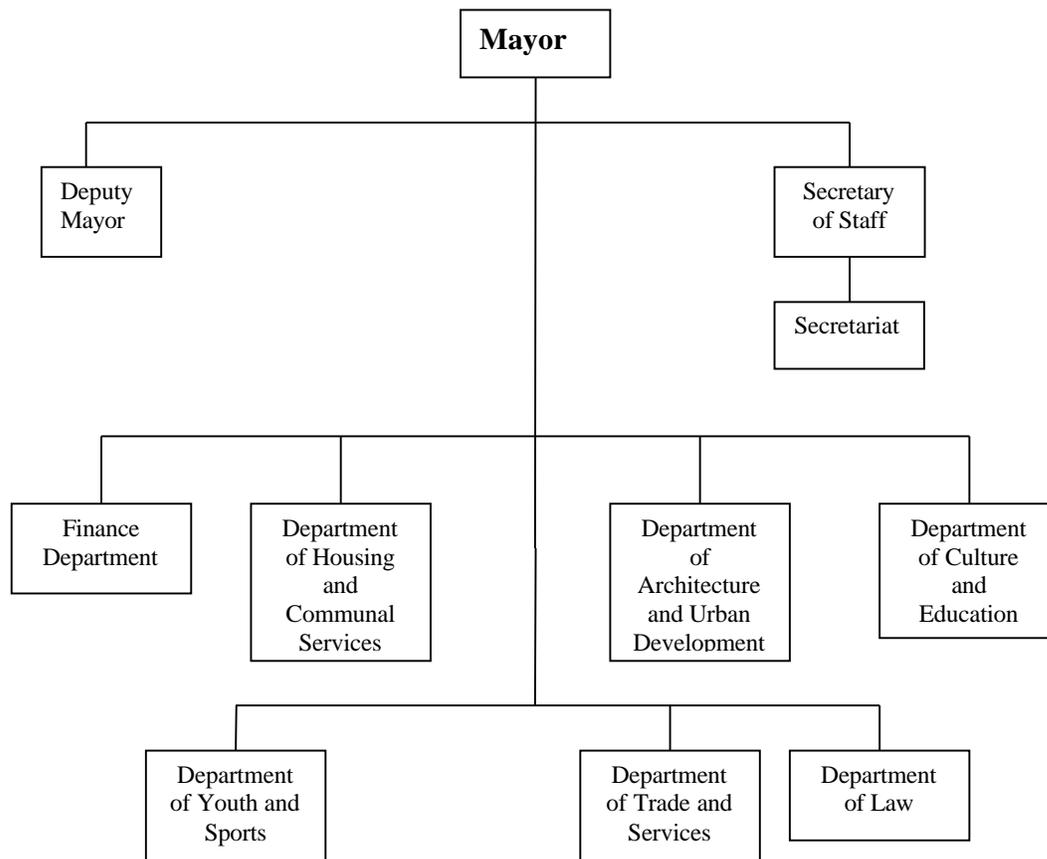


Table 1-4. Economic Base of City

Sector	Estimated Percentage of Local Activity
Agriculture	
Transportation	10
Tourism	
Industry (Light and Heavy)	55
Services	10
Small Commercial	20
Other	5
Total	100

The estimated unemployment rate for the city is 12 percent . An estimated 38 percent of residents work temporarily in other countries .

Figure 1-2. Charentsavan Economic Activity by Sector

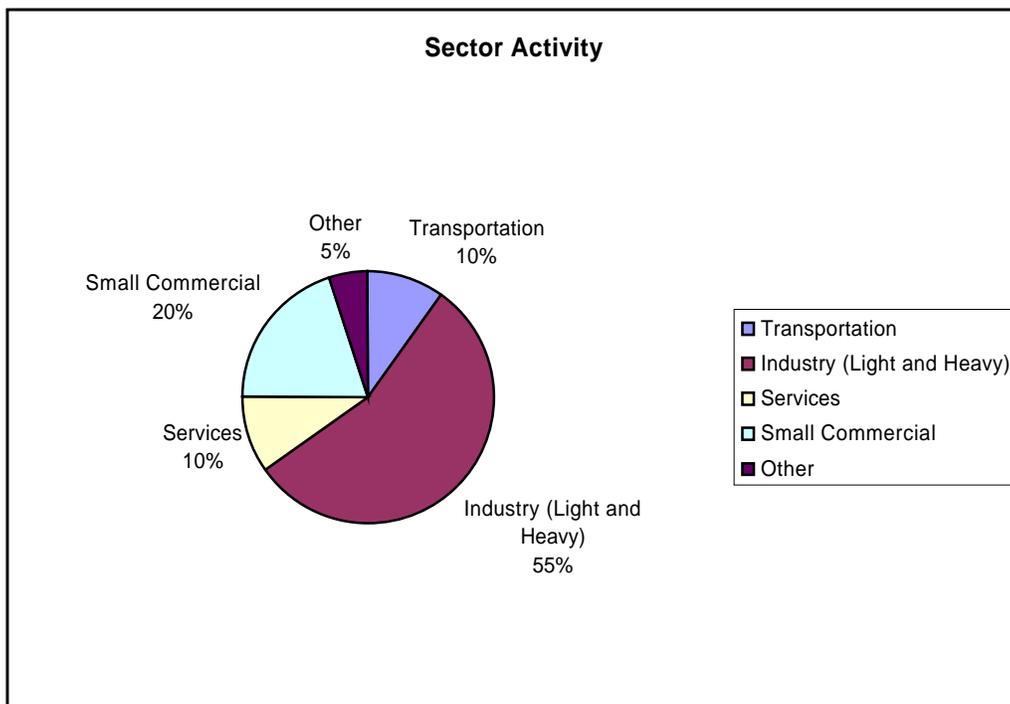


Table 1-5. Computer and Office Equipment of Local Government

Equipment Type	Number	Yes	No
Notebook computers	0		X
Desktop computers	unknown	X	
Servers	unknown	X	
Networked	yes	X	
Copiers	2		
Fax machines	2		
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
EurAsia Foundation	City Hall information centers
Open Society Institute (OSI)	Citizen service centers
German Technical Assistance Agency (GTZ)	Tax collection
World Food Programme (WFP)	Infrastructure projects
United Nations Development Programme (UNDP)	E-governance

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
Information Systems Development Training Center (ISDTC)	Installation of Office Works software
World War 2 Veterans Association	Advisory
Karabagh volunteers	Advisory
Public Education Center	Advisory
People in Need	Advisory
Community Assistance Center	Advisory
Association of Invalids of War	Advisory

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
Union of Communities		X
<i>Marzped</i>		X
National Assembly Web site	X	
Newspapers, TV etc.	X	

* IRTEK provides Internet or compact disc updates of all laws and decrees monthly.

COMPONENT TWO

LOCAL GOVERNMENT FINANCIAL MANAGEMENT SYSTEMS

Executive Summary

Charentsavan budget expenditures and supporting revenues have shown a steady increase during the 2003-2005 budget years. This is partly due to greater efficiencies of the tax collection process, resulting in a significant increase in collections. Although the city lacks funds for many capital improvements, it has set aside a portion of its budget to repair the roofs of several large apartment buildings and to restore the street lighting system.

The city created a municipal asset management system that tracks asset costs and revenues used by each department. Also, in 2002, the council established local legislation to regulate its sales and lease of assets. Regulations and announcements can be found on the city's Web site.

The city did not borrow money from any source during the 3-year data period. The city does not produce a budget in brief, and the level of citizen participation or access to the budget development process is minimal. However, the local council does solicit recommendations from local nongovernmental organizations (NGOs) in the formation of its budget. Internal control is exercised by the Chief Financial Officer.

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

Fiscal Year	Revenues (AMD)	Per Capita Revenues* (AMD)	Expenditures (AMD)	Per Capita Expenditures* (AMD)
2005	269,354,700	12,705	271,754,600	12,819
2004	218,898,000	10,325	221,516,200	10,449
2003	201,071,000	9,484	213,411,900	10,067

AMD = Armenian drams

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

* Based on census population

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

Fiscal Year	Revenues (AMD)	Per Capita Revenues* (AMD)	Expenditures (AMD)	Per Capita Expenditures* (AMD)
2005	263,375,100	12,423	265,047,500	12,502
2004	206,811,900	9,575	206,475,600	9,739
2003	190,510,000	8,820	188,446,500	8,889

AMD = Armenian drams

Budget figures 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	43,497,200	2,052
2004	26,327,000	1,219
2003	18,363,600	850

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	25%	Personal property tax and legal land tax
Who collects the property tax ?	All	Land taxes: Department of Financial & Economic Analysis Property tax: Department of Trade and Services
Tax collection		See above
Tax collection commissions		N/A
Tax collection problems		None specified

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	8,000,000 8,720,900	Roof repair community buildings Restored street lighting system	

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	3 properties sold or leased	X	
Number of responses received	Overall 4 offers: 2 resulting from an auction and 1 each from the lease of two parcels		
City has real estate market information for sale or lease of property			X

AMD = Armenian drams

Table 2-7. Anticorruption Effort

Activity	Description
Who do citizens report suspected corruption to?	Mayor via Internet
Have there been any reports of possible corruption ?	None
Are procurement bids published?	No, bids are sole sourced
Are the advertisements posted in locations and in ways to solicit the maximum number of competitive offers?	No
How many bids are sought ?	For auctions and bids , a minimum of two
Are bid evaluation committees staffed with professionals to review offers?	Yes (department heads)
Are the winning bids announced publicly?	Yes, and published on the city Web site
What are the most useful criteria used by the city for accepting an offer for goods or services?	For a technical proposal, presence of quality staff, financial position of the organization , and best offer
Is an internal control system in place ?	Yes
Who is the internal auditor and who does he report to?	Internal auditor position is currently vacant, but reports to the Chief Finance Officer
How is the collection of cash handled?	Cash transactions are handled via Armsavings Bank and others

COMPONENT THREE

PUBLIC SERVICE DELIVERY

Executive Summary

Water and sewer services are provided by Armenia Water and Sewerage Company (AWSC), a national-government-owned and privately managed company.² However, the mayor expressed concern that AWSC failed to completely fix the streets after they fixed the city water lines, resulting in considerable city expense to maintain its streets. Street repairs, street lighting, landscaping, and several other mandatory services are provided by two privately owned companies. Charentsavan City Hall operates its own kindergarten and sports and music schools, the cost of which is partially offset by fees.

There is a relative low level of fee collection, and the city budget must provide subsidies for solid waste and apartment building maintenance services.

Table 3-1. Basic Services Provided by the City

Mandatory Service	Service Provider	Approximate No. of People Served	Number of Employees	Funding Source
Kindergarten (5)	Budget organization	450	108	100% budget
Music school	Budget organization	385	84	Collections and City subsidy
Sports school	Budget organization	400	32	Collections and City subsidy
Solid waste collection and landfill	Sambark Ltd. Private enterprise	Entire city	25	100% fee
Street lighting	Komunalnik Construction Ent.	Entire city	2	100% budget
Street cleaning	Sambark Ltd. Private enterprise	Entire city	30	100% budget
Street repair	City Enterprise	Entire city		100% budget
Landscaping	Komunalnik Construction Ent.	Entire city	6	100% budget
Animal control	Sambark Ltd. Private enterprise	Entire city	3	100% budget

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

Mandatory Service	Service Provider	Approximate No. of People Served	Number of Employees	Funding Source
Cemetery maintenance (2)	Sambark Ltd. Private enterprise	Entire city	2	100% budget
Water and wastewater	Contract, AWSC	Entire city		100% fees
Apartment building maintenance	Condominium Associations	Housing blocks		Fees and subsidy (varies)

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	40-50%	40-50%	40-50%	
Preschool	100%	100%	100%	
Art school	100%	100%	100%	
Solid waste collection	40%	60%	65%	
Water/wastewater	50%	50%	50%	AWSC plans to increase collections after meter installation

AWSC = Armenia Water and Sewerage Company

COMPONENT FOUR

STRENGTHENING LOCAL GOVERNMENT PUBLIC RELATIONS

Executive Summary

City public relations personnel use two local TV stations and a local newspaper. However, the city also makes use of the Internet, placing public announcements and tendering information on its Web site. The city has received no training on the freedom of information law. However, it has established public relations responsibility with the head of the Program Department. This department head has given Charentsavan a unique presence in the information technology community, leading the effort of all Armenian cities toward e-governance. He also serves as president of the Information Systems Development and Training Center (ISDTC), which has distributed software developed in Charentsavan to 31 other Armenian municipalities.

The city does not produce a periodic newsletter or budget in brief for citizens. The city has involved youth in municipal programs (e.g., youth participation in development of the 3-year development plan).

Table 4-1. Access to Local Media

Media Type	Yes	No
Television: Charentsavan TV and Lusalik TV	X	
Radio		X
Local newspaper: <i>New Charentsavan</i>	X	

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

Activity	Amount	Yes	No
Established public relations responsibility—Programs Department		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	120		

Activity	Amount	Yes	No
Timely response to FOI requests	95%		
City has an information board		X	
City Hall has a directory		X	
City Staff has access to citizens (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	
The 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

Charentsavan's city council has adopted a set of rules of procedures in conducting a city council meeting. Council meetings are open to the public and are televised. However, there is little citizen participation in council meetings, partly due to a lack of adequate facilities.

Charentsavan's local government has not received training on the FOI law but is aware of its requirements. The council agendas, minutes, and decrees and its budget are published on the city Web site.

During the last budget adoption process, several meetings were held both with the city staff and representatives of various NGOs.

The local council has received training on the roles and responsibilities of local council members, but not in setting or developing strategic plans for the community. Newly elected council members have not received orientation or training. The council is relatively proactive in responding, with its own alternatives and approaches to community problems, to what the mayor proposes, particularly the capital budget improvements for housing.

Table 5-1. Local Council Composition and Contact Numbers

Council Member	Gender	Contact Information
1. Anton Antonyan	M	(0226) 42568; (093) 281346
2. Manuk Asatryan	M	(0226) 44238; (091) 414863
3. Sergey Avanesyan	M	(0226) 45914; (091) 303119
4. Roman Galustyan	M	(0226) 47105; (091) 422051
5. Anatoliy Gasparyan	M	(0226) 47118; (091) 347868
6. Zhorik Yeritsyan	M	(0226) 43908
7. Robert Tovmasyan	M	(0226) 41201; (091) 421241
8. Vahe Hakobyan	M	(0226) 41221; (091) 475763
9. Khachik Margaryan	M	(0226) 44440; (091) 371561
10. Maksim Melikyan	M	(0226) 47602; (091) 502882
11. Saribek Stepanyan	M	(0226) 75513; (093) 574132

Council Member	Gender	Contact Information
12. Norayr Vardanyan	M	(0226) 45175; (091) 428351
13. Norik Vardanyan Vanik i	M	(0226) 42257; (091) 212806
14. Vachagan Vardanyan	M	(0226) 46505; (091) 519662
15. Gnel Kocharyan	M	(0226) 45791; (091) 331432

Table 5-2. Council Training and Selected Practices

Item or Activity	Yes	No
Are established rules of procedures 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 a nd time and place publicized prior to the meetings ?	X	
Do citizens actively participate in council meetings ?		X
Are minutes of council meeting open to the public?	X	
Does the council participate in the strategic planning for the city ?		N/A: no plan
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