

Presented and Adopted: November 4, 1999
SUBJECT: Appreciation to the World Bank

#99-92
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (Board) of the District of Columbia Water and Sewer Authority, ("the Authority") at the Board meeting held on November 4, 1999, upon consideration, decided by a vote of eight (8) in favor and none (0) opposed, to approve the following action with respect to the World Bank.

WHEREAS, the mission of WASA is to provide clean and safe drinking water and effective wastewater collection in the District and provide wastewater treatment for the District, Montgomery, Prince George's, Fairfax and Loudoun Counties, at reasonable costs;

WHEREAS, WASA must have a supporting financial management operation and systems that provide accurate, timely and useful information and adequate controls over resources, and provides information used for rate setting, management of cash flow and investments, procurement and inventory, accurate billing, timely response to customer inquiries, budgeting for both capital and operating expenses, spending controls to ensure that funds are used as intended, reports needed for planning and providing Congress, the Control Board, bond holders and wholesale and retail customers with information that they need to be sure that costs are reasonable;

WHEREAS, WASA's financial management systems must provide the financial information necessary for planning and control of the resources available to the company in formats that are useful to management and others;

WHEREAS, WASA was created on April 18, 1996, and as such it started with a very poor base for improving its financial operations and management; rates had not been increased in more than ten years, approximately \$83 million in funds collected for water and wastewater charges had been diverted to other uses and District-wide purchasing and personnel policies had adversely affected water and wastewater operations;

WHEREAS, initially WASA's priority was to stabilize critical operations and re-engineer processes so that it can improve customer services as quickly as possible and provide the foundation for change;

WHEREAS, during the past two years, WASA has made significant progress in improving its financial management and WASA's objective is to continue to improve these operations and complete development of an efficient and effective financial management operation by the year ending September 30, 2000;

WHEREAS, the World Bank volunteered staff representatives J. Carlo Rietveld and William Krause to conduct an analysis of WASA's financial operations, thereby providing an outside and objective review of the process for transformation of WASA's financial systems, and subsequent evaluation of the progress WASA is making in this regard at no cost to WASA and its ratepayers;

WHEREAS, WASA has been able to make substantial progress in improving its financial operations and performance as a result of the specific organization and systems improvements recommended by the World Bank representatives;

BE IT RESOLVED, that the WASA Board of Directors, and management staff appreciate the significant role that the World Bank representatives have played in helping our Board and management team better focus our resources and efforts.


Secretary to the Board of Directors