

CHAPTER 6: FINANCE DEPARTMENT (INCLUDING IT / PURCHASING / UTILITY BILLING)

The Delray Beach Finance Department consists of 45 employees in 3 Divisions as follows:

Finance Administration: 18 employees working in Administration, Accounts Receivable, Accounts Payable, General Accounting, Cash and Debt Administration, Fixed Assets, Operating and Capital Budgeting, Payroll, Financial Reporting, Purchasing and On-Line Bidding

Information Technology (IT): 11 employees working in System Administration, Systems Development/Programming, Local Area Network Administration, Help Desk, Office Automation Services

Utilities Customer Service: 16 employees working in Water Meter Reading, Utility Billing, Cashier Function, Customer Service, Beach Parking Permitting

CURRENT DELRAY BEACH BEST PRACTICES

The Finance Department has already implemented a number of measures to help green the city. These include:

Finance

- Maintaining a City Beautification Trust fund, with a relatively healthy reserve of \$1.1 million at end of Fiscal Year 2007.
- Maintaining a Beach Restoration Fund for Beach Surveys, Sea Turtle Monitoring, Dune Re-vegetation and funding for sand restoration projects.
- Maintaining a Sanitation fund for external contracting for waste management, recycling, litter removal and graffiti clean up.

IT

- Implementing e-government best practices to minimize paper waste and increase citizen access to city information. This resulted in Delray Beach receiving first place winner award in the Digital Cities Survey 2005.
- Investing in energy efficiency best practices in the City's IT department, including localized air-conditioning for servers, energy efficient data center design etc.

Purchasing

- Implementing a "DemandStar" online bidding system for purchasing contracts that

enables vendors to maintain their vendor file, download bid packages and submit responses to bid invitations via the Internet.

- Encouraging use of recycled paper in the purchasing department.
- Using recycled content office supplies such as filing and binding in the department.
- Supporting the purchase of energy efficient technology and lighting for several city departments.

Utilities Customer Service

- Enabling customers to make online bill payments.
- Utilize informative billing that helps utility and water users better understand their consumption patterns.

BEST PRACTICE EXAMPLES BEYOND DELRAY BEACH

Many of Delray Beach's current activities may be considered environmental best practice – particularly relating to digital city efforts and creation of a healthy beautification fund. Best practice examples in other areas that the City could learn from and potentially adopt include:

Portland, OR

Portland, OR has developed a dedicated fund for city-wide green initiatives.

The City of Portland's Green Investment Fund (GIF) is a competitive grant program that supports innovative green building projects in Portland. In the current round of funding, a total of \$425,000 is available and the maximum grant amount for any project is \$425,000. Industrial, multi-family residential, commercial, and mixed-use public and private organizations may apply.

The primary intent of the GIF is to support early building and site-related project activities that examine the potential and identify the means to realize an exemplary, comprehensive green building project. GIF grants are secondarily intended to help offset the incremental hard costs of the green building measures or strategies that most strongly contribute to the building's ability to meet the GIF goals and priorities.

(See [Ref 6.1](#) and [Ref 6.2](#))

Seattle, WA

Some other governments have implemented the best practice of developing and implementing a comprehensive Environmental Purchasing Policy, with metrics to track implementation across all City departments.

The City of Seattle has a Green Purchasing Program (GPP) through which it promotes environmental stewardship and reduction of greenhouse gas emissions when buying goods,

materials, services, and capital improvements. The GPP is a cooperative effort among City departments, hosted by Seattle's Purchasing Department. One example of the City of Seattle's efforts is the use of 100% Post Consumer Recycled paper as a city standard.

In order to measure progress, the City publishes a Green Purchasing Report.

(Visit www.seattle.gov and search "green purchasing" for further details.

Sarasota County, FL

Sarasota County has adopted a Green Housekeeping Policy to improve the health and safety of building occupants, visitors and maintenance worker by requiring the use of effective and environmentally preferable cleaning products. ([See Ref 6.3](#))

State of Florida

The State of Florida has developed a Florida Climate Friendly Products database. This lists thousands of products that meet or exceed the green standards set by a range of independent organizations. ([See Ref 6.4](#))

Los Angeles County, CA

Los Angeles County has developed a comprehensive, very detailed Green Purchasing Policy with strict enforcement guidelines. LA County expressly desires that other government jurisdictions refer to its policy and adopt similar language and practices. The County has mandated that City departments:

- Institute practices that reduce waste by increasing product efficiency and effectiveness;
- Purchase products that minimize environmental impacts, toxics, pollution, and hazards to worker and community safety to the greatest extent practicable, and to
- Purchase products that include recycled content, are durable and long-lasting, conserve energy and water, use agricultural fibers and residues, reduce greenhouse gas emissions, use unbleached or chlorine free manufacturing processes, and use wood from sustainable harvested forests.

([See Ref 6.5](#))

QUICK WINS / LOW-COST GREEN RECOMMENDATIONS

The Delray Beach Green Task Force recommends that the City's Finance Department implement the following "quick wins" to further enhance the City's Green Leadership:

Recommendation 1: Create a Budgeting, Funding and Suggested Return on Investment (ROI) Framework for Higher Cost Environmental Programs

Implementing the recommendations in this report implies evaluating potential high cost programs in the environmental plan using a disciplined financial process in which direct and indirect costs and benefits are understood, total costs and benefits considered (irrespective of which City department incurs the costs or obtains the benefits) and a quantified ROI (Return on Investment) established for the plan as a whole. Some programs will cost more, others less, but the total plan must deliver economic benefits.

For this ROI framework to be usable and defensible, it would best be developed in partnership between the Department of Finance and City Commission. The task would be to take standard capital and operating budgeting policies and review them in light of potential tax benefits, State and Federal grant possibilities, and long term cost or revenue improvement possibilities enabled by environmental programs. The new framework would fix some of the disincentives inherent in many budget planning processes - for example causing one department to invest operating or capital budget into programs that deliver economic benefits to another department.

Developing this new funding framework for environmental programs will allow financing of many green recommendations made by the Task Force that may not pass the City's current Hurdle Rate for Capital or Operating Investment. This is not because environmental programs do not deliver economic results, but because typical budget analysis frameworks fail to address how their benefits may be realized across different departments or require capital investments that deliver operational benefits over the medium to long term. Totals costs, total lifecycle benefits and City-wide ROI of environmental programs seeking funding would be evaluated and ROI reported for all approved projects.

This recommendation is especially important given the current economic climate. Environmental issues are often discarded to the bottom of the agenda when economic conditions are tough but as stated by Governor Charlie Crist, *"The wonderful news about addressing climate change is...it may spur the greatest economic boon in the history of the planet."*

Recommendation 2: Implement Power Saving Features in all City Computers & Printers

Enact a local government policy so all computer/ancillary equipment is off when not in use. This will help avoid energy waste and immediately enable cost savings for the City. Software patches that are implemented by IT can be scheduled for specific days of the week or month.

Recommendation 3: Enact an Energy Efficient Computer Purchasing Policy

Enact a local policy so all computer electronic equipment purchased has conservation features. This will help the City benefit from Energy Star features on existing equipment and will enable immediate cost savings.

Recommendation 4: Develop an Environmental Purchasing Policy

Develop an Environmental Purchasing Policy, encourage and track implementation. The goal of this policy is to help reduce total costs over the basket of goods and services the City purchases – some purchase categories may have higher costs, others lower. The green purchasing policy can be created in line with the US Green Building Council's policy guidelines, focusing first on ongoing consumables, technology and furniture and then expanding to other categories of purchases.

(See [Ref 6.6](#) for proposed wording of this policy.)

Recommendation 5: Employ Green Cleaning and Maintenance

This will help improve the health of City buildings and potentially reduce the incidence of asthma and allergic reactions among city staff and visitors to City buildings. (See [Ref 6.7](#) for proposed wording of this policy.)

Recommendation 6: Purchase Energy Efficient Light-bulbs

Purchase compact fluorescent light bulbs to replace all incandescent bulbs in City operations and T5 or T8 energy efficient lights for commercial lighting applications. Switching to CFLs and T5/T8 lights will dramatically reduce the City's expenditure on electricity while reducing maintenance costs related to replacing bulbs. A lighting retrofit of this type will also significantly help reduce the City's overall carbon emissions. According to Energy Star, investing just \$4,000 to install 1,000 CFL's at \$4/unit can help save over \$70,000 by reducing electricity costs and avoiding replacement of burned-out bulbs. T5 and T8 lights are up to 40% more efficient than similar commercial lights but are available at almost the same price as less efficient lights.

Recommendation 7: Create, Launch, and Operate a Website Dedicated to Delray Beach's Green Efforts

Operate a website dedicated to communicating Delray Beach's green programs. This will help communicate the City's existing environmental programs and serve as a logical extension of the Delray Beach's Digital City efforts. Both [Boca Raton, FL](#) and [Boynton Beach, FL](#) have started such pages, linking from the City's home page.

LONG-TERM GREEN RECOMMENDATIONS

Recommendation 1: Develop Incentives for Green Redevelopment

These can be in the form of tax incentives or a Green Investment Fund. This will help simplify access to funds for green building and green retrofit programs and can be specifically designed to fund high ROI green programs such as high-performance building construction or energy efficiency retrofits.

Recommendation 2: Develop Incentives for Location of Green Businesses within the City

This can be in the form of a dedicated economic zone with special funding allocation, tax incentives and dedicated outreach through the Planning & Zoning Department. This will help establish Delray Beach as a global leader in the emerging Green Jobs movement and enable a unique, low-cost differentiation opportunity and focus area for economic development efforts.

Recommendation 3: Research Green Grants Opportunities

Utilize the City's grant researching program to apply for "Green" grants for special projects, events, programs or staff. This will allow the City to access the large and growing pool of State and Federal Funds available for green programs (likely to be dramatically increased under the incoming Obama Administration). By conducting a dedicated research effort to find relevant "green grants," there is the very real possibility that Delray Beach can access funds to implement a large number of the recommendations within this report.

REFERENCES

- Ref 6.1 – [Portland Green Investment Fund Overview](#)
- Ref 6.2 – [Portland Green Investment Fund FAQ](#)
- Ref 6.3 – [Sarasota Green Housekeeping Policy](#)
- Ref 6.4 – [State of Florida Climate Friendly Products List](#)
- Ref 6.5 – [LA County Green Purchasing Policy](#)
- Ref 6.6 – [Green Purchasing Policies](#)
- Ref 6.7 – [Green Cleaning Policy](#)

Note: All references are available as clickable links within this electronic document and available online at <http://www.SustainableDelray.org/report.htm>