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November 6, 1972

Mr. Bateman	Ms. Thompson, Jr.
Ms. Blanchard ✓	Mr. Tucker
Mr. Craig	Mr. Hayward
Mr. Denton	Mr. Knouff
Mr. Fentress	Mr. Shaw
Mr. Grigsby	Mr. Train

I am enclosing a copy of a report concerning a Part-time Village Administrator for your consideration.

This report was prepared by a BACOG Committee and may be of interest to us.

Will you please study this carefully and we may possibly have an informal meeting to discuss this program.

Yours very truly,



CONTRACTUAL MANAGEMENT SERVICES FROM THE
VILLAGE OF BARRINGTON

TRAVELING ADMINISTRATOR

A MODULAR PROGRAM OF MANAGEMENT SERVICES
FROM THE OFFICE OF THE VILLAGE MANAGER
OF BARRINGTON. ALLOWS VOLUNTARY CHOICE
OF THE LEVEL OF MANAGEMENT SERVICES

ADMINISTRATOR
OFFERS

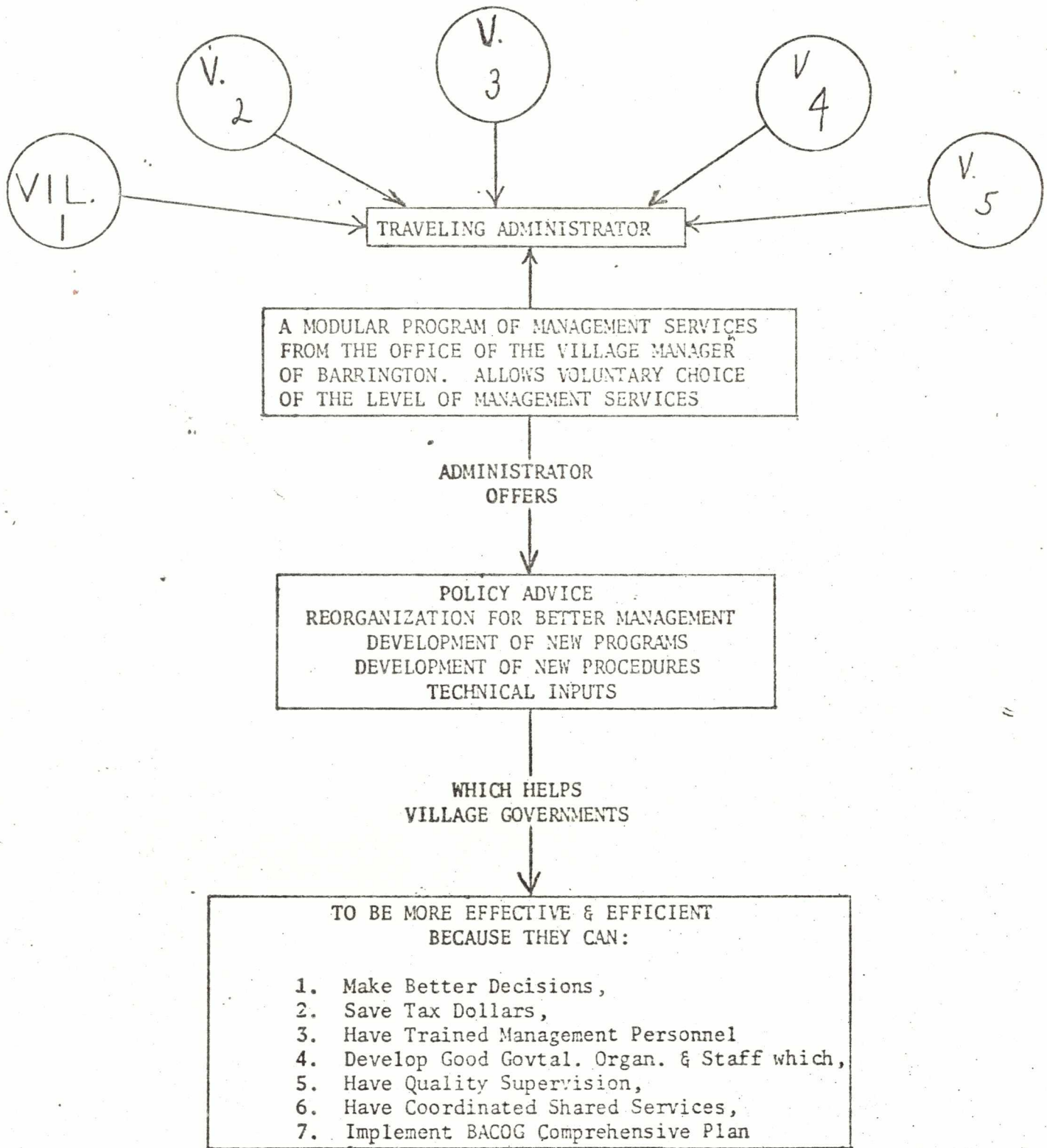
POLICY ADVICE
REORGANIZATION FOR BETTER MANAGEMENT
DEVELOPMENT OF NEW PROGRAMS
DEVELOPMENT OF NEW PROCEDURES
TECHNICAL INPUTS

WHICH HELPS
VILLAGE GOVERNMENTS

TO BE MORE EFFECTIVE & EFFICIENT
BECAUSE THEY CAN:

1. Make Better Decisions,
2. Save Tax Dollars,
3. Have Trained Management Personnel
4. Develop Good Govt. Organ. & Staff which,
5. Have Quality Supervision,
6. Have Coordinated Shared Services,
7. Implement BACOG Comprehensive Plan

CONTRACTUAL MANAGEMENT SERVICES FROM THE
VILLAGE OF BARRINGTON



GRANT APPLICATION

A PILOT PROJECT FOR A TRAVELING ADMINISTRATOR

The Barrington Area, with five villages of less than 3,000 population and three villages of near 5,000 population surrounding the larger population center of Barrington, offers a unique and important opportunity to implement a pilot project for a traveling administrator. The conditions now exist that place this area in a formidable position from which it could successfully carry out this project that would lead the way in bringing professional management skills to small villages and towns in all of Illinois. The Barrington area lends itself to such a program of management skills for the following reasons:

1. Existing Area-wide Cooperation and Action. Efforts to plan for the Barrington area began as early as 1965 and have increased and continued to the present. Since the formation of the Barrington Area Council of Governments in 1970, the villages have been actively seeking ways to cooperate and are currently seeking to implement a program of shared services.
2. Existing Professional Management Skills that are Centered in the Village of Barrington. The Village of Barrington has available a full time professional management staff. The skills of a professional administrator are only minutes away from the five other villages and could be effectively utilized. The willingness of the Village of Barrington to utilize its staff in other villages is clearly indicated by its present contractual arrangement with two of the villages for professional building inspection services.
3. Existing Area-wide Study on Administrative Services and the Administrative Procedures Manual. A study on the administrative services of the BACOG member villages has been completed and the administrative procedures have been developed whereby surrounding villages can enter into a program of shared services. (Please refer to Chapters one, two and four which accompany this grant application). Cooperation in management could thus lead to broader areas of cooperation and coordination in the field of area-wide shared administrative services.
4. Possibility of Extending Management Services to Other Nearby Villages. Wauconda, Fox River Grove and Lake Zurich are examples of larger villages in need of professional administrative services who are in close proximity and have much in common with the Barrington area. As the program

4. Possibility of Extending Management, continued

develops, professional management services could be extended to these villages and other smaller ones such as Inverness, Lakes of Barrington and Long Grove.

5. Existing Need of the Surrounding Villages for Management Services.

As many small towns and villages in the State of Illinois, the surrounding villages are pressured by problems and conflicts that demand the attention and skill of a professional manager. Nevertheless, these villages are unable to financially afford a full time administrator. The proposed program would offer them professional management skills on a part time basis as their desires and needs demand.

Due to a lack of financial resources and limited budgets and because management skills quite often must be demonstrated before smaller communities can see their economic justification, this proposal suggests a "seed" or "starter" grant from the Illinois State Department of Local Affairs to implement a pilot project for a traveling administrator for Barrington area villages.

PROGRAM PROPOSAL

A Modular Program of Management Services

This pilot project proposal for a traveling administrator would offer a program of management services provided by the management staff of the Village of Barrington. The surrounding BACOG member villages will be able to contract for management services from the Village of Barrington who will provide such services through the office of their Village Manager. Different levels of management service will be offered to the participating villages in order that their contractual arrangements might meet the needs and desires of the individual villages and their boards of trustees. Thus, the program is modular and allows villages to enter at different levels of participation. For example, one village may only wish the traveling administrator to be in attendance at their board meetings, make policy recommendations to their village boards and administer their contractual services while another village may contract for a full range of management services. The attached Administrative Directive 1:11: Establishing the Procedures for Shared Management Services enumerates the management services offered, has a model adopting ordinance and has a model contract for management services.

The traveling administrator will be the Manager of the Village of Barrington or his assistant and will spend part of his time in each of the contracting villages managing their affairs according to the contractual arrangements agreed upon by both villages. The Traveling Administrator will act under the direction of the respective village board of trustees while attending to their affairs in their village. The board of the contracting village will retain the right to dismiss the manager and discontinue the management services. In short, the board of trustees of the individual villages will remain the policy-making body and the manager will be responsible to the board for making inquiries studies and policy recommendations and responsible to the board for administering the directives of the village as expressed by motions of the village boards.

Management Services Offered.

Various important management services and skills could be offered by the traveling administrator during the time he would spend bringing professional administration to the village. The administrator would have the skills and professional knowledge to provide:

(1) Policy Advice to the Village Board of Trustees.

With his extensive management backgrounds, the administrator will be able to give valuable advice and recommendations that will help the village boards in making decisive and important policy decisions that will bring better government to the individual villages.

(2) Reorganization of Village Administrative Staff for Better Management.

The traveling administrator will be able to recommend and implement any reorganization efforts that would allow the village to meet its goals or make desired improvements.

(3) New Procedures to Bring More Effective and Efficient Government.

A professional manager would possess the skills and abilities to write and implement new and more effective procedures for accomplishing the tasks of village government. For example, the administrator could use his skills in developing the procedures

(3) continued

for effective budgeting, purchasing, personnel administration, finance administration and the many other areas of administration in local government that need improvement.

(4) New Programs to Meet the Demands of Local Government.

Due to growth, citizen demands or in the interest of better government, new programs may be required in the various villages. A professional administrator would be able to effectively recommend; develop and implement desired new programs for the village. For example, a manager could effectively recommend, develop and implement a capital improvements program due to his extensive experience with such a program in the larger Village of Barrington.

(5) Technical Inputs for the Villages.

A traveling administrator would be able to make technical inputs into village programs and services. The manager, having had extensive experience with a full range of services in the Village of Barrington, would be prepared to make technical inputs for similar services in the other villages.

Within the broad guidelines described above, the Traveling Administrator would be able to offer three management packages to the various villages according to the contractual arrangements and the village's individual needs.

I. Police Advice Package

- A. Development of village board agenda.
- B. Attendance at village board meetings.
- C. Development of policy recommendations.

II. Management Service Package

- A. Budget Development and Control.
- B. Contract Administration.
- C. Personnel Administration.
- D. Supervision of Village Operations.
- E. Finance Administration and Control.
- F. Purchasing Administration.
- G. Planning and Land Use Administration.
- H. Records Administration.
- I. Data Processing Administration.
- J. Capital Improvement Programming.

III. TOTAL MANAGEMENT PACKAGE

A. Includes both above named alternatives.

In summary, the traveling administrator from the Village of Barrington would be able to continuously provide the type of professional management services that would allow small villages to make effective decisions which have an impact on both long-range and short-range economics. These services could be provided according to village needs and according to their ability to justify funding such services.

PROGRAM JUSTIFICATION

Operating Advantages.

The proposal to combine the Village of Barrington's management with other villages on a circuit rider basis offers some unique advantages to both the Village of Barrington and other contracting villages. First, the basic premise of the proposal indicates its usefulness. The basic assumption underlying the whole concept of the traveling administrator is that the professional Village Manager of Barrington, who manages a broad range of sophisticated programs and services in the Village of Barrington, can successfully transfer his professional management skills to the management of smaller, less sophisticated, but yet similar, services and programs carried out by the other villages. The transferability of management skills and knowledge is an important aspect of the proposal. Not only would the smaller villages benefit from continuous management services, but the Village of Barrington could benefit from exposure to the variety of village operations which would be encountered. Secondly, through the expanded financial base, Barrington could employ additional personnel to deal effectively with its management needs.

Second, the proposal has built-in efficiencies. Each of the villages will be performing various similar services. It is only natural that a professional manager acting for the participating villages could work savings through coordinated service arrangements, coordinated contractual services, volume purchasing, and other arrangements that take advantage of the available economies of scale. These types of efficiencies are indeed valuable and necessary if local government is to become successful in providing the needed quality services to its citizenry.

Third, the proposal allows a coordinative effort among the local villages. A Traveling Administrator could use information obtained through a broader range of contacts to coordinate the various activities of participating villages and direct development in such a way that all villages participating could benefit.

For example, the administrator could coordinate the various shared services in the area such as building inspection and joint purchasing

or he could act in a coordinative manner in effectively developing and administering the BACOG comprehensive land use plan in each village. Much of the real value of this pilot project is centered in the built-in efficiencies and coordinating effect it provides for the participating villages. At the same time, if coordinated programs were not feasible, management expertise could still be utilized in bringing about the most effective, efficient and desirable actions.

Improvement in Village Government

The proposed pilot project to provide professional management services to the participating local villages through a traveling administrator would substantially improve the quality of local government. Such a program of management services would allow participating local governments to:

1. Have Available Trained Management Personnel: The project could place a professional administrator in the village service to expedite activities directly impacting village goals to overcome inertia and to deal with citizen request for service.
2. Save Tax Dollars. The professional recommendations and management skills of the administrator would bring increased economy and efficiency to each village.
3. Make Better Decisions. Equipped with urban and metropolitan experiences, the recommendations and policy advice of a trained administrator to the village boards would enable them to make better informed decisions and would allow the articulation of village policy as well as provide an effective negotiator in representing the village point of view with developers and other clientele of the village.
4. Develop Better Governmental Organization and Staff Utilization. Through organization skills and new management methods, each village could be given a clear focus on improving operations as desired by the village board.
5. Provide Quality Supervision. Village employees would receive the benefit of close supervision through more frequent communication, broader program planning and review of program results.
6. Have Coordinated Shared Services. The traveling administrator would be able to implement and coordinate the program of shared services proposed by the Barrington Area Council of Governments as each participating village desired.
7. Implement the BACOG Comprehensive Plan. The goals of the comprehensive plan of the Barrington Area Council of Governments could be implemented under the direction of the administrator after the appropriate action by the various village boards of trustees had been taken. The plans of individual villages could also be more tightly coordinated.

Improving local government would be an integral part of the pilot project as is demonstrated by the objectives it will seek to achieve. Local governments throughout the state are seeking the operating advantages and improvements listed above; the pilot project proposal will lead the way in helping them to find an effective means to achieve these advantages and improvements.

GRANT JUSTIFICATION

State Wide Application.

The concept of a traveling administrator is not limited in its application to the Barrington area alone, but has promise of being a program that can be used state-wide and even in other parts of the nation. This pilot project would develop a basis upon which other similar programs could be operated within the state to benefit small towns and cities, rural areas, and newly developed communities. Procedures for effective transferring management skills between villages would be established and documented and results reported in order to develop sound methods which could be transferred to other villages.

The development of documented and tested methods, organizational structures and models, legal and financial arrangements could be transferred to any group of communities which had similar interests and needs.

The programs could be used throughout the state as a model program to be implemented in other rural or metropolitan areas to allow professional management skills to be expanded and justified in areas where for any reason management had not been developed in a highly sophisticated manner. Through a system of quarterly reports to the Department of Local Government, the progress and development of the project could be monitored and its operation and success be ascertained. The series of reports would be published into a monograph explaining to small villages throughout the state how management skills can be consolidated. Secondly, a report demonstrating the strength and weakness of the project could be written for the purpose of avoiding weaknesses in future attempts and incorporating the strengths of the pilot project into future programs.

The traveling administrator would receive a practical education in governing small towns and cities. This new knowledge and research could be vitally important to governing local affairs in the State of Illinois and throughout the nation. Through quarterly reports and administrative papers, the traveling administrator could develop practical management information that may answer many of the questions now confronting the elected officers of small communities throughout the State.

Development of educational information on local government management would be an important part of the proposed pilot project and a case study could be developed for classroom use as a follow-up to the Pilot Project.

FINANCIAL RESTRAINTS

The Village of Barrington has spent a substantial amount of money and resources to bring cooperation and mutual aid to the Barrington area. The Village provides free office space for the Barrington Area Council of Governments, provides over 50 per cent of its financial support, and has provided a summer intern to work on a program of intergovernmental shared services.

In short, Barrington has done a substantial amount in attempting to develop and support intergovernmental cooperation and services in the area. However, the Village of Barrington does not have the financial means nor the legal right to extend management services to other villages without sufficient financial returns to cover the costs of the extended services. Barrington will be generous enough to offer its management staff and allow them to use village office space in handling management matters for the other villages. It is willing to do so because it also foresees advantages that could accrue to the Village of Barrington in terms of economies of scale, increased utilization of village staff, exchange of management methods among the villages, as well as other advantages. These benefits must be demonstrated in order to develop financial support for a continuing program.

Participating villages who would be contracting for management services also require that management service can offset program costs and therefore be justified on a cost basis prior to expending large outlays in financial support of this program.

Even though the smaller villages are, or probably will be, in need of the management skills and assistance offered, they cannot justify expenditure based on documented performance. An "incentive grant" is seen as essential to develop the program. Each village is reluctant to over-commit its resources in the implementation of a new and untested program that will need time to develop and be successful.

In view of the state-wide benefits that would be possible; the educational benefits for local government management, and the inability to justify total financing of the project, a grant application is being made to establish a pilot project for the traveling administrator program.

PROJECT BUDGET

The proposed budget for a traveling administrator in the Barrington area was developed from the base of the Village of Manager of Barrington's Annual Budget for the fiscal year 1972-73. The total amount budgeted was \$32,300.00 (rounded to the nearest hundred). This included regular and overtime salaries for a manager and a secretary, contractual services and an expense allowance, and all commodities used. In order to implement this program, funds were also budgeted for an assistant manager, for an automobile, for fringe benefits and for overhead costs.

Proposed First Year Budget

Department of the Village Manager.....	\$ 32,300.00
(Includes secretary, contractual services and commodities)	
New Administrative Assistant	12,000.00
Automobile and Travel Expenses	3,000.00
Fringe Benefits (20% of regular salaries which are \$41,300.00)	8,200.00
Overhead Costs	1,500.00
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Total Budgeted for First Year.....	\$ 57,000.00

COST SHARING

The continuing program, once fully implemented, envisions each village paying a uniform hourly sum for management services. However, the annual total of the charges for services cannot exceed a designated maximum sum calculated by multiplying the percentage of total population that specific village represents, times the total management costs. At the present time, if the six BACOG member villages were cooperating in a program of shared management services with an annual budget of \$60,000.00, the cost sharing basis would be as follows:

MANAGEMENT SERVICES COST SHARING BY PRESENT POPULATION OF THE VILLAGES USING A HYPOTHETICAL \$60,000 BUDGET

<u>Village</u>	<u>Population</u>	<u>Percentage Share of Total Cost</u>	<u>Maximum Dollar Share of Total Cost</u>
Barrington	8,400	55%	\$ 33,000
Barrington Hills	3,000	20%	12,000
North Barrington	1,500	10%	6,000
Tower Lakes	1,000	65%	3,900
Deer Park	900	6%	3,600
South Barrington	400	2.5%	1,500
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Total Population	15,200	100%	Total Budget \$ 60,000

Therefore, in the initial stages of implementation if one of the villages withdrew from the agreement or if they used less than their percentage of the total management hours available, the Village of Barrington would have to be flexible enough to absorb the excess costs. For example, if the Village of Tower Lakes withdrew from the agreement, the Village of Barrington would have to stand the cost of the extra 6.5 per cent of the management services made available or contract with another village for management services. Again, if Barrington Hills used 15 instead of 20 per cent of the management time available, the Village of Barrington would have to absorb the 5 per cent excess costs and services.

Once the program is operating and stable, the type of flexibility described above could easily be a part of the program. However, in order to implement the program, assure its early development and success and encourage full participation and cooperation, a three-year incentive grant is needed. This three-year grant, provided on a cost-sharing basis, would provide the essential early impetus for the program.

The Village of Barrington is willing to carry a substantial amount of the total cost of the pilot project. The village will offer to support 55 per cent of the grant budget on a continuing basis in light of the fact that Barrington represents 55 per cent of the total population involved. The remaining portion of the project costs would be paid for by the State grant and the other participating villages on a sliding scale as proposed below:

FIRST YEAR

<u>Participant</u>	<u>Percentage Share of Program Cost</u>	<u>Dollar Share of Program Cost</u>
Village of Barrington	55%	\$ 31,350.00
State Through the Grant	45%	25,650.00
Other Village	0%	00
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TOTAL COST OF FIRST YEAR PROJECT	100%	\$ 57,000.00

SECOND YEAR-

<u>Participant</u>	<u>Percentage Share of Program Cost</u>	<u>Dollar Share of Program Cost</u>
Village of Barrington	55%	\$33,000.00
State Grant	35%	21,000.00
Other Villages **	10%	6,000.00
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TOTAL COST OF SECOND YEAR PROJECT	100%	\$60,000.00 *

* The Total \$60,000 budgeted for second year is the base budget from the first year plus an approximate 5% increase to cover the cost of inflation.

** Breakdown of Other Villages' Second Year

Costs (\$6,000.) According to Population.

<u>Participant</u>	<u>Percentage Share of Costs by Population</u>	<u>Dollar Costs by Population</u>
Barrington Hills	44%	\$ 2,640.00
North Barrington	22%	1,320.00
Tower Lakes	15%	900.00
Deer Park	13%	780.00
South Barrington	6%	360.00
	<u>100%</u>	
TOTAL SECOND YEAR COST TO OTHER VILLAGES		\$ 6,000.00

THIRD YEAR

<u>Participant</u>	<u>Percentage Share of Program Cost</u>	<u>Dollar Share of Program Cost</u>
Village of Barrington	55%	\$ 34,650.00
Other Villages **	30%	18,900.00
State Grant	15%	9,450.00
	<u>100%</u>	
TOTAL COST OF THIRD YEAR PROGRAM		\$ 63,000.00 *

* The total \$63,000.00 budgeted for the third year is the base budget from the second year plus a 5% increase to cover the cost of inflation.

** Breakdown of Other Villages' Third year Costs (\$18,900.) According to Population.

<u>Participant</u>	<u>Percentage Share of Cost by Population</u>	<u>Dollar Share of Cost by Population</u>
Barrington Hills	44%	\$ 8,316.00
North Barrington	22%	4,158.00
Tower Lakes	15%	2,835.00
Deer Park	13%	2,457.00
South Barrington	6%	1,134.00
	<u>100%</u>	
TOTAL SECOND YEAR COSTS TO OTHER VILLAGES		\$ 18,900.00

THE CONTINUING PROGRAM

At the end of the third year, the State would end its financial assistance and each village would begin to pay for their full share of the management services according to the percentage of the total population.

The above proposed cost sharing proposal offers a fair and equitable plan for paying the costs of continuing management services.

At any time during the pilot project if the combined population of participating villages drops below 12,000, the Village of Barrington would contract with other surrounding villages to provide them with management services (e.g. Fox River Grove, Inverness, Lake Zurich, Wauconda, etc). This would change the cost sharing figures and the proposed budget somewhat, but would allow the program to continue in the event that one of the larger villages discontinued its management services.

By the third year it is hoped that the total participating population would be in excess of 30,000. A base sufficient to support the on-going program effectively.

In conclusion, the proposed pilot project for a traveling administrator will make an important contribution in the field of local government. It offers the promise of being a good testing ground for extending professional management services to local governing bodies and thereby increasing their ability to have more effective and efficient government for their citizens.