



CITY OF CAMBRIDGE
INTEROFFICE CORRESPONDENCE

To Robert Healy, City Manager
From James P. Maloney, Assistant City Manager
for Fiscal Affairs
Subject Council Order #7, May 14, 1984
Date May 17, 1984
Reference

The following is offered as a response to the City Council Order Number 7, of May 14, 1984. Please be advised that the City currently has four separate contracts with Municipal Management Associates totaling \$70,645. The break out of the four contracts, which all expire June 30, 1984, is as follows:

Water/Sewer Billing & Collection	\$25,698
Real Estate/Personal Property Billing & Collection	40,877
FY 1983 Tax Delinquency Billing & Collection	1,420
Assessors File Maintenance	<u>2,650</u>
	\$70,645

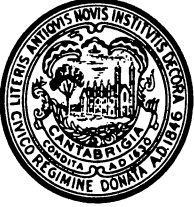
Municipal Management Associates is the only firm currently doing billing and collection work for Cambridge. TAP, Incorporated of Waltham, Massachusetts was until 1984, performing billing and collection work on excise taxes. This work is now performed in-house by City personnel, at a considerable cost savings. It is the City's intention to next move the water/sewer billing process in-house. Exactly when this will occur is difficult to judge at this point, but I hope to begin work on this process during the second half of FY 1985. Continuing problems with our payroll vendor and the prospect of greater cost savings have made payroll processing the next goal to move in-house. It is the City's intention to renew existing contracts with M.M.A. for FY 1985 at approximately the same cost. It should be noted that while there

were initial problems with this firm, current service provision is very good. The one problem surrounding Municipal Management Associates has been the threat of bankruptcy. The City's attorney, who has been following this case, feels that the firm's proposed reorganization will be approved by the courts. During the past twelve months, several Massachusetts municipalities have employed Municipal Management Associates to handle their billing work.

In response to other questions raised by the City, legal documentation on file indicates that Michael Moreau is the President, Clerk and Treasurer of the firm. A review of the City's relationship with this firm is as follows:

May, 1979-----20 month contract signed with Michael Moreau for the development of real estate and personal property collection system. Development costs appear to have been paid by the City in return for joint ownership of the software.

November, 1980-----Contract signed with Municipal Management Associates for real estate/water/sewer and excise tax collection for \$103,000 annually. Michael Moreau President of firm. The excise billing was in fact never done by Municipal Management. The firm has continued to handle real estate/water/sewer since that time with annual contracts.



CITY OF CAMBRIDGE

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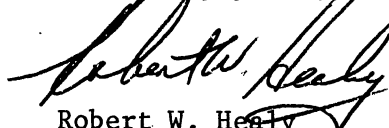
EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

June 4, 1984

To the Honorable, the City Council:

With respect to City Council Order No. 7 of May 14, 1984 relative to contracts for computer/billing services for the City of Cambridge, enclosed please find copy of a report from James P. Maloney, Assistant City Manager for Fiscal Affairs.

Very truly yours,


Robert W. Healy
City Manager

RWH/mbf
Enc.

Agenda Item Number Three

F-2/2

Re: contracts for computer/billing services
for the City of Cambridge.

In City Council,

June 4, 1984

Placed
on
File