



Lexington-Fayette Urban County Government
OFFICE OF THE MAYOR

Jim Gray
Mayor

To: Mayor Jim Gray
Urban County Council

From: 
Scott Shapiro, Senior Advisor to Mayor Jim Gray

Date: November 5, 2012

Re: Approve agreement with Public Financial Management, Inc. to provide consulting services related to Lexington's Police and Fire Pension

This memo seeks the approval of a contract between LFUCG and Public Financial Management, Inc. (PFM), a public-finance consultancy based in Philadelphia, to provide consulting services to the Police and Fire Pension Task Force. The Task Force was formed to find consensus between LFUCG and the beneficiaries of the pension with respect to pension reforms.

PFM was selected through LFUCG's RFP process (#25-2012). The proposal selection team was comprised of the benefits subcommittee of the Police and Fire Pension Task Force, which includes police and fire representation, with two additional council members and a member of the Mayor's office.

A separate budget amendment has been submitted for \$210,000. That amendment would cover the cost of PFM – at a not-to-exceed price of \$149,089 – with the balance covering the costs of Cavanaugh & MacDonald, Lexington's actuaries, for their work in generating impact analyses of suggested pension reforms. LFUCG is recovering half of the cost of consultants – up to \$80,000 – from donors outside of LFUCG.

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