File #:	23-1631	**Version:** 1	**Name:**
Type:	CONSENT AGENDA	**Status:**	Approved
File created:	6/5/2023	**In control:**	City Controller's Office
On agenda:	6/28/2023	**Final action:**	
Title:	Authorize amendments to the City of Dallas Employee Deferred Compensation 401(k) and 457 Retirement Plans to allow for all plan participants to have the option to select a Registered Investment Advisor and to allow Fidelity Investments to offer all participants the option to participate in Fidelity Personal Planning and Advice Accounts - Financing: No cost consideration to the City (see Fiscal Information)		
Sponsors:			
Indexes:	300		
Code sections:			
Attachments:	1. Resolution		

Date	Ver.	Action By	Action	Result

STRATEGIC PRIORITY: Government Performance & Financial Management

AGENDA DATE: June 28, 2023

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Jack Ireland

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SUBJECT

Authorize amendments to the City of Dallas Employee Deferred Compensation 401(k) and 457 Retirement Plans to allow for all plan participants to have the option to select a Registered Investment Advisor and to allow Fidelity Investments to offer all participants the option to participate in Fidelity Personal Planning and Advice Accounts - Financing: No cost consideration to the City (see Fiscal Information)

BACKGROUND

City of Dallas Employee Deferred Compensation Retirement Plan members expressed interest in adding plan options that would allow each plan participant to work with personal investment advisors as the employees make investment decisions. Two new options were presented to the Plan Boards:

(1) Registered Investment Advisor: This option allows plan participants to authorize their own selected investment advisor and to pay that advisor's fees out of their retirement account. Advisors are selected by the plan participant and are not vetted by the City or by Fidelity, the

plan participant takes the risk for these investments, and the fees are set by the Registered Investment Advisor.

(2) Fidelity Personalized Planning and Advice Accounts: This option allows plan participants to select a Fidelity advisor to work with them individually on the plan participants investments. The Fidelity Advisor is paid by the plan participant directly, not taken out of their retirement fund.

The Boards of the 401(k) and 457 Plans were briefed on these two new investment tools and voted to include them in both Plans. These options were brought to the Government Performance and Financial Management Committee on February 27, 2023, and the committee recommended approval.

The City Controller's Office will work with Fidelity and plan advisors to make these investment options available to plan participants during the summer of 2023.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The 401(k) and 457/457 Profit Sharing Trust (PST) Boards were briefed on Registered Investment Advisor Discretionary Access on September 10, 2021. No action was taken

The 401(k) and 457/457 PST Boards were briefed on Registered Investment Advisor Discretionary Access on November 4, 2021. A motion to allow Registered Investment Advisor Discretionary Access to the Plan passed by majority vote.

The 401(k) and 457/457 PST Boards were given updates on Registered Investment Advisor Discretionary Access on January 1, 2022, March 3, 2022, June 9, 2022, and December 8, 2022. No action was taken.

The 401(k) and 457/457 PST Boards were briefed on Fidelity Personal Planning and Advice Accounts on December 8, 2022. A motion to allow Fidelity Personal Planning and Advice Accounts to the plan passed unanimously.

The Government Performance and Financial Management Committee was briefed regarding this matter on February 27, 2023.

FISCAL INFORMATION

No cost consideration to the City. Costs are paid by plan participants via direct payment or through fees out of their retirement account.