

# Memorandum



CITY OF DALLAS

DATE October 20, 2026

TO Honorable Members of the Finance Committee: Chad West (Chair), Kathy Stewart, (Vice Chair), Zarin Gracey, Maxie Johnson, Jesse Moreno, Jaime Resendez, Gay Donnell Willis

SUBJECT **Proposed Amendment to the Deferred Compensation voluntary plans, 401(k) Retirement Savings and 457(b) - Defined Contribution Plans to adopt a fixed dollar contribution option.**

This memorandum outlines the proposed amendment to the voluntary deferred compensation plans—the 401(k) Retirement Savings and the 457(b) Defined Contribution Plans—to include a fixed-dollar contribution option. This action has no cost consideration to the City.

On July 30, 2026, a special meeting was called, and the plan board members approved the adoption of mixed deferrals for both Voluntary Plans—401(k) Retirement Savings and the 457(b) Defined Contribution Plans. Currently, participants of either plan can make contributions as a percentage of their paycheck. The mixed deferrals offer an additional contribution option and allow for plan participants to make contributions to these plans as a fixed dollar amount or as a percentage of their paycheck.

Once the mixed deferrals are active on Fidelity Platform (NetBenefits), planning tools will require manual data entry by all participants; the "Easy Enroll" and quarterly check-in features will not be available to all participants; switching between percentage-based and fixed-dollar contributions (or vice versa) will take two pay cycles to go into effect; and there will be additional costs related to payroll administration and IT system management, as well as entering into a contract with an external technology vendor to configure Workday—estimated at approximately \$80,000 (subject to change)—to be funded by Fidelity Investments' Revenue Credit Agreement program.

If you have any questions please contact Sheri Kowalski, Director of the City Controller's Office at [sheri.kowalski@dallas.gov](mailto:sheri.kowalski@dallas.gov).

Service First, Now!

Jack Ireland  
Chief Financial Officer

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c:           Kimberly Bizer Tolbert, City Manager  
              Tammy Palomino, City Attorney  
              Mark Swann, City Auditor  
              Billerae Johnson, City Secretary  
              Preston Robinson, Administrative Judge  
              Baron Eliason, Inspector General (I)  
              Dominique Artis, Chief of Public Safety  
              Dev Rastogi, Assistant City Manager

              M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
              Alina Ciocan, Assistant City Manager  
              Donzell Gipson, Assistant City Manager  
              Robin Bentley, Assistant City Manager  
              Jack Ireland, Chief Financial Officer  
              Ahmad Goree, Chief of Staff to the City Manager  
              Directors and Assistant Directors