New contribution limits announced for 2020

IRS limits on the amounts participants may contribute to the San Francisco Deferred Compensation Plan (SFDCP) in 2020 have increased.

| Maximum Annual Deferral                  | $19,500 (increased from $19,000 in 2019) |
| Maximum including Age 50+ Catch-Up¹     | $26,000 (increased from $25,000 in 2019) |
| Maximum including Special 457(b) Catch-Up | $39,000 (increased from $38,000 in 2019)¹ |

Beginning in the year in which you will reach age 50, you are allowed to contribute an extra $6,500 with the Age 50+ Catch-Up, which is increased from $6,000 in 2019.

If you are within three years before the year in which you will reach Normal Retirement Age, you may be eligible to contribute up to $39,000 with the Special 457(b) Catch-Up. Please contact your SFDCP Counselor to see if you are eligible.

¹If eligible.

Update your contributions for 2020

If you contributed the maximum to the SFDCP in 2019, you need to update your 2020 contributions to reflect the new limits. Your contributions will not update automatically to reach the limit. To make contribution changes for 2020:

• Divide your limit by 26 pay periods if this is to be effective with the first payroll in 2020.

• Or subtract any 2020 contributions you’ve already made from the limit, then divide that amount by the number of pay periods remaining in the year.

• Finally, log into your SFDCP account and go to Account > Contributions > Change Contributions.

If you have any questions about updating your contribution rate, please call 888-SFDCP-4U (888-733-2748). We’re happy to help!
Not contributing the maximum but still want to increase your savings this year?

Our new online rate escalator can help! Even just an annual 1% increase of your savings to the SFDCP has the potential to really make a difference, especially since Americans, on average, are living longer and living in retirement longer as well.

Use the new rate escalator tool to schedule automatic savings increases by an amount and frequency that you choose. Log in to your SFDCP account and go to Account > Contributions > Rate Escalator to choose:

- Your contribution increase rate, available in 0.25% increments or more.
- The frequency of your rate increase. You can make a one-time election or increase on a quarterly, semi-annual or annual basis.
- The contribution rate you’d like the automatic increase to stop at once you’ve reached it.

Then choose an initial increase date (like July 1, 2020, when many participants receive a COLA increase) and click Next to begin the submission process. You’ll receive a reminder 30 days before your scheduled rate increase, and you can change or stop the rate escalator at any time. Set it and forget it today!

<table>
<thead>
<tr>
<th>Accumulated value after:</th>
<th>5 years</th>
<th>10 years</th>
<th>20 years</th>
<th>30 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you contribute 3% each year:</td>
<td>$5,211</td>
<td>$12,186</td>
<td>$34,008</td>
<td>$73,088</td>
</tr>
<tr>
<td>If you increase your 3% contribution by 1% each year, up to 12%:</td>
<td>$8,484</td>
<td>$28,522</td>
<td>$99,821</td>
<td>$227,506</td>
</tr>
<tr>
<td>Potential benefit of annual contribution rate increases:</td>
<td>$3,273</td>
<td>$16,336</td>
<td>$65,813</td>
<td>$154,418</td>
</tr>
</tbody>
</table>

*The illustration above assumes an annual salary of $30,000, contributions made each month, earning 6% interest, compounded monthly with deposits at the beginning of each month. The illustration does not reflect the performance of a specific investment. All returns are hypothetical, not guaranteed and do not reflect the past or future performance of a specific investment option. Payment of income taxes is not reflected. Systematic investing does not ensure a profit or protect against loss. You should consider your ability to invest consistently in up and down markets. Taxes will be due at the time of withdrawal from a tax-deferred investment.

“Plan Today for Tomorrow” seminar recap

The San Francisco Deferred Compensation Plan hosted a “Plan Today for Tomorrow” seminar during October’s National Retirement Security Week. The seminar helped SFDCP participants and CCSF employees learn about how SFERS, Social Security, and voluntary savings into the SFDCP work together to help make retiring with dignity a reality.

Consider these takeaways from the seminar:

- You’ll likely need to replace 80% of your pre-retirement income to maintain your current lifestyle in retirement.
- 50% of SFERS pensioners have benefits of less than $3,000 per month, but the cost of living in San Francisco was 62.6% higher than the national average (as of 2017).
- SFERS and Social Security provide a fixed monthly income amount based on a formula, which may not be enough in retirement. That means contributions to the SFDCP, that you can control and change at any time, are your only opportunity to help make up the difference.
- Take advantage of all the new resources and online capabilities available through the upgraded SFDCP today!

Did you miss our seminar? Meet with a SFDCP Counselor!

You can now use our online scheduler to make an appointment to meet face-to-face with a SFDCP Counselor to review your retirement planning needs and strategy. Visit ccsfdcp.timetap.com to schedule a date and time that’s convenient for you. Not sure who the dedicated SFDCP Counselor is for your department? View the SFDCP Counselors by department on the Contact Us page at SFDCP.org.

Information from registered SFDCP counselors is for educational purposes only and is not legal, tax or investment advice. SFDCP counselors are registered representatives of Voya Financial Advisors, Inc., member SIPC.
Technology can help improve your future retirement

Preparing for and then living in retirement is quite different for you than it was for your parents or grandparents.

Today, more of us are living to age 80, 90 or even 100. Scientists even hypothesize that the first person to live to age 150 has already been born! By contrast, the average life expectancy at birth was just 58 for men and 62 for women when Social Security was introduced in the U.S. in the 1930s. With a greater potential of reaching your 100th birthday, you could enjoy a retirement that lasts decades. And thanks to innovations in technology, you can prepare yourself better than ever to spend that time the way you envision.

You can log in to your account on SFDCP.org to see how your current retirement account translates into estimated future monthly income in retirement when you engage with the myOrangeMoney® online experience.

myOrangeMoney is designed to help you picture when you’ll have enough to retire. A dollar bill graphic represents the estimated retirement income you’ll need each month. It shows the progress you’ve made toward your income goal so far based on when you plan to retire, additional retirement income and savings sources you’ve loaded into the experience, and how you’re saving and investing in your SFDCP account now.

To actively pursue your passions over a much longer retirement, planning today for that future tomorrow is crucial. Before and even after you retire, take full advantage of everything the SFDCP has to offer, including online planning tools and SFDCP Counselors who can help you. Log in to your account today to experience Orange Money.

IMPORTANT: The illustrations or other information generated by the calculators are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. This information does not serve, either directly or indirectly, as legal, financial or tax advice and you should always consult a qualified professional legal, financial and/or tax advisor when making decisions related to your individual tax situation.
Looking for the right mix?
Invest in a portfolio solution.

Did you know that the San Francisco Deferred Compensation Plan still offers you two different ways to invest in a pre-diversified portfolio? Whether you invest in a SFDCP Target Date Fund or one of the new futureReady Model Portfolios, both solutions offer the convenience and simplicity of “one and done” investing, designed to change and adjust as you approach retirement.

Each SFDCP Target Date Fund is a complete, diversified mix carefully curated as a stand-alone investment option to most closely align with your expected retirement year based on your birth year or retirement at age 65. futureReady Model Portfolios are like Target Date Funds but they can also be personalized to your comfort level with risk.

How are they different?

<table>
<thead>
<tr>
<th>futureReady Model Portfolios</th>
<th>SFDCP Target Date Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constructed using primarily passively managed index funds available in the SFDCP core fund lineup</td>
<td>Managed by Russell Investments and consisted of primarily actively managed funds</td>
</tr>
<tr>
<td>Leverage Financial Engines’ methodology to rebalance each quarter based on market fluctuations and help ensure that your asset allocation is in balance with your original investment objectives and risk preference</td>
<td>Provide access to investment types that aren’t available through the Plan’s core funds such as commodities, REITs, Treasury Inflation Protection Securities, emerging markets and international stocks, infrastructure (such as bridges and roads), and high yield bonds</td>
</tr>
<tr>
<td>Allow you to choose from three risk preferences — Conservative, Moderate, and Aggressive – for each target retirement year</td>
<td>Approved by the Retirement Board as the Plan’s default investment, which means the SFDCP will automatically invest your contributions in a Target Date Fund based on your date of birth if you do not have an investment election on file</td>
</tr>
</tbody>
</table>

Learn more

For more SFDCP investment information, including which Target Date Fund or futureReady Model Portfolio may be right for you, please visit the Investing in the SFDCP page on SFDCP.org.

---

3There is no guarantee that any investment option will achieve its stated objective. Principal value fluctuates and you may lose money, including losses near and following retirement, and there is no guarantee that the investment will provide adequate retirement income. Asset allocation, diversification and rebalancing do not ensure a profit or protect against loss in declining markets. An investment in the Target Date Fund is not guaranteed at any time, including on or after the target date.

4Methodology provided to Voya by Financial Engines Advisors L.L.C., a federally registered investment advisor and wholly owned subsidiary of Edelman Financial Engines, LLC. Future results are not guaranteed by FEA or any other party and past performance is no guarantee of future results. Financial Engines® is a registered trademark of Edelman Financial Engines, LLC. All other marks are the exclusive property of their respective owners. FEA and Edelman Financial Engines, L.L.C. are not members of the Voya family of companies.