



# SFERS

San Francisco Employees' Retirement System

## San Francisco City and County Employees' Retirement System

DEFERRED COMPENSATION

COMMITTEE MINUTES

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**Wednesday, June 18, 2025**  
1145 Market Street, 6th Floor  
San Francisco, CA 94103  
1:00 PM

Members of the Committee will attend this meeting in-person. Members of the public attending the meeting in person will have an opportunity to provide public comment on every item. In addition to in-person public comment, members of the public may provide public comment remotely by phone. The Committee will hear remote public comment on each agenda item in the order that commenters add themselves to the queue to comment on the item.

### **MISSION STATEMENT**

*Deliver an exceptional voluntary retirement program, with empowering education and advanced tools that enable participants to achieve their financial retirement goals.*

### **DEFERRED COMPENSATION COMMITTEE MEMBERS**

Leona Bridges, Chair  
Joseph Driscoll

Alison Romano, CEO & CIO

## Deferred Compensation Committee Meeting

PUBLIC COMMENT CALL-IN: 415-655-0001

Access Code: 2664 346 8576

### Providing Public Comment

- Public comment will be available on each item on this agenda. Each speaker will be allowed 2 minutes to speak. Comments or opportunities to speak during the public comment period are available via phone call by calling **(415) 655-0001**, access code **[2664 346 8576]**, press '#' then '#' again.
- When connected you will hear the meeting discussions, but you will be muted and in listening mode only.
- When your item of interest comes up, dial \*3 to be added to the speaker line. Best practices are to call from a quiet location, speak clearly and slowly, and turn down your television, radio, or computer.

## Deferred Compensation Committee Minutes

June 18, 2025

Page 3 of 7

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Sunshine Ordinance Task Force, City Hall, 1 Dr Carlton B. Goodlett Place, Room 244, San Francisco, CA 94103-4689  
(415) 554-7724 by fax at (415) 554-7854 or by email at [sotf@sfgov.org](mailto:sotf@sfgov.org)

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Deferred Compensation Committee Minutes

June 18, 2025

Page 4 of 7

**OPENING CALENDAR**

<b>1. Roll Call</b>	Commissioner Leona Bridges	1:10 PM
	Commissioner Joseph Driscoll	1:10 PM

**2. 061825-02 General Public Comment**

Chair Bridges called for General Public Comment.

There were no comments, and General Public Comment was closed.

**3. 061825-03 Action Item Approval of the Minutes of the March 5, 2025 Deferred Compensation Committee Meeting**

Documents provided to the Retirement Board prior to the current meeting: Draft Minutes of the March 5, 2025 Deferred Compensation Committee Meeting.

Chair Bridges called for Public Comment.

There were no comments from the public and Public Comment was closed.

**Action:** Moved by Commissioner Driscoll, seconded by Commissioner Bridges, to approve Minutes of the March 5, 2025 Deferred Compensation Committee meeting.

Ayes: Commissioners Bridges, Driscoll

**4. 061825-04 Action Item Updates to the SFDCP Loan Policy**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Redlined SFDCP Loan Policy, Clean SFDCP Loan Policy.

Diane Chui Justen, Deferred Compensation Director, reported that Staff conducted a periodic review of the SFDCP Loan Policy. Based on this review, several targeted updates were proposed to improve clarity, compliance, and administrative efficiency. Key proposed revisions to the Loan Policy include, but are not limited to, the following areas:

- **Defaults and Loan Eligibility:** Enhancements to clarify conditions under which a loan may enter default and the implications for future eligibility.
- **Removal of the “12-Month Rule”:** Eliminating the existing rule that restricts participants from taking out a second loan within 12 months of repaying a previous one.

- Clarification of Maximum Loan Amounts: Updates to provide clearer language regarding how loan maximums are calculated.
- Deemed Distributions vs. Offsets: Additional explanation to distinguish between these two outcomes, to aid participant understanding and compliance with IRS guidelines.

Staff collaborated closely with the City Attorney's Office and outside Counsel to ensure the proposed updates are legally sound and align with applicable federal regulations. In addition, Voya, the SFDCC's recordkeeper and Loan Program administrator, has confirmed its capability to support the revised provisions within its current administrative framework.

The Committee reviewed and discussed the material and engaged in a question and answer session.

Chair Bridges called for Public Comment.

There were no comments from the public and Public Comment was closed.

**Action:** Moved by Commissioner Driscoll, seconded by Commissioner Bridges, to approve proposed changes to the SFDCC Loan Policy with amendments, as discussed, and forward to the Retirement Board with a recommendation for approval.

Ayes: Commissioners Bridges, Driscoll

## **5. 061825-05              Discussion Item      Large Cap Growth Manager Search Update**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Callan Presentation.

Diane Chui Justen, Deferred Compensation Director, along with Greg Ungerman, Eugene O'Neill and Mark Wood, Callan, reported that the T. Rowe Price (TRP) U.S. Growth Stock Strategy, which comprises 50% of the SFDCC Large Cap Growth Equity (LCG) Fund, is undergoing a planned transition in portfolio management. In response, SFDCC Staff, in partnership with Callan, initiated a manager search to evaluate potential replacements for the strategy.

Manager interviews were conducted during the week of May 5th by SFDCC Staff and Callan. Input was also solicited from the San Francisco Employees' Retirement System (SFERS) public equity team, whose feedback informed the evaluation process. Following thorough deliberation, JP Morgan and T. Rowe Price emerged as the strongest finalists to manage the active component of the LCG Fund, should a transition be pursued.

These two finalists were discussed and further due diligence and follow-up will be conducted, with Staff targeting a final recommendation for the Q3 Deferred Compensation Committee meeting.

The Committee reviewed and discussed the material and engaged in a question and answer session.

Chair Bridges called for Public Comment.

There were no comments from the public and Public Comment was closed.

**Action:** This is a discussion only item.

**6. 061825-06**

**Discussion Item      Voya Contract Extension and Recordkeeper Request for  
Proposal Timeline**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Recordkeeper RFP timeline.

Diane Chui Justen, Deferred Compensation Director, reported that this extension supports the SFDPC's long-standing commitment to delivering a best-in-class retirement savings experience while maintaining operational continuity and protecting participant interests. The extension also enables the thoughtful execution of a comprehensive and competitive RFP process without disrupting current services.

Staff's decision to extend the existing agreement is based on a range of strategic considerations focused on safeguarding participant value, ensuring operational stability, and enhancing service delivery.

Staff has requested and received approval from the SFERS CEO/CIO to proceed with a second one-year extension of Voya's contract, through August 30, 2026.

The Committee reviewed and discussed the material and engaged in a question and answer session.

Chair Bridges called for Public Comment.

There were no comments from the public and Public Comment was closed.

**Action:** This is a discussion only item.

**7. 061825-07**

**Discussion Item      Review of SFDPC Professional Asset Management Options**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Callan Presentation.

Deferred Compensation Committee Minutes

June 18, 2025

Page 7 of 7

Diane Chui Justen, Deferred Compensation Director, Greg Ungerma, Callan, presented an overview to educate the Deferred Compensation Committee (DCC) on the design, differentiation, and any overlapping features among the three current Professional Asset Management Offerings which will also help prepare the DCC and Board as they consider such options during the Recordkeeper search later this year.

The Committee reviewed and discussed the material and engaged in a question and answer session.

Chair Bridges called for Public Comment.

There were no comments from the public and Public Comment was closed.

**Action:** This is a discussion only item.

**8. 061825-08              Discussion Item      Deferred Compensation Committee Member Good of the Order**

Commissioner Driscoll recommended changing time of meeting to 1:30pm to avoid delays due to scheduling conflicts.

Alison Romano, CEO & CIO thanked staff and Callan for their hard work.

Chair Bridges called for Public Comment.

There were no comments from the public and Public Comment was closed.

**Action:** This is a discussion only item.

**9. 061825-09**

**Adjournment**

Having no further business, the Committee adjourned the meeting at 2:35PM.