

MINUTES OF THE MEETING OF THE
COMPENSATION REVIEW COMMITTEE OF THE
BOARD OF TRUSTEES OF THE
EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII

AUGUST 26, 2019

CITY FINANCIAL TOWER
201 MERCHANT STREET, SUITE 1400
HONOLULU, HAWAII 96813

Trustees present: Mr. Jerome Rauckhorst, Chair
Mr. Vincent Barfield
Dr. Catherine Chan

Trustee absent: Mr. Emmit Kane

Staff present: Mr. Thomas Williams, Executive Director
Ms. Kanoë Margol, Deputy Executive Director
Ms. Dale Kehau Kanae, Recording Secretary

Staff absent: Ms. Elizabeth Burton, Chief Investment Officer

Attorney present: Mr. Ivan Torigoe, Deputy Attorney General

QUORUM/CALL TO ORDER A quorum being present (Chair Rauckhorst, Trustees Barfield and Chan), Chair Rauckhorst called the Compensation Review Committee (CR Committee or Committee) of the Board of Trustees (Board) of the Employees' Retirement System of the State of Hawaii (ERS) to order at 1:06 p.m.

PUBLIC COMMENT Chair Rauckhorst called for public comment. There were no members of the public present, therefore no public comments.

REVIEW THE COMPENSATION REVIEW COMMITTEE (COMMITTEE) CHARTER, 2019 COMMITTEE ACTIVITIES, AND DISCUSS COMMITTEE GOALS FOR 2020 Chair Rauckhorst discussed the business and purpose of the meeting and decided to divide the two New Business items on the agenda into three parts. 1) Strategic Priorities, Leadership Qualities and Goals in-line with the Strategic Priorities for 2020 for the Executive Director (ED), Deputy Executive Director (DED), and the Chief Investment Officer (CIO); 2) Conduct an evaluation of the CRC (the process followed in 2019; make sure we're on target with the Charter; any issues surfaced relating to improving the process in the future); and 3) Compensation Study (plan and timeline).

PROCESS AND STATUS UPDATE FOR RETENTION OF A COMPENSATION CONSULTANT

APPROVAL OF MINUTES
– MAY 6, 2019
– MAY 9, 2019
– JUNE 7, 2019
On a motion made by Trustee Barfield, seconded by Trustee Chan, and unanimously carried, the Committee approved the minutes for the May 6, May 9, and June 7, 2019, meetings as presented.

ENTER EXECUTIVE SESSION

On a motion made by Trustee Barfield, seconded by Trustee Chan, and unanimously carried, the CR Committee entered into Executive Session at 1:09 p.m.

EXECUTIVE SESSION

- Pursuant to HRS § 92-5(a)(2) and (4), to discuss evaluation, goals, objectives, and compensation for Employees’ Retirement System’s exempt staff, where matters affecting privacy will be involved, and to consult with the Board’s attorneys on questions and issues pertaining to the Committee’s powers, duties, privileges, immunities, and liabilities; appropriate action.

EXECUTIVE SESSION,
PURSUANT TO HRS § 92-5(a)(2), AND (4), TO DISCUSS EVALUATION, GOALS, OBJECTIVES, AND COMPENSATION FOR EMPLOYEES’ RETIREMENT SYSTEM’S EXEMPT STAFF, WHERE MATTERS AFFECTING PRIVACY WILL BE INVOLVED, AND TO CONSULT WITH THE BOARD’S ATTORNEYS ON QUESTIONS AND ISSUES PERTAINING TO THE COMMITTEE’S POWERS, DUTIES, PRIVILEGES, IMMUNITIES, AND LIABILITIES;
APPROPRIATE ACTION

APPROVAL OF EXECUTIVE SESSION MINUTES

- MAY 6, 2019
- MAY 9, 2019
- JUNE 5, 2019
- JUNE 7, 2019

EXIT EXECUTIVE SESSION

On a motion made by Trustee Barfield, seconded by Trustee Chan, and unanimously carried the CR Committee exited Executive Session at 3:01 p.m.

ADJOURNMENT

On a motion made by Trustee Chan, seconded by Trustee Barfield, and unanimously carried, Chair Rauckhorst adjourned the meeting at 3:01 p.m.

REDACTED SIGNATURE

Thomas Williams
Executive Director

TW:dkik