

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

OCTOBER 5, 2021

CITY FINANCIAL TOWER  
201 MERCHANT STREET, SUITE 1200  
HONOLULU, HAWAII 96813

Trustees present:  
(by teleconference) Dr. Genevieve Ley, Chair  
Mr. Vincent Barfield, Vice Chair  
Mr. Craig Hirai  
Mr. Bennett Yap

Staff present:  
(City Financial Tower  
by teleconference) Mr. Thomas Williams, Executive Director  
Ms. Kanoë Margol, Deputy Executive Director  
Ms. Elizabeth Burton, Chief Investment Officer  
Ms. Dale Kehau Kanae, Recording Secretary  
Ms. Lori Kim, Secretary

Attorney present:  
(by teleconference) Mr. Ivan Torigoe, Deputy Attorney General

Public present:  
(by teleconference) Mr. Riley Fujisaki, Staff, House Finance Committee

QUORUM/CALL TO ORDER

A quorum being present (Chair Ley, Vice Chair Barfield, Trustees Hirai, and Yap), Chair Ley 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 1:30 p.m. and identified the Trustees present and had them confirm that they are the only ones present at their remote location while attending the meeting.

On a motion made by Vice Chair Barfield, seconded by Trustee Yap, and unanimously carried, the Committee voted to hold a meeting closed to the public and allow Trustees to participate by teleconference or other remote meeting technology, pursuant to the Governor of the State of Hawaii's Emergency Proclamation Related to the COVID-19 Response, dated August 5, 2021, in order to implement social distancing measures.

PUBLIC COMMENT

Chair Ley called for public comment. There was one (1) member of the public present by teleconference, however, no public comment. There was also no written public testimony received for this Committee meeting.

REVIEW THE ACTIVITIES  
AND TIMELINE OF THE  
COMPENSATION REVIEW  
COMMITTEE AND  
DISCUSS COMMITTEE  
GOALS FOR 2022

Chair Ley shared for discussion with the Committee a review of the activities and timeline of the Compensation Review Committee and Committee goals for 2022.

Executive Director (ED) Thomas Williams shared with the Committee that there were no updates to the timeline, however, the upcoming request for proposal (RFP) for the compensation consultant will initiate a new timeline. At the last meeting, the Committee discussed identifying the appropriate peer group for purposes of comparing appropriate compensation. Contracting with the selected consultant could not proceed at the time, as a result of budgetary

constraints and COVID, thus the process will have to be restarted. ED Williams discussed with the Committee the RFP process and proposed timeline, starting with initiating the request, revising and issuing the RFP by the end of October, receiving the proposals by the end of November, making a selection in December, and beginning the contract in January 2022. ED Williams provided samples of the previous RFP documents for the Committee's information.

Chair Ley stated that approval of a compensation consultant RFP would need the Board's approval to proceed and details were to be discussed in Executive Session.

APPROVAL OF MINUTES  
– SEPTEMBER 8, 2021

On a motion made by Vice Chair Barfield, seconded by Trustee Yap, and unanimously carried, the Committee approved the Minutes of the September 8, 2021, meeting as presented.

(Public participation concluded by ending the teleconference link.)

Chair Ley identified all the participants in Executive Session, the Board and staff members are listed on the Executive Session minutes. Board members confirmed that no other persons are in the room while they are on the teleconference.

ENTER EXECUTIVE  
SESSION

On a motion made by Vice Chair Barfield, seconded by Trustee Yap, and unanimously carried, the Committee entered into Executive Session at 1:42 p.m.

EXECUTIVE SESSION

- Pursuant to HRS§ 92-5(a)(2) and (4), to discuss performance evaluations, goals, objectives, and compensation for Employees' Retirement System's exempt employees covered by Chapter 76, HRS, and review and update proposal to hire a compensation consultant and, as appropriate, the decision and timing of compensation increases, if any, for Chapter 76, HRS, exempt management and investment 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  
PERFORMANCE  
EVALUATIONS, GOALS,  
OBJECTIVES, AND  
COMPENSATION FOR  
EMPLOYEES' RETIREMENT  
SYSTEM'S EXEMPT  
EMPLOYEES COVERED BY  
CHAPTER 76, HRS, AND  
REVIEW AND UPDATE  
PROPOSAL TO HIRE A  
COMPENSATION  
CONSULTANT AND, AS  
APPROPRIATE, THE  
DECISION AND TIMING OF  
COMPENSATION INCREASES,  
IF ANY, FOR CHAPTER 76,  
HRS, EXEMPT  
MANAGEMENT AND

INVESTMENT 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 SUPPLEMENTAL CONFIDENTIAL EXECUTIVE SESSION MINUTES  
– JUNE 1, 2021  
– JUNE 3, 2021  
– SEPTEMBER 8, 2021

APPROVAL OF EXECUTIVE SESSION MINUTES  
– SEPTEMBER 8, 2021

EXIT EXECUTIVE SESSION

On a motion made by Trustee Yap, seconded by Vice Chair Barfield, and unanimously carried the Committee exited Executive Session at 2:20 p.m.

ADJOURNMENT

On a motion made by Trustee Yap, seconded by Chair Ley, and unanimously carried, Chair Ley adjourned the meeting at 2:21 p.m.

**REDACTED SIGNATURE**

Thomas Williams  
Executive Director

TW:dkik