

MINUTES OF THE SPECIAL BOARD MEETING OF THE
BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM
OF THE STATE OF HAWAII

JULY 20-21, 2022

ALA MOANA HOTEL
HIBISCUS BALLROOM
410 ATKINSON DRIVE
HONOLULU, HAWAII 96814

ROLL CALL FOR JULY 20, 2022

Trustees present:	Mr. Vincent Barfield, Chair* Dr. Genevieve Ley, Vice Chair* Dr. Catherine Chan* Mr. Emmitt Kane* (by teleconference) Mr. Lance Mizumoto* (by teleconference) Mr. Bennett Yap*
Trustees absent:	Mr. Craig Hirai
Staff present:	Mr. Thomas Williams, Executive Director* Ms. Kanoe Margol, Deputy Executive Director* Mr. Bart Asato, Program Specialist* Ms. Shanna Sakagawa, Program Specialist* Mr. Larry Wolfe, Accounting Manager* (by teleconference) Mr. Cullen Fujimoto, Accountant* (by teleconference) Ms. Shentel Queja, Accountant* (by teleconference) Mr. Todd Oshiro, Information Technology Band A* Mr. Howard Hodel, Acting Chief Investment Officer* Mr. Anthony Goo, Acting Deputy Chief Investment Officer* Mr. Aaron Au, Investment Officer – Illiquid Markets* Ms. Christine Chang, Investment Officer – Operations* Mr. David Okamoto, Investment Officer – Credit Markets* Mr. Ian Wetzel, Investment Officer – Real Assets* Mr. Andrew Chen, Investment Specialist* Ms. Gerri Konishi, Member Home Loan Assistant* Ms. Dale Kehau Kanae, Recording Secretary* Ms. Lori Kim, Secretary* Ms. Andrea Gasper, Secretary* (by teleconference) Ms. Diana Gomes, Secretary*
Attorneys present (by teleconference):	Ms. Lori Tanigawa, Deputy Attorney General* Mr. Ivan Torigoe, Deputy Attorney General* Ms. Elmira Tsang, Deputy Attorney General* Ms. Diane Wong, Deputy Attorney General*
Guests present:	See Attachment A*
QUORUM/CALL TO ORDER	A quorum being present (Chair Barfield, Vice Chair Ley, and Trustees Chan, Kane and Yap), Chair Barfield called the special meeting of the Board of Trustees (Board) of the Employees' Retirement System of the State of Hawaii (ERS) to order at 8:34 a.m. in the Hibiscus Ballroom of the Ala Moana Hotel. Trustees joining by teleconference confirmed that they are the only ones present at their remote location while attending the meeting.

QUORUM/CALL TO
ORDER (CONT'D)

On a motion made by Vice Chair Ley, seconded by Trustee Chan, and unanimously carried, to be able to hold a meeting allowing Trustees and members of the public to participate by interactive conference technology, pursuant to HRS § 92-3.7, with at least one meeting location open to the public that has audiovisual connection.

PUBLIC COMMENT

Chair Barfield called for public comment. There were no public present in person or by teleconference, therefore, no public comment. There was also no public written testimony received for this meeting. Chair Barfield announced that due to new public meeting requirements regarding public comment, requests will be offered throughout the meeting.

Chair Barfield then announced a change to the agenda stating that Executive Session Items 1 and 2 will be held in public session as New Business Items 2 and 3.

Chair Barfield also announced with the departure of Chief Investment Officer Elizabeth Burton, the Board has appointed Howard Hodel as Acting Chief Investment Officer and Anthony Goo as Acting Deputy Chief Investment Officer.

APPOINTMENT AND/OR
REASSIGNMENT OF
TRUSTEES, PURSUANT TO
HRS §92-2.5(b)(1), TO MEET
WITH REPRESENTATIVES
OF CERTAIN INVESTMENT
MANAGERS AT THE
INVESTMENT EDUCATION
SUMMIT TO DISCUSS
INVESTMENT TRENDS AND
OPPORTUNITIES, AS MAY
BE APPROPRIATE

Chair Barfield announced that there were no meetings scheduled.

STATE OF THE
EMPLOYEES'
RETIREMENT SYSTEM

Executive Director (ED) Thomas Williams welcomed everyone in attendance and provided an update on the activities of the Employees' Retirement System.

ED Williams discussed ERS membership, the ERS organizational chart, and reviewed the accomplishments and projects of the various sections of ERS: Administration, Retirement Benefits, Accounting, Information Systems, Staff Support Services, and Investments.

RECESS

Chair Barfield called for a recess at 8:55 a.m. due to technical difficulties.

RECONVENE

A quorum being present (Chair Barfield, Vice Chair Ley, and Trustees Chan, Kane and Yap), Chair Barfield reconvened the meeting in the Hibiscus Ballroom at 8:59 a.m.

STATE OF THE
EMPLOYEES'
RETIREMENT SYSTEM
(CONT'D)

ED Williams continued with review of the accomplishments and projects of the various sections of ERS and concluded with: Investments.

ED Williams then discussed the projected June 30, 2022 Actuarial Valuation Results, Total Fund Asset Allocation, Total Fund Cumulative Return from June 30, 2021 – June 30, 2022, and the Total Performance vs. Benchmark as of June 30, 2022.

INVESTMENT OFFICE
PLAN UPDATE

Acting Chief Investment Officer (ACIO) Howard Hodel welcomed everyone and provided an update on the activities of the Investment Office. ACIO Hodel discussed Fiscal Year 2022 Capital Markets, ERS Portfolio Activity and Performance, the Fiscal Year 2023 Plan, and the Investment team.

PUBLIC COMMENT

Chair Barfield called for public comment. There were no requests for public comment in person or by teleconference.

Chair Barfield identified all the participants in Executive Session, the Board, staff members, and Deputy Attorneys General are identified with an asterisk on these minutes and listed on the Executive Session Minutes, and guests are listed on Attachment A to both these minutes and the Executive Session Minutes.

Chair Barfield provided the reason to enter into Executive Session:

Executive Session, pursuant to HRS § 88-27.5(a)(1) and (3) and HRS § 92-5(a)(4) and (8). These matters relate to investments or prospective investments by the system that require the consideration of confidential business information or concern the authority of persons designated by the Board to negotiate investments or the sale of property held by or for the benefit of the system, or involving consideration of information that must be kept confidential pursuant to state law. The Board may also consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities.

(Public participation concluded by ending the teleconference link.)

ENTER EXECUTIVE
SESSION

On a motion made by Trustee Chan, seconded by Vice Chair Ley, and unanimously carried, the Board entered into Executive Session at 9:29 a.m.

All attendees participating by teleconference affirmed that no other persons were in their rooms or able to listen in on their audio or audiovisual connection. The Board Secretary Dale Kehau Kanae also confirmed that no unauthorized persons were able to listen in via audio or audiovisual connection while on the teleconference.

- Pursuant to HRS § 88-27.5(a)(1) and (3) and HRS § 92-5(a)(4), the matters listed below were considered in Executive Session. These matters relate to investments or prospective investments by the system that require the consideration of confidential business information or concern the authority of persons designated by the Board to negotiate investments or the sale of property held by or for the benefit of the system. The Board may also consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities with respect to these matters.
 - A. Heitman Institutional Realty Partners – portfolio review and tactical plan; appropriate action;
 - B. Manulife Investment Management – portfolio review and tactical plan; appropriate action;
 - C. Real Assets Strategic Plan & Pacing Update – portfolio review and tactical plan; appropriate action;
 - D. Pacing Update & Private Equity Strategic Plan – portfolio review; appropriate action;
 - E. Stafford Capital Partners (Hawaii Targeted Investment Program) – portfolio review; appropriate action;

ENTER EXECUTIVE
SESSION (CONT'D)

- F. Credit Strategic Plan & Pacing Update – portfolio review; appropriate action;
- G. Public Markets Portfolio Update – portfolio review; appropriate action;
- H. Diversifying Strategies Strategic Plan & Pacing Update – portfolio review; appropriate action;
- I. Overlay – portfolio review; appropriate action; and
- J. Closing Remarks.

- Pursuant to HRS § 92-5(a)(4) and (a)(8), to consult with the Board's attorneys for legal advice regarding procurement, extension, and funding of Special Deputy Attorney General contracts for legal services relating to investments in private equity and real estate funds, hedge funds, separate accounts, investment service providers and similar sophisticated investment transactions, and involving consideration of information that must be kept confidential pursuant to state law; appropriate action.

EXECUTIVE SESSION
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO HEITMAN
INSTITUTIONAL REALTY
PARTNERS – PORTFOLIO
REVIEW AND TACTICAL
PLAN; APPROPRIATE
ACTION

(Trustee Mizumoto entered the meeting at 9:45 a.m. by joining the teleconference.)

EXECUTIVE SESSION,
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO MANULIFE INVESTMENT
MANAGEMENT –
PORTFOLIO REVIEW AND
TACTICAL PLAN;
APPROPRIATE ACTION

RECESS

Chair Barfield called for a recess at 10:42 a.m.

RECONVENE

A quorum being present (Chair Barfield, Vice Chair Ley, and Trustees Chan, Kane, Mizumoto, and Yap) Chair Barfield reconvened the meeting in the Hibiscus Ballroom at 11:00 a.m.

EXECUTIVE SESSION
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO REAL ASSETS
STRATEGIC PLAN & PACING
UPDATE – PORTFOLIO
REVIEW AND TACTICAL
PLAN; APPROPRIATE
ACTION

EXECUTIVE SESSION,
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO PACING UPDATE &
PRIVATE EQUITY
STRATEGIC PLAN –
PORTFOLIO REVIEW AND
TACTICAL PLAN;
APPROPRIATE ACTION

RECESS

Chair Barfield called for a recess for lunch at 11:56 a.m.

LUNCH SPEAKER:
ESG/DIVERSITY, EQUITY
& INCLUSION

Paul Yett of Hamilton Lane gave an oral and written presentation on Environmental, Social, and Governance (ESG) and discussed Defining ESG, Functions of ESG, Hamilton Lane's ESG Governance, and Novata.

RECONVENE

A quorum being present (Chair Barfield, Vice Chair Ley, and Trustees Chan, Kane, and Yap), Chair Barfield reconvened the meeting in the Hibiscus Ballroom at 1:08 p.m.

EXECUTIVE SESSION,
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO STAFFORD CAPITAL
PARTNERS (HAWAII
TARGETED INVESTMENT
PROGRAM) – PORTFOLIO
REVIEW; APPROPRIATE
ACTION

EXECUTIVE SESSION,
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO CREDIT STRATEGIC
PLAN & PACING UPDATE –
PORTFOLIO REVIEW;
APPROPRIATE ACTION

RECESS

Chair Barfield called for a recess for lunch at 1:54 p.m.

RECONVENE

A quorum being present (Chair Barfield, Vice Chair Ley, and Trustees Chan, Kane, Mizumoto, and Yap), Chair Barfield reconvened the meeting in the Hibiscus Ballroom at 2:11 p.m.

EXECUTIVE SESSION,
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO PUBLIC MARKETS
PORTFOLIO UPDATE –
PORTFOLIO REVIEW;
APPROPRIATE ACTION

EXECUTIVE SESSION,
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO DIVERSIFYING

STRATEGIES STRATEGIC
PLAN & PACING PLAN
PRIVATE MARKETS PACING
UPDATE – PORTFOLIO
REVIEW; APPROPRIATE
ACTION

EXECUTIVE SESSION,
PURSUANT TO HRS §88-
27.5(a)(1) AND (3) AND HRS
§92-5(a)(4), WITH RESPECT
TO OVERLAY – PORTFOLIO
REVIEW; APPROPRIATE
ACTION

CLOSING REMARKS

EXECUTIVE SESSION,
PURSUANT TO HRS § 92-
5(a)(4) AND (a)(8), TO
CONSULT WITH THE
BOARD'S ATTORNEYS FOR
LEGAL ADVICE
REGARDING
PROCUREMENT,
EXTENSION, AND FUNDING
OF SPECIAL DEPUTY
ATTORNEY GENERAL
CONTRACTS FOR LEGAL
SERVICES RELATING TO
INVESTMENTS IN PRIVATE
EQUITY AND REAL ESTATE
FUNDS, HEDGE FUNDS,
SEPARATE ACCOUNTS,
INVESTMENT SERVICE
PROVIDERS AND SIMILAR
SOPHISTICATED
INVESTMENT
TRANSACTIONS, AND
INVOLVING
CONSIDERATION OF
INFORMATION THAT MUST
BE KEPT CONFIDENTIAL
PURSUANT TO STATE LAW;
APPROPRIATE ACTION

EXIT EXECUTIVE
SESSION

On a motion made by Vice Chair Ley, seconded by Trustee Yap, and
unanimously carried, the Board exited Executive Session at 3:30 p.m.

RECESS

Chair Barfield called for a recess at 3:31 p.m. until 9:00 a.m. on Thursday,
July 21, at which time the meeting would reconvene in the Hibiscus Ballroom
of the Ala Moana Hotel.

ROLL CALL FOR JULY 21, 2022

Trustees present: Mr. Vincent Barfield, Chair
Dr. Genevieve Ley, Vice Chair
Dr. Catherine Chan
Mr. Emmit Kane (by teleconference)
Mr. Lance Mizumoto (by teleconference)
Mr. Bennett Yap

Trustee absent: Mr. Craig Hirai

Staff present: Mr. Thomas Williams, Executive Director
Ms. Kanoe Margol, Deputy Executive Director
Mr. Kona Mann, Chief Compliance Officer (by teleconference)
Mr. Bart Asato, Program Specialist
Ms. Shanna Sakagawa, Program Specialist
Mr. Todd Oshiro, Information Technology Band A
Mr. Howard Hodel, Acting Chief Investment Officer
Mr. Anthony Goo, Acting Deputy Chief Investment Officer
Mr. Aaron Au, Investment Officer – Illiquid Markets
Ms. Christine Chang, Investment Officer – Operations
Mr. David Okamoto, Investment Officer – Credit Markets
Mr. Ian Wetzel, Investment Officer – Real Assets
Mr. Andrew Chen, Investment Specialist
Ms. Gerri Konishi, Member Home Loan Assistant
Ms. Dale Kehau Kanae, Recording Secretary
Ms. Lori Kim, Secretary
Ms. Andrea Gasper, Secretary (by teleconference)
Ms. Diana Gomes, Secretary
Mr. Harris Chin, Student Intern
Mr. Roman Mahi, Student Intern

Attorneys present (by teleconference): Ms. Lori Tanigawa, Deputy Attorney General
Mr. Ivan Torigoe, Deputy Attorney General
Ms. Elmira Tsang, Deputy Attorney General
Ms. Diane Wong, Deputy Attorney General

Guests present: See Attachment B

RECONVENE QUORUM/CALL TO ORDER

A quorum being present (Chair Barfield, Vice Chair Ley, and Trustees Chan, Kane, Mizumoto, and Yap) Chair Barfield reconvened and called the special meeting of the Board of the ERS to order at 9:00 a.m. on Thursday, July 21, 2022, in the Hibiscus Ballroom of the Ala Moana Hotel. Trustees joining by teleconference confirmed that they are the only ones present at their remote location while attending the meeting.

INTRODUCTION OF THE BOARD OF TRUSTEES

Before introduction of the ERS Board of Trustees, Chair Barfield acknowledged former Trustee Pilialohe Lee Loy and thanked her for her many years of dedicated public service, as well as service on the ERS Board.

Chair Barfield welcomed all the participants of the Summit, introduced the members of the Board of Trustees, and reviewed the agenda for the day.

PUBLIC COMMENT

Chair Barfield called for public comment. There were no requests for public comment in person or by teleconference.

PRESENTATION ON
MOANA LANI
INNOVATIONS
(DIVERSIFYING
STRATEGIES PORTFOLIO
COMPANIES)

Acting Chief Investment Officer (ACIO) Howard Hodel introduced the panelists: Mark Groden, Skyrise, and Bill Bien, Forever Oceans. The panelists participated in the discussion titled, Moana Lani Innovations (Diversifying Strategies Portfolio Companies).

PRESENTATION ON
LAFAYETTE SQUARE

Investment Officer – Credit Markets David Okamoto introduced the panelists: Stephen Usher, Cindy Helen Brea, and Dan Baylor of Lafayette Square. The panelists participated in the discussion titled, Lafayette Square.

RECESS

Chair Barfield called for a recess at 10:42 a.m.

RECONVENE

A quorum being present (Chair Barfield, Vice Chair Ley, and Trustees Chan, Kane, Mizumoto, and Yap) Chair Barfield reconvened the meeting in the Hibiscus Ballroom at 10:55 a.m.

PUBLIC COMMENT

Chair Barfield again called for public comment. There were no requests for public comment in person or by teleconference.

PRESENTATION ON HiTIP
ENTREPRENEURS –
MANA UP & BIG ISLAND
COFFEE ROASTERS

Investment Officer – Illiquid Markets Aaron Au introduced Andrew Betz of Stafford Capital Partners, who introduced the panelists: Brittany Heyd and Meli James, Mana Up, and Kelleigh Stewart, Big Island Coffee Roasters. The panelists participated in the discussion titled, HiTIP Entrepreneurs – Mana Up and Big Island Coffee Roasters.

PRESENTATION ON
LOOKING BACKWARDS,
GAZING FORWARD – A
MARKET DISCUSSION

Colin Bebee, Meketa Investment Group discussed Looking Backwards, Gazing Forward – A Market Discussion.

WRAP UP

Acting Chief Investment Officer Howard Hodel thanked everyone that participated in the ERS Summit and acknowledge the Investment and ERS staff for all their hard work.

CONCLUDING REMARKS

Chair Barfield thanked the participants, Trustees, and the Investment and ERS staff for a great job in coordinating the event.

ADJOURNMENT

On a motion made by Vice Chair Ley, seconded by Trustee Chan, and unanimously carried, Chair Barfield adjourned the meeting at 12:13 p.m.

**REDACTED
SIGNATURE**

Thomas Williams
Executive Director

TW:dkik

2022 ERS Investment Summit Participant Sign-In
Wednesday, July 20, 2022

Agency	Attendee	Signature
Aon	Chae Hong	
Aon	Jack Dowd	Virtual
Aon	Trevor Dodds	Virtual
Hamilton Lane	Natalie Fitch	
Hamilton Lane	Paul Yett	
Heitman Institutional Realty Partners	John Mancuso	Virtual
Heitman Institutional Realty Partners	Ryan Matyas	Virtual
Heitman Institutional Realty Partners	Paul Rezens	Virtual
Heitman Institutional Realty Partners	Dia Carney	Virtual
Heitman Institutional Realty Partners	Tom Krumweide	Virtual
Heitman Institutional Realty Partners	Melanie Varrato	Virtual
Heitman Institutional Realty Partners	Chris Anderson	Virtual
Heitman Institutional Realty Partners	Jennifer Boss	Virtual
Heitman Institutional Realty Partners	Emi Adachi	Virtual
Heitman Institutional Realty Partners	Kristen Contos	Virtual
Heitman Institutional Realty Partners	Jim Meyer	Virtual
Manulife Investment Management	Jonathan Aggett	Virtual
Manulife Investment Management	Carolina Chaves	Virtual
Manulife Investment Management	Mary Ellen Aronow	Virtual
Meketa Investment Group	Colin Bebee	
Stafford Capital Partners	Andrew Betz	
Stafford Capital Partners	Ashley Marlow	

Meketa
Heitman

Mika Malone
Rachel Tesmer

Nath
Virtual

ATTACHMENT A

2022 ERS Investment Summit Participant Sign-In
Thursday, July 21, 2022

Agency	Attendee	Signature
Aon	Chae Hong	N/A
Aon	Jack Dowd	Virtual
Aon	Trevor Dodds	Virtual
Big Island Coffee Roasters	Kelleigh Stewart	Virtual
Forever Oceans	Bill Bien	Bill Bien
Hamilton Lane	Natalie Fitch	Natalie Fitch
Hamilton Lane	Paul Yett	N/A
Heitman Institutional Realty Partners	John Mancuso	Virtual
Heitman Institutional Realty Partners	Ryan Matyas	Virtual
Heitman Institutional Realty Partners	Paul Rezens	Virtual
Heitman Institutional Realty Partners	Dia Carney	Virtual
Heitman Institutional Realty Partners	Tom Krumweide	Virtual
Heitman Institutional Realty Partners	Melanie Varrato	Virtual
Heitman Institutional Realty Partners	Chris Anderson	Virtual
Heitman Institutional Realty Partners	Jennifer Boss	Virtual
Heitman Institutional Realty Partners	Emi Adachi	Virtual
Heitman Institutional Realty Partners	Kristen Contos	Virtual
Heitman Institutional Realty Partners	Jim Meyer	Virtual
Lafayette Square	Stephen Usher	Stephen Usher
Lafayette Square	Cindy Helen Brea	Cindy Brea
Lafayette Square	Dan Baylor	Dan Baylor
Mana Up	Brittany Heyd	N/A Virtual
Mana Up	Meli James	Meli James
Manulife Investment Management	Jonathan Aggett	Virtual
Manulife Investment Management	Carolina Chaves	Virtual
Manulife Investment Management	Mary Ellen Aronow	Virtual
Meketa Investment Group	Colin Bebee	Colin Bebee
Stafford Capital Partners	Andrew Betz	Andrew Betz
Stafford Capital Partners	Ashley Marlow	Ashley Marlow
Skyryse	Mark Groden	Mark Groden
Skyryse	David Tearse	David Tearse

ATTACHMENT B

EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES' MEETING

7/21/2022

	Time	Name (Please Print)	Organization
1.	8:00	Pili Lee Loy	
2.	8:00	Sylvia Young	
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			

All attendees need to personally sign in.

ATTACHMENT B