

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

JULY 14, 2025

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

Trustees present: Mr. Emmit Kane, Chair (in person)\*  
(by teleconference) Mr. Lance Mizumoto, Vice Chair\*  
Mr. Vincent Barfield\*  
Dr. Genevieve Ley (in person)\*  
Mr. David Louie (in person)\*  
Mr. Luis Salaveria (in person)\*  
Mr. Bennett Yap\*

Trustee absent: Dr. Catherine Chan

Staff present: Mr. Thomas Williams, Executive Director\*  
(City Financial Tower Ms. Gail Strohl, Deputy Executive Director\*  
by teleconference) Mr. Kona Mann, Chief Compliance Officer  
Mr. James Greubel, Program Specialist\*  
Ms. Shanna Sakagawa, Program Specialist\*  
Ms. Lori Kobayashi, Retirement Benefits Branch Manager\*  
Mr. Keith Miyamoto, Information Services Branch Manager\*  
Ms. Kristin Varela, Chief Investment Officer\*  
Mr. Anthony Goo, Deputy Chief Investment Officer  
Mr. Aaron Au, Investment Officer – Private Equity  
Ms. Christine Chang, Investment Officer – Diversifying Strategies  
Mr. Andrew Chen, Investment Officer – Credit Markets  
Ms. Lynn Kamimoto, Investment Officer – Risk  
Mr. Ian Wetzel, Investment Officer – Real Assets  
Ms. Gerri Konishi, Member Home Loan Assistant  
Ms. Masayo Zabinski, Accountant  
Mr. Allen James Senaga, Investment Office Intern  
Ms. Diana Gomes, Recording Secretary/Administrative Assistant\*  
Ms. Lori Kim, Administrative Assistant\*  
Ms. Andrea Gasper, Administrative Assistant\*

Attorneys present: Ms. Lori Tanigawa, Deputy Attorney General\*  
(by teleconference) Ms. Nietzsche Tolan, Deputy Attorney General\*  
Ms. Diane Wong, Deputy Attorney General\*

Guests present: Mr. Owen Burns, Hamilton Lane Advisors, LLC  
(by teleconference) Mr. Paul Yett, Hamilton Lane Advisors, LLC  
Mr. Colin Bebee, Meketa Investment Group, Inc.

Public present: Mr. Douglas Appell, Pensions & Investments  
(by teleconference) Mr. Kevin Balaod, With Intelligence  
Mr. Alfie Crooks, Private Equity International  
Ms. Phyllis Ida, HSTA Representative (retired)  
Mr. Brett Johnson, Private Equity International

\*Attended Executive Session.

QUORUM/CALL TO ORDER

A quorum being present (Chair Kane, Vice Chair Mizumoto, Trustees Barfield, Ley, Louie, Salaveria and Yap), Chair Kane called the regular meeting of the Board of Trustees (Board) of the Employees' Retirement System of the State of

Hawaii (ERS) to order at 10:04 a.m. and requested each Trustee identify themselves and confirm that they are the only ones present at their remote location while attending the meeting. Each of the Trustees present confirmed same.

## PUBLIC COMMENT

Chair Kane called for public comment. There was no public present in person, however, five (5) members of the public were present by teleconference, but they had no public comment. Also, no written testimony was received for this meeting.

## EXECUTIVE DIRECTOR'S REPORT ON THE ADMINISTRATION OF THE SYSTEM WITH RESPECT TO SIGNIFICANT DEVELOPMENTS IN INVESTMENTS, POLICY, POTENTIAL LEGISLATION, AND REGULATORY MATTERS

Executive Director (ED) Williams gave an oral report to the Board on the Administration of the System with Respect to Significant Developments in Investments, Policy, Potential Legislation, and Regulatory Matters as follows:

- Although the Legislative session has ended, ERS staff continue to monitor bills passed and whether or not they will be vetoed, signed by the Governor, or passed without signing.
  - Specific to the Board is Act 169 (SB 1651) signed by the Governor effective June 3, 2025, regarding a change in when Board packets are to be made available to the public and to those requesting notification, from two business days to three business days prior to a meeting.
  - The Governor also signed effective July 1, 2025, Act 250 (HB 300), the State Budget of \$19.8B for FY 2026 and \$19.7B for 2027. From that budget, ERS has been allocated \$30.1M for FY 2026 and \$25.7M for FY 2027.
  - The Governor also signed effective July 1, 2025, Act 290 (SB 935), Legislation that amends the retirement allowance for a member who first earns credited service as a judge after June 30, 2031, to 1.75 % of the member's average final compensation for each year of credited service as a judge. The Act also requires the Department of Human Resources Development to study the impacts and benefits of reducing, from 10 years to 5 years, the minimum number of years of credited service that qualified Class H, Tier 2 members of the Employees' Retirement System must have to be eligible for vested benefit status for service retirement allowance purposes.
- Congratulations to Chair Kane and Trustee Yap being deemed re-elected as they both ran unopposed. A Trustee election update will be provided in the Operations Report by the Deputy Executive Director (DED). Also, beginning January 2, 2026, an appointed Trustee seat will become vacant and any potential candidates are welcomed by the Board. Meetings with potential candidates are currently being conducted and any information for consideration will be presented to the Board for their action.
- Although faced with yearly procurement challenges, thanks to the Budget & Finance (B&F) Director and Administrative & Research Office (ARO) for assisting ERS staff, all procurements were secured by the fiscal year end in particular, project manager contracts such as V3locity the pension administration system migration and upgrade and an Enterprise Risk Management System to help with compliance and other matters.
- Relating to ERS staff vacancies, as presented at the previous Board meeting by B&F ARO, Human Resources (HR) Officer Anna Scott and her staff have helped with making significant progress. Also, with thanks to the B&F Director, Trustee Salaveria who has taken internal steps to be more efficient by having HR report directly to his office to provide timely decision making, compared to the previous multi-step process. Specifics of the vacancies will be provided in the Operations Report by the DED.

- In Executive Session, Human Resources Committee Chair Barfield will report on and discuss the search for executive staff. The search has been announced to ERS staff, nationally advertised, and a press release has been issued.
- Renovations are being done on the 15<sup>th</sup> Floor to accommodate for new staff of the Investment Office, and on the 12<sup>th</sup> Floor a community space for all staff to gather, have lunch, etc., will be done by this fall.
- The Investment Summit in September is taking shape and next year's 2026 Investment Summit will be held at the Ritz-Carlton Oahu, Turtle Bay from October 6-9, 2026.
- Will attend with ERS staff later today a Leadership and Professional Development Program presented by Goldman Sachs.

DEPUTY EXECUTIVE  
DIRECTOR'S REPORT ON  
THE OPERATIONS OF THE  
SYSTEM WITH RESPECT  
TO ISSUES AFFECTING  
MEMBER SERVICES,  
ACCOUNTING, AND  
INFORMATION SYSTEMS

Deputy Executive Director (DED) Gail Strohl gave an oral and written report to the Board, as presented, on the June 2025 Monthly Operations Report and highlighted the status of staffing recruitment and major achievements for the branches.

DED Strohl also congratulated Chair Kane and Trustee Yap on their re-elections reaffirming that they were both unopposed.

DED Strohl also noted from the report, a request on the ERS Website from members to submit stories on how ERS has impacted their lives as a part of the 100<sup>th</sup> Celebration of ERS.

PUBLIC COMMENT

Chair Kane called for public comment. There were no public comments from public members attending.

REPORT OF ACTIVITY BY  
THE ADMINISTRATIVE &  
AUDIT COMMITTEE

In the absence of Administrative & Audit Committee (Committee) Chair Chan, ED Williams reported to the Board that the Committee last met on February 18, 2025, prior to the last Board meeting.

UPDATE ON THE  
TRUSTEE ELECTION

ED Williams noted, that he and DED Strohl previously reported on the Trustee Election.

COMPLIANCE SUPPORT  
STAFF QUARTERLY  
UPDATE REPORT ON THE  
IMPLEMENTATION OF  
ERS' COMPLIANCE  
PROGRAM ON RISK  
ASSESSMENT,  
GOVERNANCE RISK AND  
COMPLIANCE  
PLATFORM, VIRTUAL  
INFORMATION  
SECURITY OFFICER, AND  
THIRD-PARTY RISK  
MANAGEMENT

Chief Compliance Officer (CCO) Kona Mann presented an oral report to the Board on the Quarterly Update Report on the Implementation of ERS' Compliance Program on Risk Assessment, Governance Risk and Compliance Platform, Virtual Information Security Officer, and Third-Party Risk Management.

CCO Mann reported that progress continues towards development of ERS' Enterprise Risk Management (ERM) and implementation of the Governance Risk and Compliance (GRC) Platform which are fundamental to the operational enhancement of risk awareness and visibility, as well as the alignment and implementation of compliance activities.

CCO Mann further reported that meetings on ERM with ERS management to discuss and integrate risk management into strategic planning and operations. The next steps are to establish an internal cross-functional risk committee that aligns risk tolerance with strategy, standardizes terms and definitions, and also implements risks, registers, monitors action plans, and mitigates risk.

CIO Mann further reported that AuditBoard was selected as the vendor for the GRC Platform and meetings are scheduled with ERS Branches to define the scope and desired outcomes. The projected build out is twelve weeks and will provide the Board and ERS executive management oversight, dashboard

COMPLIANCE SUPPORT  
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INFORMATION  
SECURITY OFFICER, AND  
THIRD-PARTY RISK  
MANAGEMENT (CONT'D)

reporting, and to automate and manage ERS activities. Challenges with the ERM and GRC Platform are insuring adoption and continuation of management of risk activities within the branches.

CIO Mann is currently managing several initiatives such as working with the virtual Information Security Officer (vISO) Ty Smith in partnership on security initiatives, roadmap activities, and recommendations allowing for guidance of the IT program, as well as strategic alignment and oversight for the foundational pieces of building an IT security program. Meetings are scheduled with vISO, ERS stakeholders, and executive management. vISO, ERS stakeholders and ETS met to define roles and responsibilities and to look at existing opportunities between the two agencies. Current activities being worked on are policy revisions and to continue looking for opportunities to cross-out roadmap initiatives. Linea Solutions was the vendor selected as the program manager for the migration of the pension administration system. Initial meetings and pre-migration activities with V3locity have been scheduled.

In summary, these activities highlight not only ERS' commitment to improve the organization's transformation but transformation for risk governance.

This quarterly report was provided to the Board as an update and no action was required.

REPORT OF ACTIVITY BY  
THE HUMAN RESOURCES  
COMMITTEE

Human Resources Committee (Committee) Chair Barfield reported to the Board that the Committee last met on April 28, 2025, prior to the last Board meeting. However, reported that the consultant assisting with the recruitment process of advertising the replacement of the Chapter 76, HRS exempt Executive Director made public was on schedule and details were to be discussed in Executive Session.

REPORT BY THE  
INVESTMENT COMMITTEE

Investment Committee (Committee) Vice Chair Yap reported to the Board that the Committee last met on June 5, 2025, and fund performance and quarterly reviews were presented.

REVIEW TOTAL FUND  
PERFORMANCE FOR  
PERIOD ENDING  
MARCH 31, 2025

Meketa Investment Group Inc.'s Colin Bebee joined the meeting by teleconference and presented an oral and written report to the Board, as previously presented to the Investment Committee, on the Total Fund Performance for period ending March 31, 2025, and highlighted:

#### INTRODUCTION

*Executive Summary*

*Portfolio Valuation*

*ERS Total Fund Relative Performance*

*Asset Allocation vs. Target*

*Annualized Return vs. Annualized Standard Deviation, and Annualized Risk-Return*

- 3-Years Ending, and 5-Years Ending, March 31, 2025

#### ERS PORTFOLIO REVIEW

*Performance Attribution vs. Policy Benchmarks*

- 1 -Year Ending March 31, 2025

*Asset Class Performance Summary*

This report was provided for the Board's information, and no action was required.

ROTATING  
ALTERNATIVE ASSET  
CLASS REVIEW:  
PRIVATE EQUITY  
QUARTERLY REVIEW  
FOR PERIOD ENDING  
DECEMBER 2024

Investment Officer – Private Equity Aaron Au presented an oral and written report to the Board on the Rotating Alternative Asset Class Review: Private Equity Quarterly Review for Period Ending December 2024, and discussed a Summary (Scorecard) developed at the request of the Board to easily identify performance across categories of Market Value, Asset Allocation, Long-Term Appreciation, Absolute Returns vs. Benchmarks, and Liquidity Management.

Trustees requested, as discussed in the Investment Committee meeting, to add a Risk Assessment component to the Scorecard with an emphasis on how the asset class strategically fits within the overall strategy, what is the risk associated with that fit, and its risk as a stand-alone asset class.

Hamilton Lane Advisors LLC’s Owen Burns and Paul Yett joined the meeting by teleconference and presented an oral and written report to the Board on the Private Equity Quarterly Review for Period Ending December 31, 2024, and highlighted:

PORTFOLIO REVIEW

*PE Portfolio Highlights*

- Performance
- *PE Portfolio Returns*
- *PE Portfolio Value Created*

*Portfolio Snapshot*

*Quarterly Performance*

*Performance Against Benchmarks*

*Cash Flow Activity*

MARKET UPDATE

This report was provided for the Board’s information, and no action was required.

APPROVAL OF MINUTES  
– MAY 13, 2025

On a motion made by Trustee Salaveria, seconded by Trustee Louie, and unanimously carried, the Board approved the Minutes of May 13, 2025, as presented.

PUBLIC COMMENT

Chair Kane called for public comment. There were no public comments from public members attending.

Chair Kane identified all the participants in Executive Session, the Board, staff members, Deputy Attorneys general, and Guests are identified with an asterisk on these minutes and listed on the Executive Session Minutes.

Chair Kane provided the reason to enter into Executive Session:

Executive Session, pursuant to HRS §92-5(a)(2), (4), (6), and (8), to consult with the Board’s attorneys on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities, with respect to: an Update on an Ongoing Litigation Cases; the Recruitment of Exempt Staff; and to discuss and to make a decision on the approval of Executive Session and Confidential Executive Session Minutes of May 13, 2025, which are confidential under State law.

ENTER EXECUTIVE  
SESSION

On a motion made by Trustee Salaveria, seconded by Trustee Ley, and unanimously carried, the Board entered into Executive Session at 11:43 a.m.

(Public participation concluded by ending the teleconference link.)

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. Recording Secretary Dale Kehau Kanae confirmed that no unauthorized persons were in the conference room or able to listen in via audio or audiovisual connection while on the teleconference.

## EXECUTIVE SESSION

- Pursuant to HRS §92-5(a)(4) and (8), to consider information that must be kept confidential pursuant to State law, and to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities with respect to an Update on Ongoing Litigation for: (1) Robin J. Benedict, Civil No. 19-1-0253; (2) Kirk L. Flores, Sr., Civil No. 3CCV-24-0000028; and (3) Cynthia Giebink vs. ERS, Civil No. 2CCV-23-0000113.
- Pursuant to HRS § 92-5(a)(2) and (4), to discuss the hiring of Chapter 76, HRS exempt staff, where matters affecting privacy will be involved, and to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities; appropriate action.
- Pursuant to HRS §92-5(a)(8), to Review and Approve Executive Session Minutes of May 13, 2025.
- Pursuant to HRS §92-5(a)(8), to Review and Approve the Confidential Executive Session Minutes of May 13, 2025.

EXECUTIVE SESSION,  
PURSUANT TO HRS §92-5(a)(4)  
AND (8), TO CONSIDER  
INFORMATION THAT MUST BE  
KEPT CONFIDENTIAL  
PURSUANT TO STATE LAW,  
AND TO CONSULT WITH THE  
BOARD'S ATTORNEYS ON  
QUESTIONS AND ISSUES  
PERTAINING TO THE BOARD'S  
POWERS, DUTIES, PRIVILEGES,  
IMMUNITIES, AND LIABILITIES  
WITH RESPECT TO AN UPDATE  
ON ONGOING LITIGATION FOR:  
(1) ROBIN J. BENEDICT, CIVIL  
NO. 19-1-0253; (2) KIRK L.  
FLORES, SR., CIVIL NO. 3CCV-24-  
0000028; AND (3) CYNTHIA  
GIEBINK VS. ERS, CIVIL NO.  
2CCV-23-0000113

EXECUTIVE SESSION, HRS § 92-  
5(A)(2) AND (4), TO DISCUSS THE  
HIRING OF CHAPTER 76, HRS  
EXEMPT STAFF, WHERE  
MATTERS AFFECTING PRIVACY  
WILL BE INVOLVED, AND TO  
CONSULT WITH THE BOARD'S  
ATTORNEYS ON QUESTIONS  
AND ISSUES PERTAINING TO  
THE BOARD'S POWERS, DUTIES,  
PRIVILEGES, IMMUNITIES, AND  
LIABILITIES; APPROPRIATE  
ACTION

EXECUTIVE SESSION,  
PURSUANT TO HRS §92-5(a)(8),  
TO REVIEW AND APPROVE  
EXECUTIVE SESSION MINUTES  
OF MAY 13, 2025

EXECUTIVE SESSION,  
PURSUANT TO HRS §92-5(a)(8),  
TO REVIEW AND APPROVE THE

CONFIDENTIAL EXECUTIVE  
SESSION MINUTES OF  
MAY 13, 2025

**EXIT EXECUTIVE SESSION**

On a motion made by Trustee Ley, seconded by Trustee Louie, and unanimously carried, the Board exited Executive Session at 12:02 p.m.

Chair Kane announced that while in Executive Session, the Board received an update on the results of litigation matters, reviewed the status of the search for a new Executive Director, and approved the Executive Session and Confidential Executive Session Minutes of May 13, 2025.

**ADJOURNMENT**

On a motion made by Trustee Salaveria, seconded by Trustee Louie, and unanimously carried, Chair Kane adjourned the meeting at 12:03 p.m.

**REDACTED SIGNATURE**

Thomas Williams  
Executive Director

TW:dkik