

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

NOVEMBER 10, 2025

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

Trustees present: (City Financial Tower by teleconference)	Mr. Emmit Kane, Chair (in person)* Mr. Lance Mizumoto, Vice Chair* Mr. Vincent Barfield (in person)* Dr. Catherine Chan (in person)* Dr. Genevieve Ley (in person)*
Trustees absent:	Mr. David Louie Ms. Sabrina Nasir for Mr. Luis Salaveria Mr. Bennett Yap
Staff present: (City Financial Tower by teleconference)	Mr. Thomas Williams, Executive Director* Mr. Kona Mann, Chief Compliance Officer* Mr. James Greubel, Program Specialist* Ms. Shanna Sakagawa, Program Specialist* Mr. Keith Miyamoto, Information Services Branch Manager* Ms. Lori Kobayashi, Retirement Benefits 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 Ms. Dale Kehau Kanae, Recording Secretary/Administrative Assistant* Ms. Lori Kim, Administrative Assistant* Ms. Andrea Gasper, Administrative Assistant*
Attorneys present: (by teleconference)	Ms. Jenny Nakamoto, Deputy Attorney General* Ms. Lori Tanigawa, Deputy Attorney General* Ms. Nietzsche Tolan, Deputy Attorney General* Ms. Diane Wong, Deputy Attorney General*
Guests present: (by teleconference)	Mr. Joe Newton, Gabriel Roeder Smith & Co. Mr. Lewis Ward, Gabriel Roeder Smith & Co. Mr. Peter Hanashiro, KMH LLP* Mr. Tyson Suehiro, KMH LLP*
Public present: (by teleconference)	Ben (Unverified) Joe Ebisa – WithIntelligence (Unverified) Ms. Karen Da vera Phyllis Ida

*Attended Executive Session.

QUORUM/CALL TO ORDER

A quorum being present (Chair Kane, Vice Chair Mizumoto, Trustees Barfield, Chan, and Ley), 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 9:00 a.m. and identified the Trustees attending in person and requested Trustees attending remotely confirm that they are the only ones present at their remote location while attending the meeting. Trustee attending remotely confirmed same. Trustees attending the meeting in person and remotely are noted on these minutes.

PUBLIC COMMENT

Chair Kane called for public comment. There was no public present in person, however, four (4) members of the public attended by teleconference and had no comment.

BOARD RESOLUTION REGARDING ERS EXECUTIVE DIRECTOR THOMAS WILLIAMS' SERVICE

Chair Kane, on behalf of the ERS Board of Trustees, presented a Resolution to Executive Director (ED) Thomas Williams and thanked him for his dedicated service of 10 years to the ERS. Mr. Williams shared heartfelt parting words of thanks to the Board and ERS staff attending the meeting.

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

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:

- Thanked the Board for their attendance and ERS Investment and Administrative staff for their hard work at the ERS Investment Summit held in September.
- Thanked the Board and ERS Staff Leadership for their contributions and guidance towards the ERS.
- Shared comments on the enterprise condition of the ERS within Administration, Program Specialists, Compliance Office, Investments, Branches: Retirement Benefits, Accounting, Information Services.

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

ED Williams, in absence of Deputy Executive Director Gail Strohl, reported to the Board that the Operations report was included in the Board packet for the Board's information and requested deferral of any questions to the next Board meeting.

There was no action required of the Board for this agenda item.

PROGRAM SUPPORT STAFF REPORT ON GENERAL DUTIES INCLUDING SIGNIFICANT CURRENT AND FUTURE PROJECTS

Program Specialist James Greubel presented an oral and written report to the Board on the Program Support Staff Report on General Duties Including Significant Current and Future Projects as submitted.

There was no action required of the Board for this agenda item.

COMPLIANCE OFFICE STAFF REPORT ON GENERAL DUTIES INCLUDING SIGNIFICANT CURRENT AND FUTURE PROJECTS

Chief Compliance Officer Kona Mann presented an oral and written report to the Board on the Compliance Office Staff Report on General Duties Including Significant Current and Future Projects as submitted.

The Board has requested, while awaiting the implementation of the AuditBoard, a dashboard to be included as a part of this report, a snapshot highlighting where compliance and risks are for the ERS.

There was no action required of the Board for this agenda item.

PUBLIC COMMENT

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

DISCUSS THE 2026 BOARD
OF TRUSTEES ELECTION
OF OFFICERS AND
COMMITTEE
ASSIGNMENTS AND
APPROVE THE 2026
SCHEDULE OF MEETINGS

Chair Kane discussed with the Board the present Officers and Committee Assignments and requested Board members submit their preferences of Committees they would like to serve on. Election of Officers and Committee Assignments will be determined and approved by the Board at the next meeting in January.

Chair Kane also discussed and presented to the Board a proposed 2026 Schedule of Meetings for approval.

On a motion made by Trustee Ley, seconded by Trustee Chan, and unanimously carried, the Board approved the Employees' Retirement System's Board of Trustees 2026 Schedule of Meetings as presented.

Chair Kane noted that there were no reports by the Governance Policy, Investments, or Legislative Committees.

REPORT OF ACTIVITY BY
THE ADMINISTRATIVE &
AUDIT COMMITTEE

Administrative & Audit Committee (Committee) Chair Chan, reported to the Board that the Committee last met on October 20, 2025, and discussed and took any necessary action on the following:

DISCUSS EMPLOYEES'
RETIREMENT SYSEM'S
DRAFT FUNDING
POLICY

Gabriel Roeder Smith & Company's Joe Newton and Lewis Ward attended the meeting by teleconference and presented an oral and written report to the Board on an Employees' Retirement System's Draft Funding Policy.

On a motion made by Committee Vice Chair Barfield, seconded by Committee Chair Chan, and unanimously carried, the Board approved the Employees' Retirement System's Draft Funding Policy as accepted and recommended by the Committee, with the inclusion of reviewing the Policy annually as a part of the evaluation process.

INTERNAL AUDIT
UPDATE REPORT BY
KMH LLP ON THE
CURRENT STATUS OF
ACTIVITIES
COMPLETED DURING
Q3, 2025, AND AN
UPDATE ON THE
COMPLETION STATUS
OF MANAGEMENT
ACTION PLANS FOR
PAST INTERNAL
AUDIT OBSERVATIONS
AND
RECOMMENDATIONS

KMH LLP's Peter Hanashiro and Tyson Suehiro, attended the meeting by teleconference and presented an oral and written report to the Board of KMH LLP's Internal Audit Update Report on the Current Status of Activities Completed During Q3, 2025, and an Update on the Completion Status of Management Action Plans for Past Internal Audit Observations and Recommendations and discussed in summary:

INTERNAL AUDIT UPDATE REPORT
EXECUTIVE SUMMARY

Administrative and Other Matters
Status on Current Projects

- Contracting & Procurement Review
- Enterprise Risk Management (ERM) Capability Roadmap and Training
- Business Continuity Plan – Tabletop Exercise
- Virtual Information Security Officer (vISO) Initiative – Roadmap Implementation
- Proposed Changes to 2025 Internal Audit Plan
 - To further support the progress made by the vISO and support updates needed to ERS' Business Continuity and Crisis Communication Plans, Internal Auditor is proposing the following changes:
 - Extending the vISO Initiative – Roadmap Implementation Project through the end of 2025.
 - Adding Business Continuity and Crisis Communications Plans – Revisions and Updates Project.

INTERNAL AUDIT
UPDATE REPORT BY
KMH LLP ON THE
CURRENT STATUS OF
ACTIVITIES
COMPLETED DURING
Q3, 2025, AND AN
UPDATE ON THE
COMPLETION STATUS
OF MANAGEMENT
ACTION PLANS FOR
PAST INTERNAL
AUDIT OBSERVATIONS
AND
RECOMMENDATIONS
(CONT'D)

- Deferral of Continuous Monitoring Tool Development – Part 2 Project to 2026.

KMH LLP requested approval from the Board of the proposed changes and updates to the 2025 Internal Audit Report as presented.

Committee Vice Chair Barfield shared with the Board, that the Committee had a robust focused discussion on the Internal Audit citations and its reporting. Although there were recent changes to the reporting format, the Committee emphasized that if time was taken within meetings to go through the dated citations resolutions, the managers responsible for the aged citations need to speak to it and take ownership of the problem. There was also some confusion by ERS staff of target dates and the Committee emphasized that accurate target dates need to be identified so that the Board has a really good estimate as to when the item will be resolved, particularly since there are a number of serious citations that have been extended multiple times. Again, Committee Vice Chair Barfield emphasized that the Committee had an intense discussion and that it was made clear to ERS staff of the Committee's position. The Committee wants the Board to know that this is a hot topic recognizing the Board's concerns on this matter.

On a motion made by Trustee Ley, seconded by Committee Vice Chair Barfield, and unanimously carried, the Board approved, as accepted and recommended by the Committee, the proposed changes and updates to the 2025 Internal Audit Update Report as presented.

INVESTMENT
MANAGER SELECTION
AND EVALUATION
REVIEW REPORT BY
KMH LLP

KMH LLP'S Tyson Suehiro presented a written report and gave a brief background of the Investment Manager Selection and Evaluation Review Report noting that it was accepted by the Committee at its meeting of August 21, 2025, and was presented to the Board for approval.

On a motion made by Trustee Ley, seconded by Committee Vice Chair Barfield, and unanimously carried, the Board approved, as accepted and recommended by the Committee, the Investment Manager Selection and Evaluation Report as presented.

COMPLIANCE
SUPPORT STAFF
UPDATE ON
IMPLEMENTATION OF
ERS' COMPLIANCE
PROGRAM ON RISK
ASSESSMENT,
POLICIES &
PROCEDURES, AND
THIRD-PARTY RISK
MANAGEMENT

Chief Compliance Officer (CCO) Kona Mann presented an oral and written report to the Board on the Compliance Support Staff Update on Implementation of ERS' Compliance Program on Risk Assessment, Policies & Procedures, and Third-Party Risk Management and discussed in summary:

EXECUTIVE SUMMARY

Key Highlights

Next Steps

ERS COMPLIANCE & RISK MANAGEMENT PROGRAM

IT Policy Development & Road Mapping

AuditBoard Implementation Project

RFP Development

Migration Project Management

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

REPORT ON LAUNCH
OF V3LOCITY PENSION

Information Services (IS) Branch Chief Keith Miyamoto provided an oral report to the Board on the Launch of V3LOCITY Pension Administration System Upgrade and discussed in summary:

ADMINISTRTRION
SYSTEM UPGRADE

OVERVIEW
V3LOCITY MIGRATION KEY FEATURES
PROJECT COST
PROJECTED V3LOCITY MIGRATION SCHEDULE

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

Before moving on, Chair Kane noted that the next two agenda items for the Human Resources Committee will be discussed in detail in Executive Session.

REPORT OF ACTIVITY BY
THE HUMAN RESOURCES
COMMITTEE

DISCUSS THE
LEADERSHIP
SUCCESSION PLAN
PROCESS OF THE
EMPLOYEES’
RETIREMENT SYSTEM

Human Resources Committee (Committee) Chair Barfield reported to the Board that the Committee last met on October 27, 2025, and reviewed the Committee activities for the year, including approval of minutes, and an end-of-the-year Committee self-evaluation, assessment with a rating of excellent. Committee Chair Barfield also reported that for 2026, the Committee will continue the yearly exempt staff performance evaluations and potential compensation recommendations and will also focus on the Leadership Succession Plan.

Committee Chair Barfield gave a brief overview of the Leadership Succession Plan noting that it would be discussed in detail in Executive Session.

DISCUSS THE
RELOCATION EXPENSE
REIMBURSEMENT
POLICY OF THE
EMPLOYEES’
RETIREMENT SYSTEM

Committee Chair Barfield further discussed with the Board that the Relocation Expense Reimbursement Policy of the ERS was reviewed by the Committee and is being presented for approval by the Board. ED Williams and Chief Investment Officer (CIO) Kristin Varela presented an oral and written report on the Exempt Employee Relocation Reimbursement Policy to the Board. It was suggested that a periodic review of the Policy be done at the same time as the review of compensation. The Department of Accounting and General Services is currently reviewing the Policy.

On a motion made by Committee Chair Barfield, seconded by Committee Vice Chair Ley, and unanimously carried, the Board approved the Relocation Expense Reimbursement Policy of the Employees’ Retirement System, as presented subject to staff researching existing language with other state agencies such as the Department of Accounting and General Services, Department of Human Resources Development, or the University of Hawaii at Manoa, and further modifications.

APPROVAL OF MINUTES
– SEPTEMBER 8, 2025
– SEPTEMBER 23-26, 2025

On a motion made by Trustee Barfield, seconded by Trustee Ley, and unanimously carried, the Board approved the Minutes of September 8, 2025, and September 23-26, 2025, meetings as presented.

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: to consider sensitive matters related to Cyber Security Updates and Enterprise Risk Management Updates; to consider the hire, evaluation, dismissal, or discipline of employees, where consideration of matters affecting privacy will be involved with respect to Leadership Succession Plans of the ERS and Relocation Reimbursement for an Investment Officer – Operations

Applicant; to deliberate or make a decision with respect to Ongoing Litigation, and a Compromise and Settlement Pursuant to HRS §88-106.5 which requires the consideration of information that must be kept confidential pursuant to State law; and to discuss and to make a decision on the approval of Executive Session and Confidential Executive Session Minutes of September 8, 2025, and Executive Session Minutes of September 23-26, 2025, which are confidential under State law.

ENTER EXECUTIVE SESSION

On a motion made by Trustee Barfield, seconded by Trustee Ley, and unanimously carried, the Board entered into Executive Session at 10:39 a.m.

(Public participation was paused as Executive Session was conducted in a separate virtual room.)

All Executive Session 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 (6), to consider and consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities, and to consider sensitive matters related to Cyber Security Updates.
- Pursuant to HRS §92-5(a)(4) and (6), to consider and consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities, and to consider sensitive matters related to Enterprise Risk Management Updates.
- Pursuant to HRS §92-5(a)(2) and (4), to Discuss and Review Leadership Succession Plans of the Employees' Retirement System and to consider the hire, evaluation, dismissal, or discipline of employees, where consideration of matters affecting privacy will be involved, and to consider and consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities.
- Pursuant to HRS §92-5(a)(2), and (4), to Discuss and Approve Relocation Expense Reimbursement for Investment Officer – Operations Applicant.
- 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 attorney on questions and issues pertaining to the Board's powers, duties, and privileges, immunities, and liabilities with respect to an Update on Ongoing Litigation for Linda S. Martell, CAAP-22-0000534 and CAAP-22-0000545.
- Pursuant to HRS §92-5 (a)(4) and (8), to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, and privileges, immunities, and liabilities with respect to a compromise and settlement pursuant to HRS §88-106.5; and to consider information that must be kept confidential pursuant to HRS §92F-13(1) and (4), §92F-14(b)(6), and Hawaii State Constitution, Article 1, Section 6.
- Pursuant to HRS §92-5(a)(8), to Review and Approve Executive Session Minutes of September 8, 2025, and September 23-26, 2025.
- Pursuant to HRS §92-5(a)(8), to Review and Approve the Confidential Executive Session Minutes of September 8, 2025.

EXECUTIVE SESSION,
PURSUANT TO HRS § 92-5(a)(4)
AND (6), TO CONSIDER AND
CONSULT WITH THE BOARD'S
ATTORNEYS ON QUESTIONS
AND ISSUES PERTAINING TO
THE BOARD'S POWERS, DUTIES,
PRIVILEGES, IMMUNITIES, AND
LIABILITIES, AND TO CONSIDER
SENSITIVE MATTERS RELATED
TO CYBER SECURITY UPDATES

EXECUTIVE SESSION,
PURSUANT TO HRS § 92-5(a)(4),
AND (6), TO CONSIDER AND
CONSULT WITH THE BOARD'S
POWERS, DUTIES, PRIVILEGES,
IMMUNITIES, AND LIABILITIES,
AND TO CONSIDER SENSITIVE
MATTERS RELATED TO
ENTERPRISE RISK
MANAGEMENT UPDATES

EXECUTIVE SESSION,
PURSUANT TO HRS §92-5(a)(2)
AND (4), TO DISCUSS AND
REVIEW LEADERSHIP
SUCCESSION PLANS OF THE
EMPLOYEES' RETIREMENT
SYSTEM AND TO CONSIDER THE
HIRE, EVALUATION, DISMISSAL,
OR DISCIPLINE OF EMPLOYEES,
WHERE CONSIDERATION OF
MATTERS AFFECTING PRIVACY
WILL BE INVOLVED, AND TO
CONSIDER AND CONSULT WITH
THE BOARD'S ATTORNEYS ON
QUESTIONS AND ISSUES
PERTAINING TO THE BOARD'S
POWERS, DUTIES, PRIVILEGES,
IMMUNITIES, AND LIABILITIES

EXECUTIVE SESSION,
PURSUANT TO HRS §92-5(a)(2)
AND (4), TO DISCUSS AND
APPROVE RELOCATION
EXPENSE REIMBURSEMENT FOR
INVESTMENT OFFICER –
OPERATIONS APPLICANT

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 ATTORNEY ON
QUESTIONS AND ISSUES
PERTAINING TO THE BOARD'S
POWERS, DUTIES, AND
PRIVILEGES, IMMUNITIES, AND
LIABILITIES WITH RESPECT TO
AN UPDATE ON ONGOING
LITIGATION FOR LINDA S.
MARTELL, CAAP-22-0000534
AND CAAP-22-0000545

EXECUTIVE SESSION,
PURSUANT TO HRS §92-5(a)(4)
AND (8), TO CONSULT WITH THE
BOARD'S ATTORNEY ON
QUESTIONS AND ISSUES
PERTAINING TO THE BOARD'S
POWERS, DUTIES, AND
PRIVILEGES, IMMUNITIES, AND
LIABILITIES WITH RESPECT TO
A COMPROMISE AND
SETTLEMENT PURSUANT TO

HRS §88-106.5; AND TO
CONSIDER INFORMATION THAT
MUST BE KEPT CONFIDENTIAL
PURSUANT TO HRS §92F-13(1)
AND (4), §92F-14(b)(6), AND
HAWAII STATE CONSTITUTION,
ARTICLE 1, SECTION 6

EXECUTIVE SESSION,
PURSUANT TO HRS §92-5(a)(8),
TO REVIEW AND APPROVE
EXECUTIVE SESSION MINUTES
OF SEPTEMBER 8, 2025, AND
SEPTEMBER 23-26, 2025

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

EXIT EXECUTIVE SESSION

On a motion made by Trustee Ley, seconded by Trustee Barfield, and
unanimously carried, the Board exited Executive Session at 12:01 p.m.

Chair Kane announced that while in Executive Session, the Board was updated
on matters related to Cyber Security; Enterprise Risk Management; discussed
and reviewed Leadership Succession Plans of the ERS; ongoing litigation for
Linda S. Martell CAAP-22-0000534 and CAAP-22-0000545; and consulted on a
Compromise and Settlement pursuant to HRS §88-106.5; and no action was
required by the Board of those updates, discussion, or consultation; discussed
and approved Relocation Expense Reimbursement for Investment Officer –
Operations Applicant; and the Board approved the Executive Session minutes of
September 8, 2025, and September 23-26, 2025, as well as Confidential
Executive Session Minutes of September 8, 2025.

ADJOURNMENT

On a motion made by Trustee Barfield, seconded by Trustee Ley, and
unanimously carried, Chair Kane adjourned the meeting at 12:02 p.m.

REDACTED SIGNATURE

Thomas Williams
Executive Director
TW:dkik