

Board Packet List of Documents

Human Resources Committee Meeting

Apr 8, 2026

- Meeting Agenda
- Timeline of the Human Resources Committee
- APPROVAL OF MINUTES – March 25, 2026

Board Packet Documents are available for public for inspection on the Employees' Retirement System's Website: <https://ers.ehawaii.gov/board-and-committee-agendas-and-meeting-packets>; and in the Employees' Retirement System's Office, 201 Merchant Street, Suite 1400, Honolulu, HI 96813

NOTICE OF REGULAR MEETING

AGENCY: Human Resources Committee of the Board of Trustees of the Employees' Retirement System of the State of Hawaii

DATE: Wednesday, April 8, 2026, 2:00 p.m.

PLACE: City Financial Tower, 201 Merchant Street, Suite 1200, Honolulu, Hawaii 96813

The meeting will be conducted pursuant to HRS §92-3.7, under which Members of the Board of Trustees and members of the public may participate via interactive conference technology or in person at the meeting place stated above.

Members of the public may also attend the meeting by teleconference, either audio or video, at the following link or phone number:

<https://teams.microsoft.com/join/23333347635861?p=0Pq8Bm6EBCG0jLABaS>

Or join by entering meeting ID: 233 333 476 358 61 Passcode: Jx9Hk9Dt

Members of the public may provide testimony in person or by teleconference. Individuals testifying at the meeting are requested to limit their testimony to three (3) minutes or an amount of time otherwise designated by the Chairperson.

Or +1 808-829-4853 United States, Honolulu (Toll)
Conference ID: 617 615 932#

In the event audiovisual communication cannot be maintained with participating Trustees and quorum is lost, the meeting shall be automatically recessed for up to 30 minutes, during which time, an attempt to restore audiovisual communication will be made. If such attempt is unsuccessful, all Trustees, members of the public, staff and other interested individuals may continue to participate in the meeting via telephone using the above-listed telephone and conference ID numbers, whereby audio-only communication will be established for all participants and the meeting will continue. If reconvening the meeting is not possible because neither audiovisual nor audio-only communication can be re-established, the meeting will be terminated.

AGENDA

QUORUM/CALL TO ORDER

PUBLIC COMMENT

Members of the public may submit written testimony on these agenda items via e-mail or postal mail with receipt recommended by 4:30 p.m. on Tuesday, April 7, 2026, in order to ensure it is distributed in time for consideration. Please address written testimony if by e-mail to: dale.kanae@hawaii.gov or by postal mail to: Employees' Retirement System of the State of Hawaii, Human Resources Committee, 201 Merchant Street, Suite 1400, Honolulu, HI 96813.

NEW BUSINESS

1. Review the Activities and Timeline of the Human Resources Committee.
2. Discuss the Compensation Plan for HRS Chapter 76, Exempt Positions of the Executive Director, Chief Investment Officer, Deputy Chief Investment Officer, and Investment Officers of the Employees' Retirement System.

Pursuant to HRS § 92-5(a)(4), the Board of Trustees may enter into Executive Session 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 these matters.

APPROVAL OF MINUTES – March 25, 2026

EXECUTIVE SESSION

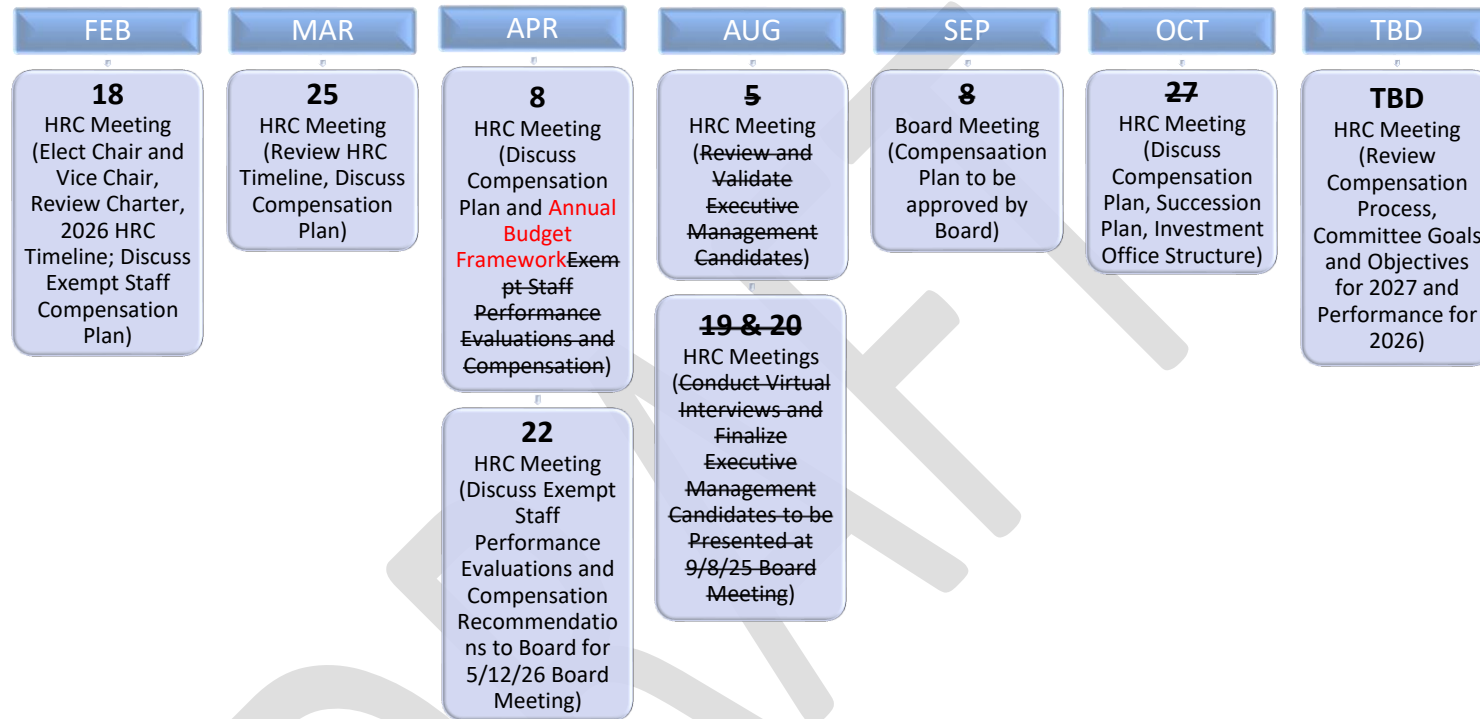
1. Executive Session, pursuant to HRS §92-5(a)(8), and 92-9(b) to Discuss and Make a Decision on the Approval of the Executive Session Minutes of March 25, 2026.

ADJOURNMENT

If you require auxiliary aid/service or other accommodation due to a disability, please contact Dale Kehau Kanae at (808) 586-1706 or dale.kanae@hawaii.gov as soon as possible, preferably by Thursday, April 2, 2026, and the ERS will try to obtain the auxiliary aid/service or accommodation, but cannot guarantee that the request will be fulfilled.

Upon request, this notice can be made available in large print.

HUMAN RESOURCES COMMITTEE 2026 TIMELINE



Committee:

- Review Committee Charter, Update Timeline (by first meeting)
- Review all performance evaluations (ED, CIO, DCIO, IOs) and submit compensation recommendations to Board (May meeting)
- Develop long-term Compensation Plan (may include exempt award-based compensation)
- Review Succession Plan (may include staff development)
- Review Investment Office Structure
- Review the Compensation Process, and Committee Goals and Objectives for the next year

Executive Director (ED), Chief Investment Officer (CIO), Deputy Investment Officer (DCIO), Investment Officer (IO)

Updated: 4/8/26

MINUTES OF THE MEETING OF THE
HUMAN RESOURCES COMMITTEE OF THE
BOARD OF TRUSTEES OF THE
EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII

MARCH 25, 2026

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

Trustees present: Dr. Genevieve Ley, Chair*
(by teleconference) Mr. Vincent Barfield*
Mr. Emmit Kane*

Trustee absent: Dr. Catherine Chan, Vice Chair

Staff present: Mr. Kalbert Young, Executive Director*
(City Financial Tower Ms. Gail Strohl, Deputy Executive Director*
by teleconference) Ms. Kristin Varela, Chief Investment Officer*
Ms. Dale Kehau Kanae, Recording Secretary/Administrative Assistant*
Ms. Diana Gomes, Administrative Assistant

Attorney present: Ms. Nietzsche Tolan, Deputy Attorney General*
(by teleconference)

*Attended Executive Session

QUORUM/CALL TO
ORDER

A quorum being present (Chair Ley, and Trustees Barfield and Kane), Chair Ley called the Human Resources Committee (HR Committee or Committee) of the Board of Trustees (Board) of the Employees' Retirement System of the State of Hawaii (ERS) to order at 2:13 p.m. and had the Trustees confirm that they are the only ones present at their remote location and that no one else was able to listen in on their teleconference while attending the meeting.

PUBLIC COMMENT

Chair Ley called for public comment. There were no members of the public present in person or by teleconference, therefore no public comment. There was also no written public testimony received for this Committee meeting.

REVIEW THE ACTIVITIES
AND TIMELINE OF THE
HUMAN RESOURCES
COMMITTEE

Chair Ley presented for discussion with the Committee, the 2026 timeline and reviewed the upcoming activities scheduled for the next meetings in April. The Committee discussed the recent announcement of the departure of Chief Investment Officer (CIO) Kristin Varela and whether or not the Committee, Investment Committee, or an Ad Hoc Committee created by the Board, would handle the recruitment process. It was suggested that a special Board meeting be convened where a transition plan by the CIO be presented and a determination be made of which Committee would handle the process. It was also suggested to check the recent Executive Director Search Contract to see if it could be extended and used for the recruitment. Otherwise, it would need to be included as an agenda item at the Special Board meeting. Other than the discussion of the recruitment of the CIO, the Committee had no edits to the 2026 timeline and approval was not required.

DISCUSS THE
COMPENSATION PLAN

CIO Varela presented to the Committee on behalf of herself and Executive Director Kalbert Young a Compensation Plan entitled Exempt Staff Compensation Methodology Review and discussed:

GOALS FOR TODAY
METHODOLOGY OVERVIEW

Overview

Tier 1 Adjustment

Tier 2 Adjustment

Tier 3 Adjustment

METHODOLOGY IN PRACTICE WORKING EXAMPLE

2025 Starting Position

2025 Tiered Methodology Applied

NEXT STEPS

2026 Current State

Next Steps

- April 8, 2026: Human Resources Committee Meeting
Review Current compensation positioning relative to peer median and align on an annual budget framework to guide adjustments;
- April 22, 2026: Human Resources Committee Meeting
Present annual performance evaluation outcomes and corresponding compensation recommendations for HRC review and refinement;
- May 12, 2026: Board Meeting
HRC to recommend finalized compensation recommendations to the Board of Trustees for approval.

This methodology is to reinforce continuity with the prior three years through the established evaluation and adjustment framework. This process applies only to Exempt Investment Officers. The Committee had no objections to the methodology.

The Committee noted that the methodology, framework, and Compensation Study is useful in evaluating, compensating, recruiting, and retaining exempt employees giving the Committee and Board systematic reasons to justify increases they deem appropriate should there be questions on how the amounts were derived.

The Committee requested that ERS staff procure services and update the 2022 Compensation Study, however, it would not to be included for this year's compensation recommendations. This could benefit compensation offers for exempt positions going forward.

APPROVAL OF MINUTES
– OCTOBER 27, 2025

On a motion made by Trustee Barfield, seconded by Trustee Kane and unanimously carried, the Committee approved the Minutes of the February 18, 2026, meeting as presented.

PUBLIC COMMENT

Chair Ley again called for public comment. There was no public present in person or by teleconference, therefore no public comment.

(Chair Ley identified all the participants in Executive Session, the Board, ERS Staff, and Deputy Attorney General are identified with an asterisk on these minutes and listed on the Executive Session Minutes. Being that there were no public participants, there was no need to conduct Executive Session in a separate virtual breakout room, the meeting continued in the main room.

Chair Ley provided the reason to enter into Executive Session:

Executive Session, pursuant to HRS §92-5(a)(8), and 92-9(b) to discuss and make a decision on the Approval of Executive Session Minutes of February 18, 2026, which are confidential under State law.

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

**ENTER EXECUTIVE
SESSION**

On a motion made by Trustee Kane, seconded by Trustee Barfield and unanimously carried, the Committee entered into Executive Session at 2:55 p.m.

(Public participation concluded.)

EXECUTIVE SESSION

- Pursuant to HRS § 92-5(a)(8), and 92-9(b), to Review and Approve Executive Session Minutes of February 18, 2026.

EXECUTIVE SESSION,
PURSUANT TO HRS §92-5(a)(8),
TO REVIEW AND APPROVE
EXECUTIVE SESSION MINUTES
OF OCTOBER 27, 2025

**EXIT EXECUTIVE
SESSION**

On a motion made by Trustee Barfield, seconded by Trustee Kane, and unanimously carried, the Committee exited Executive Session at 2:56 p.m.

Chair Ley announced that while in Executive Session, the Committee approved the Executive Session minutes of February 18, 2026.

ADJOURNMENT

On a motion made by Trustee Kane, seconded by Trustee Barfield, and unanimously carried, Chair Ley adjourned the meeting at 2:57 p.m.

REDACTED SIGNATURE

Kalbert Young
Executive Director

dkik