

# HOLOMUA

RETIREES & ACTIVE MEMBERS



Employees' Retirement System  
of the State of Hawaii

Koko Head Crater, O'ahu

## Patience is Our Pension Advantage

Everyone at the Hawaii Employees' Retirement System (ERS) is working diligently to safeguard all of our pensions. Our mission remains absolute: provide the retirement security you earned through years of public service and ensure that our pension system is stable and always available.

As we approach the conclusion of the current fiscal year, the ERS has reached a number of milestones. Today there are more than 66,800 active ERS members working to earn benefits as part of our pension system, and another 56,700 retirees and beneficiaries who are currently collecting a pension benefit. While the total liability of the system grew slightly faster than anticipated to nearly \$40 billion, the total asset value of the ERS now stands at a robust \$26 billion. This means that our pension system climbed towards being nearly 64% fully funded.

This relationship between benefits earned by our members and beneficiaries balanced against the assets available to pay them reflects the long-term nature of pension obligations, an obligation we are actively committed to addressing. Our strong asset base contributed to improving our current funded ratio to nearly 64%.

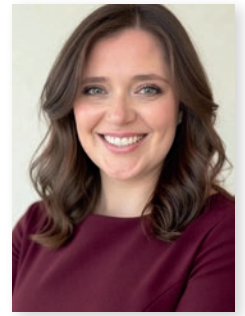
Pension health is measured over decades, not days or months. Major portions of financial markets have exhibited a lot of volatility this past year but be assured that we are meeting this challenge with a disciplined, long-term investment strategy designed to steadily improve this ratio over time and weather the short-term market cycles.

Although a pension by itself may not guarantee a financially secure retirement, receiving a payment from the ERS every month for the rest of your life should complement your other retirement income sources and alleviate a significant portion of your overall financial needs. This is the vision that drives all of us at the ERS and why we acknowledge, with pride, that we are providing an important service for all our members.

Thank you for your service and trust.

Kalbert K. Young  
Executive Director

# “He pūko‘a kani ‘āina.” A coral reef grows into an island.



**Kristin Varela**

Over the last three and a half years at the Employees’ Retirement System of the State of Hawai‘i, I have often reflected on how much that ‘ōlelo no‘eau [Hawaiian adage] mirrors both this institution and my own experience here. The most meaningful things are rarely built all at once. They are strengthened patiently over time through stewardship, trust, discipline and collective effort.

As I write this message, I do so with immense gratitude. This will be my final Holomua update as Chief Investment Officer (CIO) of ERS.

Recently, I accepted the opportunity to return home to New Mexico to serve as CIO for the New Mexico State Investment Council. This decision was deeply personal. While Hawai‘i profoundly shaped me and my family over the last three and a half years, I also recognize that home, family and a renewed sense of purpose are calling me back to the place that shaped much of my own personal and professional development.

I want to express my deepest appreciation to the ERS Board of Trustees, staff, Investment Team and members for the trust and partnerships accumulated

throughout my tenure. Together, we strengthened ERS as an institutional investor, modernized processes and further established the System as one of the most thoughtful and respected partners in the industry while remaining grounded in the values that make Hawai‘i so special.

As I leave, I do so with tremendous confidence in the future of ERS. I leave the reins to Interim CIO Anthony “Tony”



**Interim CIO  
Anthony Goo**

Goo, who has dedicated more than a decade of his professional life to protecting the financial security of the people of Hawai‘i, as both an ERS investment officer and as Deputy CIO for the last three years. Just as importantly, the experienced team

supporting him remains unchanged and continues to be the foundation of one of the strongest investment organizations in the nation.

## The Last Three Years Together

Over the last three years, which reflects nearly the entirety of my time serving Hawai‘i ERS, the Fund generated annualized returns of 6.6% net of fees with materially lower volatility than many public pension peers.

When I joined ERS, the System’s assets were approximately \$21.9 billion. Since that time, ERS has continued to grow steadily while remaining disciplined in its approach to risk management, liquidity and long-term portfolio construction.

Bonded together, we weathered waves of inflationary shocks, rapidly rising interest rates, concentrated equity market leadership, geopolitical conflict and heightened uncertainty across global markets. Through it all, ERS remained disciplined in its firm commitment to diversification, liquidity management and downside awareness rather than reacting to short-term market noise or assuming unnecessary risk.

Infrastructure investments were among the strongest contributors during this period, generating annualized returns of approximately 10.9%. Global credit also produced strong results, returning approximately 9.3% annualized over three years. Within Diversifying Strategies, Discretionary Alpha strategies generated approximately 7.9% annualized returns while continuing to provide important resilience during periods of market stress and uncertainty.

## Fund Update as of March 31, 2026

As of March 31, 2026, total ERS assets reached approximately \$25.7 billion, representing the high-water mark for market value in the System’s history.

For the one-year period, the Total Fund returned 7.6% net of fees, exceeding the System’s required actuarial rate of return. And when considering the level of risk assumed per unit of return received throughout all measured periods, the ERS has steadily outperformed its national peer group.

That outcome reflects an investment philosophy centered on narrowing the range of outcomes and maintaining consistency through changing market environments rather than pursuing unnecessary volatility or short-term market momentum. Ultimately, the goal has always been clear: generate durable returns, protect liquidity, thoughtfully manage risk and harbor long-term stability for the members and retirees who depend on this System.

## Closing Mahalo

Serving Hawai‘i ERS has been one of the greatest privileges of my career. Mahalo for the trust you placed in me and in our Investment Team. My family and I will always carry deep appreciation for this organization, this mission and the people of Hawai‘i.

A hui hou!  
Kristin Varela  
Chief Investment Officer  
Employees’ Retirement System of the  
State of Hawai‘i



CIO Kristin Varela was presented an Award of Excellence by Chair Vincent Barfield at the May 7 board meeting.



## Trustee Yap Retires

Trustee Bennett Yap, who was recently re-elected to the ERS Board and chosen as vice-chair at its Jan. 12 meeting, retired effective March 1. Yap had served on the Board since 2020 and previously worked as an IT Manager with the State Department of Labor and Industrial Relations (DLIR). At its March 9 meeting, the Board elected Dr.



Dr. Genevieve Gines Ley

Genevieve Gines Ley as the new vice-chair.

“Trustee Yap has a distinguished career as a dedicated public servant, giving his time and experience serving the people of Hawai‘i — both

as an employee of the DLIR and as an elected trustee for the retirement system,” said ERS Executive Director Kalbert Young.

“The system has initiated a call for nominees who would be interested in being elected to fill the remainder of Trustee Yap’s term. I thank Bennett for his service to the system and wish him the best during his well-earned retirement.”

The Board of Trustees, the governing body of the ERS, is comprised of eight members, including four elected by the membership (two general employees, a teacher and a retiree), three appointed by the governor, and the state Director of Finance.



Bennett Yap

## Trustee Election

An election will be conducted for one seat on the board of trustees. The seat is for a general employee and for the remainder of a six-year term ending on Jan. 1, 2032.

The full board meets at least six times a year to review how the ERS is doing financially and operationally. Board meetings are listed on the ERS website ([ers.ehawaii.gov](http://ers.ehawaii.gov)) and open to the public.

The election is conducted by mail-in balloting. Please ensure the ERS has your most current mailing address.

- Active members may update mailing addresses through the

personnel offices of your respective departments.

- Retirees and terminated vested members may have mailing addresses updated directly with the ERS. Go to the ERS website ([ers.ehawaii.gov](http://ers.ehawaii.gov)) and use the ERS-211 Mailing Address Change form found under: Retirees > Pension Forms.

The deadline for nominations to be a candidate for this seat was June 19th. Should there be more than one candidate, ballots will be mailed out to members in mid-September. If you do not receive a ballot by the end of September, please contact the ERS.

# Important Reminders About Reporting a Death and Claiming Survivor Benefits

## Timely Reporting

When a member passes away, it's critical that the death is reported to the Employees' Retirement System (ERS) as soon as possible. Prompt reporting:

- Prevents delays in processing any eligible survivor benefits
- Helps avoid overpayment that will need to be repaid
- Ensures accurate handling of the member's account

## Benefits Do NOT Automatically Transfer

A common misconception is that benefits automatically continue or transfer to a spouse, dependent or beneficiary. In reality:

- Benefits do not automatically continue.
- Continuation depends on the retirement option selected by the member.

- If eligible for a benefit, survivors must file a claim and submit the appropriate documentation.

## What Survivors Should Do

To ensure a smooth and timely process, survivors should:

- Report the death promptly to an ERS representative. Reports of death are not shared between separate institutions and the ERS.
- Submit a certified copy of the death certificate. Before ERS can process any survivor benefit claim, we must receive an official death certificate. This document provides legal verification of the member's passing.

Understanding these requirements will help families avoid delays and ensure that any benefits due are processed by the ERS as efficiently as possible.

# Updated ERS Office Hours Implemented

Effective June 1, 2026, our member service office hours have been revised for all locations. The O'ahu, Hawai'i, Maui and Kaua'i offices open at 8 a.m. Reception services will be available until 4 p.m. Individuals in the office by 4 p.m. will continue to receive assistance until 4:30 p.m., allowing sufficient time to complete in-person transactions and related end-of-day processing.

For those who require assistance outside of the updated office hours, alternative options remain available. As of May 1, a secure document drop box is available for submissions at our O'ahu office.

These updates reflect ERS's ongoing commitment to delivering thoughtful, thorough service while supporting efficient operations across all locations.

# Thinking About a 2026 Retirement?

## Here are some important dates:

Members or former members who are eligible and considering retirement in 2026 should prepare by familiarizing themselves with the deadlines for filing an application. Your retirement date can be the first of the month or on Dec. 31. Applications can be filed as early as 150 days prior to — but not fewer than 30 days before — your retirement date.

For more information, go to [ers.ehawaii.gov/members/planning-for-retirement](https://ers.ehawaii.gov/members/planning-for-retirement) or contact the ERS: [ers.ehawaii.gov/resources/contact-us](https://ers.ehawaii.gov/resources/contact-us).

Here's a list of application deadlines for retirement for the remainder of 2026. The ERS must receive applications by the deadlines listed (not postmarked, if mailed). Applications must be notarized or signed in front of an ERS representative.

I would like to retire on:	FILING WINDOW	
	The first day you can file:	The last day you can file:
Aug. 1, 2026	March 4, 2026	July 2, 2026
Sept. 1, 2026	April 6, 2026	July 31, 2026
Oct. 1, 2026	May 4, 2026	Sept. 1, 2026
Nov. 1, 2026	June 4, 2026	Oct. 2, 2026
Dec. 1, 2026	July 6, 2026	Oct. 30, 2026
Dec. 31, 2026	Aug. 3, 2026	Dec. 1, 2026

# Online Member Information Update

ERS has updated its website with member information through April 2026. This update is for active members in the Contributory, Noncontributory and Hybrid plans. Member information and account balances may vary in timeliness due to payroll lags and adjustments. Please note information for inactive members, retirees and beneficiaries is not included.

Help us ensure we have the most accurate information possible by logging onto our website at [ers.ehawaii.gov](https://ers.ehawaii.gov) and clicking on "Active Member Information." To report discrepancies with your account, print and mail a completed ERS-243 Member Information Form (a fillable form link is at the bottom of the Active Member Information page) to ERS with a printout or screenshot of your "My Retirement Account" information. Once we complete our research, corrections will be applied and you will be notified of any changes.

# Annual Post-Retirement Increase to be issued in July

Qualified retirees and beneficiaries with retirement dates in 2025 and earlier will receive their annual post-retirement increase in July.

Increases of 2.5% (for membership dates before July 1, 2012) and 1.5% (for membership dates on or after July 1, 2012) are calculated on the base pension amount and are not compounded.

Semi-monthly payees will receive their increase on July 15, while monthly payees will receive their increase on July 31.

Keep the ERS payment statement you receive, because statements are only generated when there is a change in the

RETIREMENT ALLOWANCES		DEDUCTIONS	
DESCRIPTION	CURRENT	CURRENT	YEAR TO DATE
Pension Monthly	5,000.00		4,900.00
TOTALS	5,000.00	706.00	4,942.00

CHECK AMOUNT: 4,294.00

pension amount. The payment statement will show the gross payment amount, deductions withheld and the net payment amount. Confirm the net payment amount with the ERS deposit amount on your bank statement when you receive it.

For information, contact us at 808-586-1735.

## ERS at the Legislature – Session Wrap-Up

The 33rd Hawai'i State Legislature adjourned May 8th. Two ERS initiatives were introduced with the strong support of the ERS Board of Trustees through the Department of Budget & Finance as part of the administration's package. They both passed final reading and are awaiting signature by the Governor at the time of writing this article.

### Senate Bill 3096

Relating to the Employees' Retirement System Employer Contributions for Normal Cost and Accrued Liability.

This bill will amend Chapter 88, Hawai'i Revised Statutes, to increase employer contribution rates for normal cost and accrued liability by 3% (from 41% to 44%) for a specified group of employees consisting of mainly police officers, firefighters, and certain investigators. The purpose of the increase is to ensure that the time to pay down the ERS's unfunded accrued liability does not exceed the maximum funding period allowed by statute.

The adjustment is necessary due to continued higher than projected salary growth for this group. As benefits are partly determined by compensation, the higher pay increases extended the period when the benefits for this group

are expected to be fully funded. Prudent funding of these liabilities starting July 1, 2027, limits long-term costs and seeks to prevent the subsidization of liabilities by other employer groups while bringing this group's funding period back on-pace with the system's target date of 2046.



Hawai'i State Capitol

### Senate Bill 3097

Relating to the Exemption from Civil Service for Executive Personnel of the Employees' Retirement System.

This bill will authorize the ERS Board of Trustees, through the Executive Director, to appoint the Deputy Executive Director, Chief Compliance Officer, and Informa-

tion Security Officer. The bill would also exempt these executive-level positions from the State's civil service requirements making them at-will employees. These changes will provide the System with the flexibility needed to compete for and retain professionals in these specialized and highly technical fields.

Being the second year of the biennium, the ERS staff not only monitored hundreds of bills introduced this session, but also any bills left from last session. One such bill from last year with ERS impact was revived and passed this year.

### Senate Bill 99

Relating to Government.

When signed, this bill will expand the entities allowed to identify positions as labor shortage or difficult-to-fill, making them eligible to be filled by retirees without suspension of their pension. This allows departments and agencies, in addition to the previously approved jurisdictionally appropriate entities, to uniformly apply prescribed metrics for consistent qualification of positions as demonstrably difficult-to-fill or in a shortage.

These bills and other legislation may be reviewed on the Hawai'i State Legislature website at [capitol.hawaii.gov](http://capitol.hawaii.gov).



## IMPORTANT

The EUTF is a separate organization from the ERS. If you have any questions about information in these articles, please contact the EUTF directly. Contact information: (808) 586-7390, 1 (800) 295-0089 toll free; email: eutf@hawaii.gov

## Health Plan Online Tools

### HMSA

Visit [hmsa.com/eutf](https://hmsa.com/eutf) and click “My Account Login” in the upper right corner. View claims and information about your health plan, view annual maximum out-of-pocket and deductible calculators, print or request your HMSA membership card and learn about well-being programs such as Active&Fit Direct (discounted gym membership), HMSA365 and ChooseHealthy.

### CVS/SilverScript

Visit [caremark.com/eutf](https://caremark.com/eutf) and click “Register or Sign In at Caremark.com”. View your plan details, check drug cost, find an in-network pharmacy, start new mail pharmacy prescriptions (from CVS Mail Pharmacy on Oahu), manage refills and view/print your CVS Caremark (or SilverScript) member ID card.

### Kaiser Permanente

Visit [kp.org/eutf](https://kp.org/eutf) and click “Sign In” in the upper right corner. Get 24/7 care by phone or video, email your care team, schedule/check in for appointments, view most lab results and doctor’s notes, refill most prescriptions and pay bills and view statements.

### Humana

Visit [your.humana.com/eutf](https://your.humana.com/eutf) and click “Sign In to MyHumana” in the upper right corner. View benefit details, view your Humana member ID card, find care close to you and view statements.

### HDS

Visit [hawaiiidentalservice.com/eutf](https://hawaiiidentalservice.com/eutf) and click “Member Login” in the top navigation panel. View benefits and claims information, find a participating dentist and print your HDS member ID card.

### VSP

Visit [eutf.vspforme.com](https://eutf.vspforme.com) and click the “vsp.com” link. View benefit information and claim history, find an in-network eye doctor and view your VSP member ID card (even though it is not needed when seeing your eye doctor).

### Securian

Visit [lifebenefits.com/eutf](https://lifebenefits.com/eutf) and click “Visit LifeBenefits” to designate your life insurance beneficiary online.

### Verdegard

Visit [verdegard-hi.com/eutf](https://verdegard-hi.com/eutf) and submit an online claim.

## Mental health support at Kaiser Permanente

Kaiser Permanente members have access to a wide range of mental health resources, supported by a connected care team ready to help find the care that’s right for you.

### Primary care

Talk with your primary care doctor about your mental health concerns and connect to the most appropriate services and resources based on your needs.

### Specialty care

You may schedule an appointment directly with a mental health professional — no referral required. Simply call to get connected to the right care and support.

### Self care and Wellness Resources

Explore our online and phone based tools to support your mental health and well being:

- [kp.org/mentalhealth](https://kp.org/mentalhealth)  
Learn about our mental health and wellness services and how to access care.
- [kp.org/selfcareapps/hi](https://kp.org/selfcareapps/hi)  
Access interactive activities, coping tools, and community support — all at no cost to Kaiser Permanente members.

### Choose the care that’s right for you

- 24/7 Get care now with a clinician  
Talk to a clinician 24/7 over video or phone — no appointment needed. Visit [kp.org/getcare](https://kp.org/getcare), call 1-833-833-3333, or simply choose “Get Care Now” in your Kaiser Permanente mobile app.
- In person appointments  
Call 808 432 7600 (Oahu) or 1888 945 7600 (neighbor islands)  
TTY: 711
- After hours care  
Contact Hawaii CARES 988 by calling or texting 988
- 24/7 Advice line  
Call 1 833 833 3333  
TTY: 711

## Your Mental Well-being Matters in 2026

Mental health challenges affect close to 20% of adults in Hawai'i, yet taking the first step to get support can still feel difficult. Whether you're looking for help for yourself or someone you care about, our updated mental health resources page is a great place to begin. It includes information on programs, services, and tools designed to support your overall well-being.

Getting care is easier than ever with telehealth options. HMSA's Online Care allows you to speak with a licensed therapist or counselor at no cost, without leaving home. You can get started by visiting [hmsa.com/onlinecare](https://hmsa.com/onlinecare) or by downloading the free app from the Apple App Store or Google Play.

**HMSA's Behavioral Health Program** also offers targeted resources, education, referrals, and case management support. To learn more about other resources, visit [hmsa.com/eutf](https://hmsa.com/eutf) under Well-being Resources, or call 1-855-329-5461, option 1.

Support is available whenever you're ready to reach out.

Amwell is an independent company providing hosting and software services for HMSA's Online Care platform on behalf of HMSA.

Magellan Healthcare, Inc., doing business as Magellan Hawai'i, reviews mental health and/or substance use disorder treatment for HMSA members.

<sup>1</sup>Source: <https://bh808.hawaii.gov/mental-health/>

## EUTF Pre-Retirement Health Benefits Workshops

Register for a pre-retirement health benefits webinar and learn about EUTF retiree health benefits. It's never too early to start planning for your future. Whether you plan to retire in a few months or a few years from now, join us for a 60-minute presentation to learn about applying for your EUTF retiree health insurance benefits.

Topics covered will include:

- Who's eligible to enroll
- Health plan options
- Medicare
- Premiums and contributions
- Differences between the active employee and retiree plans
- How to enroll

To register for a webinar, go to [eutf.hawaii.gov/learning-center](https://eutf.hawaii.gov/learning-center) and click on "Webinars and Workshops." Click the topic and time link for the desired date and time you'd like to attend. Once your registration is approved, you'll receive an email with a link to the webinar. Attendees must coordinate to attend the webinar on their own time.

### Pre-Retirement In-Person Workshop Schedule

Date	Time
June 25, 2026	11:00 a.m. - 12:00 p.m. 2:45 p.m. - 3:45 p.m.
July 9, 2026	
July 23, 2026	
Aug. 13, 2026	
Aug. 27, 2026	

## Medicare Part B Enrollment Webinar for EUTF Retirees

Are you an EUTF retiree reaching age 65? Join us for a 30-minute presentation to learn about the mandatory requirement to enroll in Medicare Part B in order to be enrolled in the EUTF retiree medical and/or prescription drug coverage. Topics covered will include:

- Medicare Eligibility
- Different Parts of Medicare
- Medicare Part B Premium Reimbursement
- EUTF Mandatory Medicare Part B Enrollment

To register for a webinar, go to [eutf.hawaii.gov/learning-center](https://eutf.hawaii.gov/learning-center) and click on "Webinars and Workshops". Click the topic and time link for the desired date and time you'd like to attend. Once your registration is approved, you'll receive an email with a link to the webinar.

### Medicare Part B Enrollment Webinar Schedule

Date	Time
July 16, 2026	11:00 - 11:30 a.m. 2:45 - 3:15 p.m.
Aug. 20, 2026	



201 Merchant St, Suite 1400  
Honolulu, HI 96813-2980

**ERS Board of Trustees**

- Vincent Barfield, Chair
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- Dr. Catherine Chan
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- David Louie

**Kalbert K. Young**  
Executive Director

**Anthony Goo**  
Interim Chief  
Investment Officer

**Contact ERS-Pension**  
Monday-Friday 8am-4pm  
(Except State Holidays)

For pension related questions,  
please contact ERS at:

- O'ahu:** (808) 586-1735
- Kaua'i:** (808) 274-3010
- Hawai'i:** (808) 974-4077
- Maui:** (808) 984-8181

**Moloka'i & Lāna'i**  
toll-free to Maui:  
1 (800) 468-4644, ext. 48181

**Continental U.S.**  
**toll-free to O'ahu:**  
1 (888) 659-0708  
ers.hawaii.gov

**Contact EUTF**  
**Medical coverage/Medicare**  
**reimbursements**

Monday-Friday: 7:45am-4:30pm  
(Except State Holidays)  
(808) 586-7390;  
Toll-free: 1 (800) 295-0089  
email at eutf@hawaii.gov,  
or mail: 201 Merchant Street,  
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**SUMMER 2026**

**HOLOMUA**  
RETIREES & ACTIVE MEMBERS

Rainbow Falls, Hilo

**Ask ERS**

**Answers to some frequently asked questions**

**Q: How is the ERS pension different from the deferred compensation program?**

**A:** The ERS pension and deferred compensation programs are both important parts of retirement planning, but they work in very different ways.

The ERS pension is a defined benefit retirement plan. This means members can become eligible to receive a lifetime monthly retirement benefit based on a formula that considers factors such as years of credited service, retirement class benefit multiplier and average salary. The pension is funded through contributions from both employees and employers, along with investment earnings managed by ERS.

In contrast, a deferred compensation plan is a voluntary supplemental retirement savings

program offered by many public employers, including the State, counties, city, boards of water supply, the Department of Education, and the University of Hawai'i. Examples include governmental 457(b) and 403(b) tax-sheltered annuity plans. Unlike a defined benefit pension, these defined contribution plans allow employees to choose how much of their pay to contribute and how these funds are allocated among available investment options. Contributions and investment earnings may receive favorable tax treatment, depending on the plan and contribution type. The value of the account is based on the amount contributed and the performance of the selected investments when distributions begin in retirement.

Both programs can be very beneficial tools to secure your financial needs in retirement. The ERS does not administer the defined contribution programs.

**UA 'IKE ANEI 'OUKOU?  
DID YOU KNOW?**

*As of June 30, 2025, the 100th Annual ERS Actuarial Report indicates that there were 161 retirees and survivors aged over 100, with the oldest retiree reaching 108 years old as of the valuation date.*