

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Investment Committee Meeting
Monday, September 19, 2022

TRUSTEES PRESENT

Mr. Christian Fern, Chairperson
Mr. Robert Yu, Vice-Chairperson (via video conference)
Mr. Damien Elefante (joined at 9:16 a.m. via video conference)
Ms. Jacqueline Ferguson-Miyamoto (via video conference)
Mr. Wesley Machida (via video conference)
Ms. Celeste Nip (joined 9:02 a.m. via video conference)
Mr. James Wataru

TRUSTEES ABSENT

Mr. Roderick Becker

ATTORNEY (via video conference)

Ms. Patricia Ohara, Deputy Attorney General

EUTF STAFF

Mr. Derek Mizuno, Administrator
Mr. Kuan Yuan, Chief Investment Officer
Ms. Desiree Yamauchi
Mr. Brett Tatsuno

CONSULTANTS – CALLAN LLC (via video conference)

Ms. Catherine Beard
Mr. Jonathan Farr
Mr. Pete Keliuotis

OTHERS PRESENT (via video conference)

Anonymous Attendee

I. CALL TO ORDER

The meeting of the Investment Committee was called to order at 9:00 a.m. by Trustee Christian Fern, Chairperson, in the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board Room, City Financial Tower, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Monday, September 19, 2022.

II. REVIEW OF MINUTES – AUGUST 15, 2022

The Investment Committee reviewed the draft minutes of August 15, 2022.

MOTION was made and seconded to approve the minutes of August 15, 2022, as circulated. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-3)

Trustee Nip entered the meeting at 9:02 a.m.

III. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:03 a.m. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-4)

Trustee Elefante entered the meeting at 9:16 a.m. during Executive Session.

The regular meeting reconvened at 10:02 a.m.

Chairperson Fern reported that in Executive Session the Committee approved:

- A recommendation to the Board to commit funds to a private credit fund, subject to contract negotiation.
- The Executive Session Minutes of June 14, 2022.

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Investment Committee Meeting

September 19, 2022 Minutes

Page 2

IV. INVESTMENT MANAGER DUE DILIGENCE PLAN UPDATE

Mr. Kuan Yuan presented a memorandum to provide an update on the status of ongoing due diligence of existing investment managers. The Investment Policy Statement sets a guideline for ongoing monitoring of investment managers, including periodic onsite due diligence meetings. EUTF staff and our investment consultants continue to meet with managers within the required frequency. However, due to the pandemic and travel challenges, virtual due diligence sessions have replaced a number of traditional onsite visits over the last two years. Normal onsite visits are expected to resume in 2023. At the moment, staff does not anticipate taking a dedicated due diligence trip over the next six-to-twelve months. If the need for a trip arises, a request with details of the planned visit will be submitted to the Investment Committee/Board for prior approval.

V. FUTURE AGENDA ITEMS DISCUSSION AND POSSIBLE MEETING DATES

Mr. Yuan reported that EUTF staff will poll the Committee members for meeting dates in October.

VI. ADJOURNMENT

MOTION was made and seconded for the Investment Committee to adjourn the meeting at 10:10 a.m. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-4)

Respectfully submitted,

/s/

Christian Fern, Chairperson

APPROVED on October 19, 2022.

Documents Distributed:

1. Draft August 15, 2022 Investment Committee Minutes. (4 pages)
2. Memorandum to EUTF Investment Committee from EUTF Chief Investment Officer Regarding Investment Manager Due Diligence Plan Update, dated September 13, 2022. (3 pages)