Office of Human Resources
201 W. Colfax Ave., Dept. 412
Denver, CO 80202
p: 720.913.5751
f: 720.913.5720
www.denvergov.org/humanresources

Career Service Board Meeting #2328
Minutes
Thursday, January 18, 2018, 9:00am
Webb Municipal Building
201 W. Colfax Ave, Fourth Floor, Room 4.G.2

Neil Peck (Co-Chair)
Patti Klinge (Co-Chair)
Karen DuWaldt
Patricia Barela Rivera (Absent)
Tracy Winchester

I. Opening: *Meeting was called to order at 9:00am*

1. **Approval of the Agenda for the January 18, 2018 Board Meeting.**
   The Board unanimously approved the agenda for the January 18, 2018 meeting.

2. **Approval of the Minutes for the January 8, 2018 Board Meeting.**
   The Board unanimously approved the minutes for the January 8, 2018 meeting.

II. Board Comments: *None.*

III. Public Comments: *None.*

IV. Public Hearing:

1. Public Hearing No. 563 - Prevailing Wage Notice: Furniture Movers

   Alena Duran, Classification & Compensation Analyst, presented Public Hearing Notice No. 563 to adopt a change in the pay and/or fringe benefits of the prevailing wage of the classification of workers "Furniture Movers," in accordance with section 20-76(c)(3) of the Denver Revised Municipal Code.

   Based on this review, the following wage rate revisions were proposed, based on the Service Contract wage determination method:

	Current			Proposed		
	Base Wage	Fringes	Total	**Base Wage**	**Fringes**	**Total**
Furniture Movers	$17.36	$6.27	$23.63	**$17.36**	**$6.41**	**$23.77**
Furniture Driver/Packer	$17.43	$6.28	$23.71	**$17.43**	**$6.42**	**$23.85**
Lead Furniture Mover	$18.22	$6.37	$24.60	**$18.22**	**$6.51**	**$24.74**

   The Career Service Board unanimously approved Public Hearing Notice No. 563.

2. Public Hearing Notice No. 564 – Prevailing Wage Notice: Custodian

Alena Duran, Classification & Compensation Analyst, presented Public Hearing Notice No. 564 to adopt a change in the pay and/or fringe benefits of the prevailing wage of the classification of workers "Custodian," in accordance with section 20-76(c)(3) of the Denver Revised Municipal Code.

Based on this review, the following wage rate revision was proposed, based on the Service Employees International Union wage rates:

	Current			**Proposed**		
	Base Wage	Fringes	Total	**Base Wage**	**Fringes**	**Total**
Custodian I	$14.53	$5.27 (Single)	$19.80	**$15.08**	**$ 5.43 (Single)**	**$20.51**
		$7.33 (2 party)	$21.86		**$ 9.07 (2 party)**	**$24.15**
		$9.29 (Family)	$23.82		**$11.72 (Family)**	**$26.80**
Custodian II	$14.88	$5.31 (Single)	$20.19	**$15.43**	**$ 5.49 (Single)**	**$20.92**
		$7.37 (2 party)	$22.25		**$ 9.13 (2 party)**	**$24.56**
		$9.33 (Family)	$24.21		**$11.78 (Family)**	**$27.21**

The Career Service Board unanimously approved Public Hearing Notice No. 564.

3. Public Hearing Notice No. 565 – Prevailing Wage Notice: Fuel Handler Series

Alena Duran, Classification & Compensation Analyst, presented Public Hearing Notice No. 565 to adopt a change in the pay and/or fringe benefits of the prevailing wage of the classification of workers "Fuel Handler," series, in accordance with section 20-76(c)(3) of the Denver Revised Municipal Code.

Based on this review, the following wage rate revision was proposed, based on the Service Contract wage determination method:

	Current			**Proposed**		
	Base Wage	Fringes	Total	**Base Wage**	**Fringes**	**Total**
Fuel Distribution System Operator	$20.87	$6.68	$27.55	**$22.28**	**$ 6.98**	**$29.26**
Lead Fuel Distribution System Operator	$21.82	$6.79	$28.61	**$23.29**	**$ 7.10**	**$30.39**
Fuel Distribution System Mechanic	$25.81	$7.25	$33.06	**$28.39**	**$ 7.69**	**$36.08**
Lead Fuel Distribution System Mechanic	$26.98	$7.38	$34.36	**$29.68**	**$ 7.83**	**$37.51**

The Career Service Board unanimously approved Public Hearing Notice No. 565.

4. Classification Notice No. 1555 – Career Service Hearings Officer

Blair Malloy, Senior HR Professional, introduced Classification Notice No. 1555, to amend the Classification & Pay Plan by creating a new classification called Career Service Hearing Officer at pay grade L-821. Ms. Malloy noted one correction to the Notice was to change "Hearings" to singular only.

Proposed Title	*Proposed Pay Grade*
Career Service Hearing Officer	*L-821 ($122,432-$159,162-$195,891)*

The new classification, Career Service Hearing Officer, provides a more specific description of the duties and responsibilities of hearing officers hired for the Career Service, enabling the Board to attract the most qualified candidates for the position.

It is proposed to set the pay grade for the Career Service Hearing Officer using internal equity as there is no published market data for this classification. The proposed pay grade is the same as the existing classification, Hearings Officer (L-821), which is set one pay grade lower than Assistant City Attorney–Section Supervisor (L-822), as this classification performs a larger scope of duties in overseeing multiple staff and a divisional unit. The Career Service Hearing Officer supervises two employees in the Hearing Office and is responsible for conducting the hearings for all Career Service appeals.

This change will impact two positions currently classified as Hearings Officer in the Career Service Hearing Office (one vacant position and one filled by an incumbent). There is no budget impact as the incumbent is within the pay range. The new classification will continue to report directly to the Career Service Board.

The Career Service Board unanimously approved Classification Notice No.1555.

V. Director's Briefing:

1. Denver Employees Retirement Plan ("DERP") Overview

Karen Niparko, Executive Director, Office of Human Resources ("OHR"), noted the Board had requested last year a presentation from the Executive Director of the Denver Employees Retirement Plan ("DERP") to learn more about the City's pension plan. Ms. Niparko welcomed Steve Hutt to the meeting.

Steve Hutt introduced himself as the Executive Director of DERP and introduced Heather Darlington, Assistant Director for Finance & Systems, who joined him for the presentation. Mr. Hutt thanked the Board for the opportunity to meet and have a dialogue, as he noted Ms. Niparko had met with the DERP Board several times, and to answer any questions the Board may have.

Ms. Darlington began with a brief history of the pension plan, which was created 55 years ago on January 1, 1963, and is governed by a five-member Board, all appointed by the Mayor for staggered six-year terms, including one retired member and one current employee member.

Ms. Darlington noted there is also an Advisory Committee, consisting of four members elected by the Plan's membership, and one member appointed by the Career Service Board, currently Heather Britton, Director of Wellness & Benefits, to act as the voice of the membership to the Board and to provide two-way advisory consultation.

The Plan has 24,230 members as of December 31, 2016, consisting of 8,981 current employees, 5,947 vested employees, and 9,302 retirees. Ms. Darlington noted the Plan includes the Deputy Sheriffs, but excludes Denver Water employees, the police, and the fire department. There are also 465 employees of Denver Health who are grandfathered-in.

The Plan has assets of $2.2 billion, which are broadly invested in a diversified allocation of stocks, bonds, alternatives, both domestic and global, actively and passively managed, by competitively selected outside investment managers. Approximately $100 million of the assets are managed in-house by DERP. The Plan's liabilities total $3.1 billion, with a resulting funding status of 70%.

Ms. Darlington noted the Plan provides a defined benefit pension, based on a formula including years and months of service, times a multiplier of either 2% (for employees hired before September 1, 2004), or 1.5% (all other employees), times the employee's average monthly salary, for life. DERP assumes all risk inherent in investment and longevity, which Ms. Darlington illustrated by noting six retirees will turn 100 this year.

Ms. Darlington noted the Plan also provides retiree medical benefits, in the form of a monthly cash benefit based on a formula, to help offset the cost of insurance premiums for employees who are both pre-Medicare and Medicare eligible.

Ms. Niparko asked if the insurance coverage being offered by DERP is the same as what the City currently offers to active employees, which Ms. Darlington responded in the affirmative for employees who are pre-Medicare, but noting additional options are offered to employees who are Medicare-eligible.

Ms. Niparko asked what portion of the premium is covered by DERP when an employee is eligible to retire. Ms. Darlington stated the formula is based on years of service, with pre-Medicare employees receiving $12.50 per year of service, and Medicare-eligible employees receiving $6.25 per year of service.

Board Member Tracy Winchester asked what percentage of the premium is covered. Ms. Darlington replied it varies greatly depending on the employee's years of service, to which Board Co-Chair Patti Klinge asked if there was a general range.

Mr. Hutt stated employees who are currently retiring have an average of 20 years of service and receive approximately $250 per month towards their premium if they are not yet eligible for Medicare, which drops to $125 per month when they turn 65, since Medicare supplemental coverage is much cheaper. Mr. Hutt stated this contribution used to cover almost 100% of the average single coverage premium, however, the amount has not increased since 2002.

Ms. Niparko and Ms. Klinge asked how much of the average premium is being covered today, to which Mr. Hutt replied, for a 20-year employee, is about 50%, which Ms. Darlington noted also depends on the cost of the plan chosen. Mr. Hutt stated this is a highly valued benefit as it also provides continuity of coverage. Mr. Hutt also noted one representative of DERP is appointed to serve on the Employee Insurance Committee.

Ms. Niparko stated the Employee Insurance Committee consists of members appointed by the Mayor, who review the City's insurance offerings ever year with Heather Britton and our insurance broker, including reviewing out-of-area coverage options for retirees who no longer live in Colorado.

Mr. Hutt stated DERP and the City had worked together over the years to reduce the liabilities associated with maintaining the pension plan, including: (1) establishing new tiers of benefits for new hires in 2004 and 2011; (2) increasing the minimum retirement age to 60 for new hires; (3) excluding any cashed-out PTO payment from the average monthly salary calculation; (4) not providing a COLA or increase in the health insurance premium contribution since 2002; (5) adopting new mortality tables in 2013 to reflect higher average life expectancy.

Mr. Hutt noted city employees are also eligible for Social Security, which provides a COLA and supplements the payment received from the pension plan.

Mr. Hutt stated the percentage of employees eligible for the higher formula multiplier of 2% had declined over the last ten years as new tiers were added in 2004 and 2011. Two-thirds, or 67%, of the City's current employees are eligible for the lower tier of benefits. Ms. Niparko noted it was important to realize, however, that all employees are required to contribute a mandatory 8% of their salary to the Plan, regardless of which tier they are eligible for.

Mr. Hutt noted the Plan has been in the top third of peer public sector pension funds nationally in the most recent 12-month reporting period. The Plan's recent and longer-term returns over a five-year reporting period also exceeded the benchmark Fund Policy Index, net of all investment management fees. Board Co-Chair Neil Peck asked where in the top third the Plan fell, which Mr. Hutt responded at the bottom top third.

Mr. Hutt indicated the City has always paid the total Actuarially Required Contribution ("ARC"), which is calculated each year by the independent actuary as the amount of payroll *dollars, expressed in terms of a percentage, that is required to be contributed to pay for the two separate elements of the Plan's liabilities.*

Mr. Hutt stated the Plan was 98% funded as of January 1, 2008, when the financial crisis subsequently caused a 25% decline in the market value of the Plan's assets, resulting in the current funded status of 70%. Mr. Hutt stated the Plan is in much better shape than most public-sector pension plans, as the City has always paid the required contribution, even in 2008, 2009, and 2010 when the City's budget was under pressure from declining sales tax revenues. Ms. Niparko noted the City's contribution has increased this year to 12.5%, from 11.5%, of employees' salary.

Mr. Hutt stated the amortization period used to calculate the Plan's unfunded liability is closed, since the expectation is the City will continue to make the required ARC every year. As a result, it is estimated the Plan will reach 100% funded status within 26 years. Mr. Hutt noted that while this is a long period of time, it is still much better than PERA, the State pension plan, which is currently expected to be fully funded within 70 years.

Mr. Hutt reviewed the five-year contribution history of the Plan, noting a 1% contribution surcharge was enacted in 2014 to account for a time lag in receiving past contributions. In 2015, the Plan lowered the investment return assumption to 7.75% from 8%, which was covered by repurposing the 1% surcharge with the approval of the City Council as an increase in contributions. In 2017, the Plan lowered the investment return assumption to 7.5%, requiring a 1% increase in the contribution rate in 2018, which the Mayor proposed the City cover in-full, and was approved by the City Council.

In summary, Mr. Hutt noted there has been no increase in the employees' contribution for three consecutive years, however, as quoted by the Plan's independent actuary, contribution requirements in future years will depend on investment returns and the ability of the City and its employees to continue fully paying the actuarially required contributions.

Ms. Klinge commended Mr. Hutt for doing a great job managing the Plan and stated she had some questions. Ms. Klinge stated that, from an HR strategy prospective, it was always important to review the total compensation package offered to employees and ask whether it is still competitive. Ms. Klinge asked how does DERP know the Plan is competitive, or if they have reviewed whether it is, enough to attract and retain employees.

Mr. Hutt responded DERP does not undertake such a review, noting the City does review total compensation on a regular basis, including the retirement offering. Mr. Hutt stated it is still very much prevailing for public sector employees to receive a defined benefit pension plan, noting that while some states have shifted to a 401(k)-type plan, this is still relatively rare for the public sector. Ms. Klinge asked Mr. Hutt whether this option has ever been considered by DERP, to which Mr. Hutt replied in the negative.

Ms. Klinge asked if there was any particular reason why DERP thinks the current offering is the better option. Mr. Hutt stated there were a couple of reasons, including: (1) the Plan assumes all the investment and longevity risk, a significant advantage considering the 2008 recession did not impact current retiree payments, nor future retirees' projected benefits; and, (2) there is a large variation in employees' financial literacy and while some employees are savvy and comfortable with investing, many are not. Mr. Hutt stated employees benefit from having the Plan's investment managers ensuring the assets are appropriately invested to cover the required payments to retirees for life.

Mr. Peck noted the Board keeps hearing the millennial population does not plan to stay with one employer for twenty or thirty years as previous generations did, but perhaps five years, and would like to be able to contribute to a 401(k) plan, rather than have a defined benefit pension plan, so they can take their monies with them if they leave. Mr. Peck wondered if DERP was aware an increasing percentage of the City's new hires are millennials.

Ms. Klinge also noted an increasing percentage of the City's employees are not getting any benefit from their mandatory contributions to the Plan. Mr. Hutt responded by noting that any employee who leaves the City before reaching five years of service receives a full refund of *their mandatory contributions, plus interest. Mr. Hutt stated he agreed millennials prefer a 401(k) plan and its portability, however, statistics continue to show an estimated 40% of departing employees spend their 401(k) monies, rather than rolling it over.*

Mr. Hutt noted he was recently at a conference where a statistic was shared that the average 55 to 65-year old household had $15,000 saved for retirement, which with Social Security payments, would cover about a year's worth of expenses. Mr. Hutt stated his opinion is the short-term millennial view in not wanting a long-term retirement vehicle is risky.

Mr. Peck agreed there is a risk, however, it is one employees choose to take, and they may learn the hard way if they spend all the money. Mr. Peck commented it is rather paternalistic to assume employees cannot be trusted not to spend their retirement money and, therefore, are not allowed to take it with them.

Ms. Klinge stated she is concerned the City is not being as competitive as it needs to be, given that employees who leave before five years cannot take any matching contributions or realize any investment earnings.

Ms. Klinge noted that while it is good employees are forced to save 8% of their salary, which is refunded if they leave within five years, the City is competing with all type of employers, not just the public-sector, with Denver's low unemployment rate. Ms. Klinge stated she is concerned whether DERP is undertaking any type of review to address this reality.

Ms. Klinge stated she is uncertain if DERP has evaluated whether the current model is desirable to new employees, even though the Plan is in good shape. Ms. Klinge also noted the 8% mandatory contribution is quite substantial, especially for employees in lower pay grades.

Mr. Hutt agreed these are all valid concerns, noting both Ms. Niparko and Heather Britton have raised them before, and the DERP Board is aware of these issues. Mr. Hutt stated the DERP Board has tasked him with exploring other models and preparing a contingency plan for possible future changes.

Ms. Niparko noted approximately 50% of the City's new hires are of the millennial generation, while the City's baby-boomer employees are continuing to retire. Ms. Niparko stated that while retiring employees appreciate having a defined benefit plan, many new hires desire portability in their retirement plan, as most come from the private sector where a 401(k) plan is standard, rather than another public-sector employer.

Ms. Niparko also stated OHR often hears from candidates they would like to waive the mandatory 8% contribution to the defined pension plan and not participate, which is not an option. Ms. Niparko suggested that DERP may wish to consider this in reviewing future options.

Board Member Karen DuWaldt asked if DERP had ever considered adding a cash-out option for retirees, noting some defined benefit plans offer a one-time choice to receive lifetime payments, or a lump-sum, upon retirement. Mr. Hutt responded the ordinance only allows a lump-sum payment to be made when the amount is small and lifetime payments would be insignificant.

Mr. Hutt stated reviewing various hybrid models is something the DERP Board has expressed interest in pursuing, which Ms. Klinge commented is an option many companies who retain traditional pension plans have, so for example, if you are a 25 year old employee leaving the company, you can take a lump-sum payment upon separation, rather than waiting for a small lifetime pension years later.

Ms. Niparko commented that while an employee leaving the City within five years receives a refund of their 8% contribution, plus interest, they cannot take any of the City's contributions upon separation. Ms. Klinge stated this is not competitive and employees who stay with the City for four and a half years receive no benefit from the pension plan.

Ms. Klinge stated the City is competing for talent with the private sector, and the total package currently being offered is significantly inferior with regard to portability, which may be an issue as most new hires are not planning to stay long-term.

Ms. Klinge noted it is a point well-taken that many employees are not saving enough for retirement. However, the City cannot stay comfortable with the defined benefit pension model when the private sector has mostly eliminated it and is longer so paternalistic. Ms. Klinge stated the issue is something the City needs to continue to review and think about.

Board Member Tracy Winchester asked whether OHR has studied whether millennials would stay with the City longer if offered a portable pension option, or if the trend would remain the same, given that millennials may leave within a few years anyway.

Mr. Peck commented there is no guarantee they will stay longer, however, the City is able to better attract candidates who are pursuing the private sector that offers retirement portability. Ms. Winchester stated she wondered if the City is promoting the fact there is a defined benefit pension plan whereas the private sector rarely offers it.

Ms. Niparko responded Mr. Hutt can comment on how DERP promotes and educates new hires on the pension plan and its benefits, however, regarding the question on the millennial workforce, it is clear the majority expect to leave within a few years.

Ms. Niparko noted OHR has focused on workplace development and ensuring employees grow into new roles and broaden their experience. Ms. Niparko stated the City is competing with private sector employers who may offer a 6% or more match on employee contributions to their 401(k), which can result in employees realizing a significant amount of money.

Ms. Winchester stated for clarification that employees who leave in four and a half years receive a refund of their contributions, plus 3% interest, which is portable. Mr. Hutt confirmed this is the case, while noting the interest rate is now variable and currently about 1%.

Ms. Klinge commented that employees are not earning a match nor able to invest their contributions, which even with a reasonable return, would result in a significantly higher amount of money. Mr. Hutt responded employees do have the option to participate in the 457(b) Plan, although the City does not match the funds.

Ms. DuWaldt asked Ms, Niparko if there was any indication that employees are staying at least five years to vest in the pension plan. Ms. Niparko stated this would be difficult to measure, although a survey asking employees about their thoughts about retirement and the pension plan and the 457(b) plan options might yield some information.

Ms. DuWaldt asked if there was any data indicating employees were leaving right after reaching five years of service and vesting, to which Ms. Niparko stated she would have to research the answer. Ms. DuWaldt stated she would like to know whether having a defined benefit pension plan might actually be a factor in retaining employees.

Ms. Klinge commented the vested benefit after five years of service would be small and pension plans are only valuable if you are older and accumulate a significant amount of service. Ms. Klinge stated she has heard anecdotally from employees over the years the pension benefit is often not significant enough to remain with the City.

Ms. Winchester noted it would be helpful to know if the pension plan might be a draw for some employees, as trends in the private sector change, particularly since companies can reduce the defined contribution match at any time and investment returns fluctuate with the economy.

Ms. Niparko responded she hopes to learn more at the next IPMA-HR Conference, however, she is aware of one municipality that has chosen to sunset their pension plan and offer a defined contribution plan, and another which has added an option where employees can choose either a portable plan or the defined benefit pension. Ms. Niparko noted she needs to *further study the upside and downside of these options.*

Ms. Niparko stated the City's turnover rate remains quite low at 14%, whereas other public-sector employers are experiencing 18% or higher, but this could climb in the future. Ms. Niparko stated it was important OHR, or Ms. Britton through the Advisory Committee, help DERP by providing hiring, retention, and demographic data as they continue to study alternative models.

Mr. Peck asked if the attitude or expectation that employees do not plan to stay long-term is the same across all job classifications and agencies. Ms. Niparko stated employees in Public Works, Parks & Rec, and some of the trade classifications at DIA, specifically join the City because of the benefits and traditional pension plan. Ms. Niparko noted this represents approximately 2,000 employees out of a workforce of 11,000.

Ms. Niparko asked Mr. Hutt to explain the education and orientation provided to new hires as she indicated part of the issue may be some employees feel their options are limited since the pension contribution is mandatory, whereas for other groups of employees, the pension plan may be a great benefit.

Mr. Hutt indicated DERP has greatly improved their orientation of the retirement program to new employees by making sure all new hires are invited to a one hour session to learn more about the Plan. Mr. Hutt noted TIAA, the 457(b) Plan Administrator, also is present to explain the deferred contribution plan and the various investment options.

Mr. Hutt stated there is also a three-part video series available on the City's website explaining how the pension plan, Social Security, and deferred contributions to the 457(b) Plan work together to provide for an employee's retirement. Mr. Hutt stated employees may also make 1:1 appointments at DERP to review their personal situations and get estimates of their benefits.

Ms. Klinge asked Mr. Hutt to also speak about the 457(b) Plan. Mr. Hutt noted DERP does not manage the plan, as there is a separate 457(b) Committee that does so, and the Police and Fire Departments participate.

Mr. Hutt stated DERP has been working with the 457(b) Committee on ways to provide a more holistic presentation of both the pension and deferred contributions. TIAA also offers employees 1:1 investment and retirement planning advice.

Mr. Hutt stated participation in the Plan is optional and estimated about 40% of employees currently contribute, with a higher percentage among the Police and Fire Departments, and noted the City does not match contributions. Mr. Hutt indicated there are about 20 different investment options available and employees may contribute up to the federally-mandated maximum amount.

Ms. Klinge commented it would seem that only higher-earning employees can really take advantage of the 457(b) Plan, to which Mr. Hutt agreed employees living paycheck to paycheck do not participate.

Ms. Klinge thanked Mr. Hutt for coming to the meeting today and expressed her hope that DERP is thinking about the retirement model in a more holistic way, given the changes in the private sector, as the traditional pension model is no longer prevalent and the City must adapt to attract and retain talent.

Mr. Hutt responded he appreciated the opportunity to meet today and would convey all of the comments to the DERP Board. Mr. Hutt stated he is well-aware of the need to review these trends, while cautioning the Plan also has a responsibility to carefully consider the impact of any possible change on its ability to meet obligations to retirees and vested employees.

2. Workday Update

Chris Longshore, Director of HRIS, presented an update on Workday, noting it has been one year since the system was implemented. Mr. Longshore noted the newly created HR Service Center handled 3,700 calls in 2017. Board Co-Chair Patti Klinge asked if it was anticipated the call volume would decrease this year, to which Mr. Longshore responded it may increase as there are two upgrades to Workday being considered.

The first upgrade will replace the City's current recruiting tracking system, Neo.gov, with Workday's recruiting module. The second upgrade, which is still being reviewed at this time, is to implement Workday's learning and development module. Ms. Niparko noted the City's training requirements are growing tremendously and OHR needs an effective online learning and development system to meet these needs.

Mr. Longshore noted Workday was audited in 2017 and the two main items were; (1) timely termination of on-call employees; and, (2) increase training. Overall, the conversion was determined to be successful.

Ms. Klinge commended Mr. Longshore for a job well-done and the exceptional work of the team.

VI. Pending Cases:

1. Silver Gutierrez & Denver Sheriff Department, Appeal No. 65-11A
The Career Service Board denied the Respondent's Motion to Dismiss and reaffirmed the Hearing Officer's decision, written order to follow.

2. Darrin Turner vs. Denver Sheriff's Department, Appeal No. 01-17
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.

3. Bridget Andrews vs. Denver Sheriff's Department, Appeal No. 16-17A
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.

VII. Executive Session:

The Board went into executive session at 10:15am. The Board conducted a 2017 performance review with Karen Niparko, Executive Director of OHR.

The Board deferred consideration of the following case to the next meeting:

1. *Gregory Gustin vs. Department of Aviation, Appeal No. 02-17A*

The Board re-convened the meeting at 11:10am.

VIII. Adjournment: *Adjournment was at 11:11am.*