

H.E. NO. 98-16

STATE OF NEW JERSEY
BEFORE A HEARING EXAMINER OF THE
PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of

CITY OF LINWOOD,

Respondent,

-and-

Docket No. CO-H-94-323

MAINLAND POLICE BENEVOLENT
ASSOCIATION, LOCAL NO. 77
(SUPERIOR OFFICERS),

Charging Party.

SYNOPSIS

A Hearing Examiner of the Public Employment Relations Commission finds that the City of Linwood has violated the New Jersey Employer-Employee Relations Act when it unilaterally changed a term and condition of employment without prior negotiations. The Hearing Examiner found that the existing term and condition of employment provided for the dependents of otherwise eligible unit employees to continue to receive health benefits coverage after such employees retire. The Hearing Examiner found that the City announced that it would unilaterally, without negotiations, discontinue its practice of providing health benefits coverage to retiring unit employees' dependents.

A Hearing Examiner's Recommended Report and Decision is not a final administrative determination of the Public Employment Relations Commission. The case is transferred to the Commission which reviews the Recommended Report and Decision, any exceptions thereto filed by the parties, and the record, and issues a decision which may adopt, reject or modify the Hearing Examiner's findings of fact and/or conclusions of law. If no exceptions are filed, the recommended decision shall become a final decision unless the Chairman or such other Commission designee notifies the parties within 45 days after receipt of the recommended decision that the Commission will consider the matter further.

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Appearances:

For the Respondent, Youngblood, Corcoran, Aleli,
Lafferty, Stackhouse, Grossman & Gormley, attorneys
(Eric S. Goldstein, of counsel)

For the Charging Party, Schaffer, Plotkin & Waldman,
consultants (Myron Plotkin, consultant)

**HEARING EXAMINER'S REPORT
AND RECOMMENDED DECISION**

On May 2, 1994, the Mainland PBA Local No. 77 (SOA) ("Association" or "Charging Party") filed an unfair practice charge (C-2)^{1/} with the Public Employment Relations Commission ("Commission") against the City of Linwood ("City" or "Respondent"). The Association alleged that the City unilaterally

^{1/} Exhibits received in evidence marked as "C" refer to Commission exhibits, those marked "CP" refer to the Charging Party's exhibits, and those marked "J" refer to exhibits jointly proffered by the parties. The transcript citation 1T1 refers to the transcript developed on March 25, 1997, at page 1.

modified a term and condition of employment without negotiations. The Association contends that the City's announcement to discontinue health benefits for eligible dependents of retiring unit employees modified an established practice which affected unit employees who retired after twenty five years of service with the City. The Association contends that the City's actions violated N.J.S.A. 34:13A-5.4a(1), (5) and (7) of the New Jersey Employer-Employee Relations Act ("Act").^{2/}

On April 25, 1996, the Director of Unfair Practices issued a Complaint and Notice of Hearing (C-1). On May 17, 1996, the City filed its Answer (C-3) generally denying that its actions violated the Act. A hearing was conducted on March 25, 1997 at the Commission's offices in Trenton, New Jersey. The parties were afforded the opportunity to examine and cross-examine witnesses, present relevant evidence and argue orally. At the conclusion of the hearing, the parties waived oral argument and established a briefing schedule. Briefs were filed by August 6, 1997.

Upon the entire record, I make the following:

^{2/} These provisions prohibit public employers, their representatives or agents from: "(1) Interfering with, restraining or coercing employees in the exercise of the rights guaranteed to them by this act. (5) Refusing to negotiate in good faith with a majority representative of employees in an appropriate unit concerning terms and conditions of employment of employees in that unit, or refusing to process grievances presented by the majority representative. (7) Violating any of the rules and regulations established by the commission."

FINDINGS OF FACT

1. The parties stipulated that the City was a public employer and the Association was a public employee representative within the meaning of the Act (1T8-1T9).

2. On November 28, 1973, the City Council passed Resolution No. 85 of 1973 (CP-2) which states:

WHEREAS, the City of Linwood is desirous of providing Blue Cross and Blue Shield benefits for its retiring employees; and

WHEREAS, the City of Linwood is desirous of setting forth the terms and conditions under which retiring employees of the City of Linwood may continue Blue Cross and Blue Shield coverage;

NOW, THEREFORE, BE IT RESOLVED, by the common council of the City of Linwood that the City of Linwood shall hereinafter pay for all premiums for Blue Cross and Blue Shield coverage for any employee who may have retired from the City of Linwood after twenty-five years or more of full-time, active service as an employee of the City of Linwood;

BE IT FURTHER RESOLVED, that any employee of the City of Linwood who may have retired prior to having served twenty-five years of full-time, active employment with the City, may continue Blue Cross and Blue Shield coverage with the City of Linwood, provided, however, that said retiring employee shall pay 100 percent contribution toward the cost of such coverage, it being understood that the City of Linwood will not pay for any part of said coverage for said retiring employee;

A retiring employee as defined in this Resolution shall be an employee of the City of Linwood, who has been employed on a full-time and active basis for less than twenty-five years and one who is retiring pursuant to the retirement requirements of the Public Employees Retirement System of the State of New Jersey.

This Resolution shall become effective January 1, 1974.

3. Resolution No. 85 was the City's first formal action which provided health benefit coverage for retired employees (1T20; 1T81). Resolution No. 85 was silent regarding health benefit coverage for retirees' dependents (1T20-1T21).

4. On August 11, 1982, the City passed Ordinance No. 13 of 1982, the Linwood Personnel Ordinance, or otherwise referred to as the "Blue Book" (CP-3; 1T21). The Blue Book is the City's comprehensive compilation of general personnel policies and procedures. While CP-3 refers to the existence of group health insurance coverage for employees, it does not address medical benefits for retirees or their dependents (CP-3).

5. On December 10, 1986, the City passed Ordinance No. 15 of 1986 (CP-5; 1T23). CP-5 modified CP-3 by adding the following sentence:

However, upon retirement of any City employee who has been employed by the City of Linwood on a full-time active basis for twenty-five years or more, the City will continue to pay all group health benefits for said employee. [CP-5].

CP-5 constituted an attempt by the City to clarify its health benefits in retirement policy. While CP-5 was intended to indicate that health benefits would be provided for only the retiring City employee and not dependents, Councilman William Meade admitted that the sentence contained in CP-5 regarding health benefit coverage failed to clarify whether benefits applied to an employee's dependents (1T98-1T99).

6. On March 27, 1991, the City passed Ordinance No. 6 of 1991, again modifying the group health insurance program for City employees (CP-6). The new health insurance provision read:

Coverage under the group health insurance is cancelled, effective the date of termination. Under the group health insurance, a conversion privilege from group participation to an individual plan is available within thirty (30) days. However, upon retirement of any City employee who has been employed by the City of Linwood on a full-time active basis for twenty-five (25) years or more, the City will continue to pay all group health benefits until said employee reaches the age of sixty-five (65). At that time, when said employee becomes eligible for medicare, and provided that he/she qualifies for medicare and medicare supplemental insurance, the City will pay for the supplemental insurance for said employee with medicare being the primary insurer. [CP-6]

The language contained in CP-6 was incorporated into section 32-2 of the July 25, 1993 version of the Linwood Code (the blue book) (CP-4).

7. The superior officers' collective negotiations unit consists of two employees: one lieutenant and one captain (1T16). The unit was formed in 1991 and the first collective agreement covered the period January 1, 1992 through December 31, 1994 (1T17-1T18; J-1). Before the collective negotiations unit was formed, the lieutenant's and captain's terms and conditions of employment were governed by the provisions of the blue book (1T18; 1T31; 1T40; 1T67-1T68). The policies set forth in the blue book applied to all non-unionized employees (1T31; 1T38). Upon the formation of the collective negotiations unit and the effectuation

of the collective agreement, unit employees' terms and conditions of employment were established through the collective negotiations process and governed by the terms of the collective agreement rather than the blue book (1T40; 1T65).

8. Lieutenant Lawrence Carlson has served in the City's police department for approximately twenty years and was the collective negotiations unit's shop steward (1T15-1T16). Captain Charles Desch is the other unit member. Carlson and Desch believed that under the City's policy, City employees who retired after twenty-five years of full-time, active service would continue to receive health benefits coverage for themselves and their dependents (1T44; 1T81-1T82). Carlson based his understanding of the City's policy on health benefits in retirement on the basis of his observation of other, non-unit City employees who had retired between 1974 and 1994. Carlson knew almost all of the employees who retired during that period and has discussed retirement health benefit coverage with the retiring employees (1T59; 1T73-1T75).

9. Any employee who retired by 1994 and was eligible for health benefits by having worked for the City for twenty-five years, had to be hired, as a matter of arithmetic, prior to 1974 (1T59; 1T70-1T71). Many of the retiring employees received health benefits for themselves and their dependents. Firefighter Dunbar retired on December 31, 1976 (CP-7). Until her death, Dunbar's dependent wife received health benefits after Dunbar's retirement (1T33-1T34). Police Chief Hutchins retired on December 31, 1978, and subsequently

died (CP-7; 1T34). Hutchins' wife has continued to receive health benefits coverage (1T34; CP-8^{3/}). Deputy Chief of Police Blank retired on December 31, 1978 (1T35; CP-7). CP-8 shows that the City is paying for Blank's family coverage. Fire Captain Lee retired on March 28, 1979 (CP-7). Lee's wife has continued to receive health benefits coverage after her husband's death (1T35; CP-8). Superintendent of Public Works J.R. Hutchins retired on March 31, 1994, with family health benefits coverage (1T37; CP-7; CP-8). Tax Collector Helfrich retired on June 30, 1994, with family health benefits coverage (1T37; CP-7; CP-8). Chief of Police Ferguson retired on December 31, 1994, with family health benefits coverage (1T37-1T38; CP-7; CP-8). In addition to the employees listed immediately above, other City employees retired and were listed on CP-7. However, those employees had no dependents at the time that they retired and, consequently, received single health benefits coverage at the time of their retirement (1T35-1T38; CP-7). Any employee listed on CP-7 who retired and was otherwise eligible for health benefits, maintained the type of health benefits coverage in retirement which was in effect on the day before their retirement took place (1T38; 1T81). Thus, if the employee had dependent coverage the day before retirement, that coverage remained in effect after retirement commenced.

3/ CP-8 is a billing statement from Blue Cross and Blue Shield of New Jersey, Inc. It lists all individuals for whom the City paid for health benefits between September 1, 1996 through October 1, 1996.

10. Prior to Superintendent of Public Works J.R. Hutchins' and Tax Collector Helfrich's retirement, they approached City Council to question whether they would retire with health benefits coverage for themselves and their dependents (1T93). Questions arose periodically regarding the nature of the health benefits coverage to be applied to employees who were hired before 1974 and worked for the City for twenty-five or more years (1T94-1T95). When City Council adopted Resolution No. 85 of 1973 (CP-2), it intended to provide health benefits coverage to only the retiring City employee and not dependents from January 1, 1974, forward (1T94). However, the City did not intend to deprive retiring employees hired prior to 1974 of health benefit coverage for their dependents (1T94). However, the language contained in Resolution No. 85 was unclear and questions continued to arise regarding whether retiring employees would continue to receive health benefit coverage for their dependents upon their retirement (1T95-1T96). Consequently, City Council enacted CP-5 in 1986, CP-6 in 1991 and CP-11 in 1994 in a series of attempts to clarify what it intended to accomplish when it adopted Resolution No. 85 in 1973 (1T95-1T101). Notwithstanding City Council's intended reason for adopting Resolution No. 85 and passing Ordinances 15 of 1986, 6 of 1991 and 2 of 1994, any employee who retired between 1974 and 1994 who had been receiving health benefits coverage for dependents, continued to receive the same coverage for dependents after their retirement (1T105-1T106).

11. After the unit's formation in 1991, the City and the Association entered into negotiations for an initial contract. One of the proposals exchanged between the parties pertained to health benefits coverage in retirement (1T40; CP-9). The proposal, in relevant part, read as follows:

The City further agrees to provide Blue Cross/Blue Shield Medalion Plan, Optical, Dental and Prescription Plan or an equivalent plan agreed upon by both parties, to the employee after twenty-five (25) years of service with the City. The interpretation of this article will be consistent with past practices. Retired employee will maintain hospitalization coverage and other Health Benefits in said contract at time of retirement. The City will continue to pay all group health benefits until said employee reaches the age of sixty-five (65). At that time, when said employee becomes eligible for Medicare, Medicare and, provided that he/she qualifies for Medicare and Medicare Supplemental Insurance the City will pay for the Supplemental Insurance for said employee with Medicare being Primary Insurer and in addition will continue Prescription, Optical and Dental Insurance. [CP-9]

Most of the language contained in the proposal was derived from the blue book (1T43). The issue of dependent health benefit coverage was discussed during the course of negotiations (1T41). In order to preserve the practice under the blue book, as the Association understood it, the Association added the sentence: "The interpretation of this Article will be consistent with past practices" (1T44; 1T58). The City never stated during the negotiations that retiring employees' dependents were not covered by the City's health benefits program (1T45). In fact, during negotiations, Councilman Meade stated that the established practice

under the blue book included health benefit coverage for retiring employees' dependents (1T43).^{4/} The proposed language contained in CP-9 was incorporated into the parties initial collective agreement (J-1). J-1 also contained a maintenance of benefits clause which read:

All conditions not covered by this agreement shall continue to be governed, controlled and interpreted by reference to the City charter, ordinances, rules and regulations of the police department of the City, and any present or past benefits which are enjoyed by employees covered by this agreement, that have not been included in the contract, shall be continued.

12. The City's rank and file police unit is comprised of patrol officers and sergeants (1T17; J-3; J-4). Neither the rank and file nor the Association were engaged in negotiations at the time Ordinance No. 2 of 1994 was enacted by the City (1T51). In response to the passage of Ordinance No. 2, the rank and file unit filed an unfair practice charge similar to the charge filed by the Association in this matter (1T80-1T81). The Commission conducted a joint exploratory conference among representatives for the City, the Association and the rank and file unit. As the result of the conference, the parties agreed to pend further processing of either

^{4/} Carlson served on the Association's negotiations team for the initial contract (1T30). Carlson testified that Meade said that the established practice included health benefits coverage for dependents (1T43). Although Meade testified during the hearing, Carlson's testimony concerning Meade's statement was uncontroverted. Consequently, I credit Carlson's testimony regarding Meade's statement.

unfair practice charge until the completion of successor collective negotiations. It was intended that the parties would have the opportunity to raise and negotiate on the impact of Ordinance No. 2 of 1994 during the negotiations (1T54; 1T83-1T84). The rank and file unit engaged in negotiations and arrived at a successor agreement before the Association entered into negotiations with the City (1T52-1T53; 1T84-1T85).

13. The January 1, 1992 through December 31, 1994 collective agreement between the City and the rank and file unit contained a provision concerning the continuation of health benefits coverage after retirement. Article XXV, C. states the following:

The City further agrees that the continuation of coverage after retirement of an employee shall be permitted and shall be in accordance with Resolution No. 85 of 1973, heretofore adopted by the City of Linwood. Contingent upon the law of insurance of this state, the City agrees to continue medical coverage if an officer becomes retired because of a work related medical disability after twenty (20) years of service with the Linwood Police Department. [J-3]

14. On February 6, 1995, during the City's successor negotiations with the rank and file unit for an agreement to follow J-3, the City's negotiations committee sent the rank and file's negotiations committee a memorandum (CP-14) which, in relevant part, stated:

The Committee is mindful that an issue discussed in the past has not been raised by the Union: the availability of Group Health Insurance Coverage for families of retiring officers. If the Union has not abandoned that issue as a negotiating point, it should be raised

now. The City's position that the benefit is created neither by contract, ordinance, nor past practice is unchanged. [CP-14]

Thereafter, the City's and the rank and file's negotiations committee negotiated concerning health benefits coverage for retiring employees' dependents (1T86; 1T88). The parties agreed to change Article XXV in the successor agreement by indicating that health benefits coverage will be provided to only the retiring employee and not to dependents (1T89; 1T102). Article XXV, C., contained in the January 1, 1995 through December 31, 1997 rank and file successor agreement states:

The City further agrees that the continuance of health coverages after retirement of an employee for the employee only shall be permitted and shall be in accordance with applicable resolutions adopted by the City of Linwood. Contingent upon the law of insurance of this state, the City agrees to continue medical coverages for the officer and his family if an officer becomes retired because of a work related medical disability after twenty (20) years of service with the Linwood Police Department. [Emphasis added. J-4]

15. The Association started successor negotiations with the City in August 1995 (1T57). Negotiations between the City and the rank and file unit had already been completed (1T61). Carlson served on the Association's negotiations team and Councilmen Meade, Armbruster and Strang served on the City's team (1T60-1T61). During negotiations, the City sought a change in the health benefits program from Blue Cross/Blue Shield Medalion to Blue Cross/Blue Shield Select (1T63). The issue of dependent health benefit

coverage for retiring employees was not raised throughout the successor negotiations (1T62-1T64; 1T109-1T110). The parties did not discuss the sentence contained in the agreement's health benefits article stating that the interpretation of the article would be consistent with past practices (1T63-1T64). Carlson, on behalf of the Association, never requested the addition of contract language that would affirmatively provide for health benefits coverage for retired employees' dependents because he was satisfied that the "past practice" language already included in the collective agreement provided that benefit for unit employees (1T64; 1T68-1T69). Successor negotiations concluded in an agreement which continued to include the sentence in the health benefits article which called for the interpretation of that article to be consistent with past practices and a maintenance of benefits clause (J-2).

ANALYSIS

The Association alleges that the City unilaterally changed an established practice of providing health benefits coverage to retiring employees' dependents when it passed Ordinance No. 2 of 1994 which limited health benefits coverage to only the retiring employee. The Association contends that the City's failure to negotiate prior to the change violated the Act. The City argues that since the adoption of Resolution No. 85 in 1973, it has been City policy to provide health benefits in retirement to only the

employee, provided that employee was hired after January 1, 1974, and retired with twenty-five years or more of full-time, active service with the City. Consequently, the City argues that Ordinance No. 2 of 1994 merely clarified employee rights, to wit: eligible retiring employees hired prior to 1974 receive health benefits for themselves and their dependents and those hired after January 1, 1974, receive benefits for only themselves and not their dependents. Consequently, the City asserts that the passage of Ordinance No. 2 of 1994 did not alter the existing conditions of employment for unit employees.

N.J.S.A. 34:13A-5.3 entitles a majority representative to negotiate on behalf of unit employees over their terms and conditions of employment. Section 5.3 also defines an employer's duty to negotiate before changing working conditions:

Proposed new rules or modifications of existing rules governing working conditions shall be negotiated with the majority representative before they are established.

See also Galloway Tp. Bd. of Ed. v. Galloway Tp. Education Ass'n., 78 N.J. 25, 48 (1978); Middletown Tp., P.E.R.C. No. 98-77, 23 NJPER ____ (¶____ 1997). The Act requires negotiations, but not agreement. Hunterdon Cty. Freeholder Bd. and CWA, 116 N.J. 322, 338 (1989).

A public employer may violate its negotiations obligation in two ways: (1) repudiating a term and condition of employment it had agreed would remain in effect throughout the collective agreement's life, and (2) implementing a new rule concerning a term

and condition of employment without first negotiating in good faith to impasse or having a contractual defense. Elmwood Park Bd. of Ed., P.E.R.C. No. 85-115, 11 NJPER 366 (¶16129 1985). Here, the collective agreements, J-1 and J-2, contain no express provision concerning whether retiring employees' dependents should receive health benefits coverage. Accordingly, only the second type of violation is at issue. To find such a violation, the Association bears the burden of proving: (1) a change (2) in a term and condition of employment (3) without negotiations. The City may defeat such a claim if it has a managerial prerogative or contractual right to make the change. Id.

The issue of health benefits coverage for an employer's current employees is a mandatorily negotiable term and condition of employment. Piscataway Tp. Bd. of Ed., P.E.R.C. No. 91, 1 NJPER 49 (1975), app. dis'd as moot App. Div. Dkt. No. A-8-75 (6/24/76), certif. den. 70 N.J. 150 (1976). See also Hamilton Tp. Bd. of Ed., P.E.R.C. No. 97-104, 23 NJPER 178 (¶28089 1997). An employer must negotiate with the employee representative concerning the medical benefits its currently active employees receive upon retirement. Middlesex Cty., P.E.R.C. No. 79-80, 5 NJPER 194 (¶10111 1979), aff'd in pt., rev'd in pt. 6 NJPER 338 (¶11169 App. Div. 1980). Further, proposals concerning health care coverage for current employees and their dependents upon the employees' retirement is, in general, mandatorily negotiable. State of New Jersey, P.E.R.C. No. 86-16, 11 NJPER 497 (¶16177 1985), rem'd to PERC, App. Div. Dkt. No. A-0027-85T1 (4/9/86).

In this case, any employee who retired and was otherwise eligible for health benefits by meeting the twenty-five year full-time, active service requirement, maintained the type of health benefits coverage in retirement which was in effect on the day preceding the actual retirement. Consequently, employees who received health benefits coverage for their dependents immediately prior to their retirement continued to receive coverage for their dependents into their retirement.

By adopting Resolution No. 85 of 1973 and Ordinances No. 15 of 1986 and 6 of 1991, the City attempted to clarify that health benefit coverage for retiring employees' dependents only applied to those employees who were hired prior to 1974. However, by Councilman Meade's own admission, the language changes contained in the ordinances enacted by City Council failed to clarify the circumstances under which a retiring employee's dependent(s) would continue to receive health benefits coverage. Moreover, during the course of collective negotiations for the Association's initial agreement, Meade stated that the established practice under the blue book included health benefits coverage for retiring employees' dependents. The health insurance provision contained in the Association's initial collective agreement, which was continued in its successor agreement, reflected that the contract article would be interpreted consistent with pact practices. The Association's collective agreements also contained a maintenance of benefits clause. Accordingly, I conclude that health benefits coverage for

dependents of otherwise eligible retiring employees constituted the existing term and condition of employment for unit employees.

The City argues that unit employees' terms and conditions of employment are controlled by the collective agreement and not by the blue book or ordinances enacted by City Council. Thus, the City contends that by enacting Ordinance No. 2 of 1994, there has been no change in the Association's terms and conditions of employment.

The City's decision to enact Ordinance No. 2 of 1994 constitutes the achievement of its numerous attempts to clearly express its intention to provide health benefits for dependents of only retiring employees who were hired before 1974. Since no retirements of unit employees have occurred yet, the impact of Ordinance No. 2 of 1994 on the unit has not actualized. However, based on the testimony given in this case, it is clear to me that the enactment of Ordinance No. 2 of 1994 constitutes the City's intention to put employees on notice that dependents of otherwise eligible employees hired after 1974 will not receive health benefit coverage when those employees retire. I find that Ordinance No. 2 acted as the City's announcement of a change in the existing terms and conditions of employment. The announcement of a change in a condition of employment serves as an operative event for purposes of identifying when an unfair practice occurred. See Warren Hills Reg. Bd. of Ed., P.E.R.C. No. 78-69, 4 NJPER 188 (14094 1978). The City has failed to engage in collective negotiations regarding its announced change and, with respect to this unit, the City lacks a

managerial prerogative or contractual right to make the change unilaterally. The City must first negotiate with the Association prior to making any change in its practice of providing health benefits coverage for dependents of eligible retiring employees. Consequently, I find that the City has refused to negotiate in good faith with the majority representative concerning changes in terms and conditions of employment in violation of 5.4a(5) and, derivatively, (1).

The record contains no evidence supporting the Association's allegation that the City has violated rules and regulations established by the Commission. Consequently, I find that the City has not violated 5.4a(7) of the Act.

Accordingly, based upon the above findings and analysis, I make the following:

CONCLUSIONS OF LAW

1. The City of Linwood has violated N.J.S.A. 34:13A-5.4a(5) and, derivatively, (1) by unilaterally changing the term and condition of employment providing for dependents of otherwise eligible retiring employees to continue to receive health benefits coverage after the employee's retirement commences.
2. The City did not violate N.J.S.A. 34:13A-5.4a(7).

RECOMMENDED ORDER

I recommend that the Commission ORDER:

1. That the City cease and desist from:

A. Interfering with, restraining or coercing employees in the exercise of the rights guaranteed to them by the Act, particularly by unilaterally changing the term and condition of employment providing for dependents of otherwise eligible retiring unit employees to continue receiving health benefits coverage after the employees' retirement commences.

B. Refusing to negotiate in good faith with the Association concerning terms and conditions of employment of unit members, particularly over the City's decision to unilaterally discontinue health benefits coverage for dependents of otherwise eligible retiring employees.

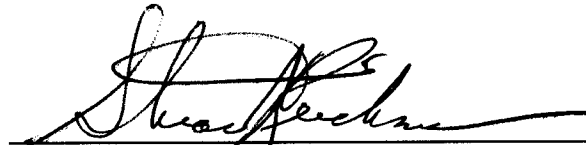
2. That the City take the following affirmative action:

A. Continue to provide health benefits coverage to dependents of otherwise eligible retiring unit employees until the parties engage fully in collective negotiations regarding a prospective change in health benefits coverage for retiring unit employees' dependents.

B. Post in all places where notices to employees are customarily posted, copies of the attached notice marked as Appendix "A." Copies of such notice on forms to be provided by the Commission shall be posted immediately upon their receipt and after being signed by the Respondent's authorized representative, shall be maintained by it for at least sixty (60) consecutive days.

Reasonable steps shall be taken to ensure that such notices are not altered, defaced or covered by other materials.

C. Notify the Chair of the Commission within twenty (20) days of receipt what steps the Respondent has taken to comply with this Order.



Stuart Reichman
Hearing Examiner

Dated: December 19, 1997
Trenton, New Jersey



RECOMMENDED



NOTICE TO EMPLOYEES

PURSUANT TO AN ORDER OF THE PUBLIC EMPLOYMENT RELATIONS COMMISSION AND IN ORDER TO EFFECTUATE THE POLICIES OF THE NEW JERSEY EMPLOYER-EMPLOYEE RELATIONS ACT, AS AMENDED,

We hereby notify our employees that:

H.E. NO. 98-16

WE WILL cease and desist from interfering with, restraining or coercing employees in the exercise of the rights guaranteed to them by the Act, particularly by unilaterally changing the term and condition of employment providing for dependents of otherwise eligible retiring employees to continue to receive health benefits coverage after such employees' retirement commences.

WE WILL cease and desist from refusing to negotiate in good faith with the Mainland Police Benevolent Association, Local No. 77 (Superior Officers) concerning terms and conditions of employment of unit members, particularly over the City's decision to unilaterally discontinue health benefits coverage for dependents of otherwise eligible retiring employees.

WE WILL continue to provide health benefits coverage to the dependents of otherwise eligible retiring unit employees.

WE WILL negotiate in good faith with the Mainland PBA, Local No. 77 (Superior Officers) over possible changes in health benefits coverage for unit employees' dependents after the employee retires prior to implementing a unilateral change in that practice.

Docket No. CO-H-94-323

City of Linwood

(Public Employer)

Date: _____

By: _____

This Notice must remain posted for 60 consecutive days from the date of posting, and must not be altered, defaced or covered by any other material.

If employees have any question concerning this Notice or compliance with its provisions, they may communicate directly with the Public Employment Relations Commission, 495 West State Street, CN 429, Trenton, NJ 08625-0429 (609) 984-7372

APPENDIX "A"