



TOWN OF NORTH HAMPTON, NEW HAMPSHIRE  
**SELECT BOARD**  
**APPROVED MINUTES**

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SPECIAL MEETING MARCH 5, 2012 –7PM  
NORTH HAMPTON TOWN HALL

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*These minutes were prepared as a reasonable summary of the essential content of this meeting, not as a transcription*

**1. Call to Order**

Chair Maggiore called the meeting to order at 7:00 PM. Those in attendance were Selectman Phil Wilson, Selectman Larry Miller and Town Administrator Steve Fournier and Town Attorney Joseph McKittrick.

Chair Maggiore stated that Attorney McKittrick would be walking the Select Board through the proposed agreements with the North Hampton Professional Firefighters Local 3211 and the New England Police Benevolent Association Local 211.

Chair Maggiore stated that both union's have ratified the tentative agreements.

**2. New Business**

**2.1 Review and Vote on Tentative Agreement with North Hampton Professional Firefighters Local 3211**

Attorney McKittrick stated that he recommended that the town adopt the two tentative agreements.

Attorney McKittrick stated that he was assisted with the Police and Fire contracts by Chief Page, Chief Cote, Deputy Chief Maddocks, Select Board Chair Maggiore and Town Administrator Fournier.

Attorney McKittrick stated that the most important aspects of both contracts are salary increases and health care. The Select Board expressed their desire to curtail health care costs that were escalating for the town, and at the same time reach a bargaining agreement with the employees that was fair to the employees.

Attorney McKittrick stated that the most important part in both contracts was the fact that there was a Blue Cross/Blue Shield 3-Tier health insurance plan with costs escalating at the rate of approximately 10% per year, with no end in sight. Both unions have negotiated a Luminos program. A Luminos program is a high deductible program. The reason that there are significant savings in this program is that in the first \$3,000 of insurance claims is where the insurance company loses money. In the first year of the contract an agreement has been made where the town will pay the deductible, which means in the first year, \$2,500 for a single plan or \$5,000 for a family plan will be put into an HRA account for each employee. An HRA is different from a HSA in that any monies put into the account that is not used for health care purposes when the individual retires or leaves the town will be returned to the town. In the second and third years of the contract, the town is only obligated to pay the parts of the HRA that have been used. The town has agreed to pay 95% of the annual premium for the health care plan with the employee paying 5%.

Attorney McKittrick explained that salaries will increase in the fire department by 3% for each of the three years, and there is also a onetime per year bonus. The amount of savings in the fire contract were more than

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substantial enough to justify a 3% increase per year, as well as keeping the firefighters competitive with the surrounding areas.

**Motion by Chair Maggiore to approve the tentative agreement with the North Hampton Professional Firefighters Local 3211. Seconded by Selectman Wilson.**

**Discussion:**

Selectman Wilson stated that he felt it was very important for the town to get the Blue Cross/Blue Shield 3-Tier plan out of the contract and to get the employees on a more “contemporary” program. He further stated that he felt fair and reasonable compensation has been made for the union’s concession, and is very much in favor of what he considers a fair deal.

Selectman Miller stated that very fair and adequate health care is provided for the employees and also brings them up in salary range. He further stated that he is convinced that this is the best deal that the negotiation teams could deliver for both sides.

Selectman Wilson reviewed the differences between the 3-Tier health care program and the Luminos plan. He stated that the reason to move to the Luminos plan was not to give employees second rate coverage, or to reduce the coverage that they had, but to deliver the same coverage in a more cost effective way for the town.

**Motion carries 3-0 to approve the tentative agreement.**

**Motion by Chair Maggiore to see if the town will vote to approve the cost items in the collective bargaining agreement reached between the Select Board and the North Hampton Professional Firefighters Local 3211 which represents the fire department employees which calls for the following increases in salary and benefits at the current staffing levels:**

- FY 2013 \$32,325
- FY 2014 \$24,000
- FY 2015 \$28,835

and further to raise and appropriate the sum of \$32,325 for the current fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at the current staffing levels. Seconded by Selectman Wilson.

**Discussion:**

Selectman Wilson made a motion for a friendly amendment to insert an asterisk after the word “benefits” and the asterisk at the bottom of the warrant article would read:

The New Hampshire Department of Revenue Administration includes in “salaries and benefits” salaries and wages, pension costs, life insurance, total disability, short term disability and then at the end of the list of included things to add “and excludes health care costs”. Seconded by Selectman Miller.

**Motion carries 3-0 on the friendly amendment.**

**Motion carries 3-0 to approve the cost items included in the collective bargaining agreement between the town and the North Hampton Professional Firefighters Local 3211.**

**2.1 Review and Vote on Tentative Agreement with New England Police Benevolent Association Local 211**

Attorney McKittrick stated that the police contract is a four year agreement. The town has agreed to pay 90% of the Luminos health care costs with the employee paying 10%. The reason for the difference from the firefighters is that the cost savings are not there.

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Town Administrator Fournier stated that health care savings were determined by taking the current year maximum rates for both Blue Cross/Blue Shield and Luminos and determined the difference. An average of 10% per year was then used to increase the rates for each year.

The Luminos family plan is \$18,867 per month and the Blue Cross/Blue Shield family plan is \$28,251. Town Administrator Fournier stated that the savings in the police department for the first year would be \$38,086, in the second year \$47,645 and in the third year \$58,159. In the fire department, the first year savings would be \$34,719, in the second year \$43,941 and in the third year \$54,086.

**Motion by Chair Maggiore to approve the tentative agreement reached with the New England Police Benevolent Association Local 211. Seconded by Selectman Wilson.**

**Discussion:**

Selectman Miller stated that his understanding is that the town is not paying for the costs of the contract with the savings in health care and he didn't want the public to have that misconception.

Attorney McKittrick stated that they were talking about the net savings. The savings were calculated by taking the difference between the Luminos and the Blue Cross/Blue Shield plans and applying the costs of the increases in salary which would then result in the net savings. The cost of the Luminos would pay for the increases in the salaries.

Selectman Wilson stated the importance of moving away from the Blue Cross/Blue Shield 3-Tier plan because it is extraordinarily costly. Selectman Wilson also stated the importance of working together with the employees to ensure that they have good health and good health care coverage and also the town is asked to pay a reasonable amount for that coverage.

Selectman Wilson stated that he believed that it was a fair contract on both sides and is very much in favor of it.

Selectman Miller stated that it appropriate to state that when comparing the salaries of North Hampton police officers to other communities it is fair to say that North Hampton is not paid the highest, nor are they paid the lowest, but that they are closer to the bottom than they are the middle. He further stated that if North Hampton is going to be the training grounds for police officers only to have them leave, it is a waste of money. He further stated that there is a benefit to bringing the officers more in line to where they should be as it will help retention in the town, and turnover is expensive.

Chair Maggiore stated that he felt that the negotiating team with the help of the union has come up with a contract that is both fair to them and fair to the residents of North Hampton. He commended all of those involved.

**Motion carries 3-0.**

**Motion by Chair Maggiore to see if the town will vote to approve the cost items included in the collective bargaining agreement reached between the Select Board and the New England Police Benevolent Association Local 211 which represents the police and highway employees which calls for the following increases in salaries and benefits at the current staffing levels:**

- FY 2013 \$22,200
- FY 2014 \$30,300
- FY 2015 \$20,475
- FY 2016 \$27,450

**and further to raise and appropriate the sum of \$22,200 for the current fiscal year such sum representing the additional costs attributable to the increases in salaries and benefits required by the new agreement over those that would have been paid at current staffing levels. Seconded by Selectman Miller.**

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### **Discussion:**

Selectman Wilson stated that he would like to offer an amendment. Selectman Wilson stated that he felt that the phrase “increases in salaries and benefits” is inaccurate. He stated that he believed that “benefits” included everything but health insurance and he felt that the warrant article should inform the public when they vote that discrepancy with what he considers the facts.

**Selectman Wilson made a motion for friendly amendment that would place an asterisk after the word “benefits,” and then have an explanation after the main text of the article to explain the meaning as follows:**

**The New Hampshire Department of Revenue Administration includes in “salaries and benefits” salaries and wages, pension costs, life insurance, total disability, short term disability and then at the end of the list of included things to add and excludes health care costs. Selectman Wilson stated that he would like the voters to understand that when the Select Board stand before them say that signing the contract the town is going to save money, they understand that the amounts listed in the warrant do not reflect the savings that will be achieved. Seconded by Selectman Miller.**

### **Discussion:**

Selectman Miller stated that his only concern with adding an informational footnote to the warrant article is if the DRA states that they won’t accept the warrant article, there might be potential in “dooming” something else.

Town Administrator Fournier stated that traditionally the warrant articles are reviewed by the DRA prior to putting them on the warrant. He further stated that he could submit it with the suggested friendly amendment, and if they disallow it, the amendment can be taken off prior to the Deliberative Session.

Attorney McKittrick stated that he believed this would be the right path to take.

Chair Maggiore stated that if the DRA does disallow the footnote then the Select Board will make very clear at the Public Hearing and at the Deliberative Session that the directive from the Select Board to the negotiating team was that the contract must have savings and that has been fulfilled.

**Motion carries 3-0 on the friendly amendment.**

**Motion carries 3-0 to approve the cost items included in the collective bargaining agreement between the town and the New England Police Benevolent Association Local 211.**

### **3. Closing Comments**

#### **3.1. Closing Comments by Visitors**

Selectman Wilson congratulated Chair Maggiore and members of the negotiating teams. He stated that it has been several years since there has been a collective bargaining agreement, and it is a great achievement to break through the differences and reach an agreement.

The Select Board closed the meeting with the Pledge of Allegiance.

#### **3.2. Closing Comments by Select Board Member**

### **4. Adjournment**

Chair Maggiore adjourned the meeting at 8:46 PM.

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Respectfully submitted,

Janet Facella, Administrative Assistant

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