TOWNSHIP OF LOWER MERION

ADMINISTRATIVE AND HUMAN RESOURCES COMMITTEE

Wednesday, June 4, 2025 7:20 PM (Approximately)

Chairperson: Jeremiah Woodring

Vice Chairperson: Andrew Gavrin, Anthony Stevenson

<u>AGENDA</u>

1. APPROVAL OF A POLICE COMMAND STAFF SALARY RESTRUCTURING PLAN

AGENDA ITEM INFORMATION

ITEM: APPROVAL OF A POLICE COMMAND STAFF SALARY RESTRUCTURING PLAN

Consider for recommendation to the Board of Commissioners approval of a restructuring of the Police Command Staff Compensation Plan to include the following:

- 1. Effective the date of promotion, the 2025 probationary salary for any individual promoted to Probationary Lieutenant will be revised from \$157,117 to \$164,326 and they will receive no further longevity payments.
- 2. Effective 1-1-2026, the Probationary Lieutenant salary of \$164,326 will be adjusted by any salary increase approved by the Board of Commissioners for 2026.
- 3. Upon completing the one-year probationary period, the promoted individual will receive the full 2025 Lieutenant salary revised from \$164,986 to \$177,000 adjusted by any salary increase approved by the Board of Commissioners for 2026.
- 4. Effective 1-1-2026, the full Lieutenant salary for the 4 current command staff members is revised from \$164,986 to \$177,000 plus any salary increase approved by the Board of Commissioners for 2026.
- 5. Effective 1-1-2026, the full Captain salary for the 2 current command staff members is revised from \$188,321 to \$202,000 plus any salary increase approved by the Board of Commissioners for 2026.
- 6. To mitigate the verified negative effect on pension calculations, the 4 command staff members who have not had their pension calculations already calculated/finalized will receive 1 additional final longevity payment in January 2026.
- 7. Two command staff members who previously entered the Deferred Retirement Option program have already had their pension calculation finalized. These 2 staff members will not receive any additional longevity payment; however, they will each receive a one-time payment in January that will make them whole with respect to total compensation out to their mandatory retirement date.
- 8. Except for the above restructuring payments mentioned above, Longevity as a benefit is eliminated for all existing and future Police Command staff.

PUBLIC COMMENT

ATTACHMENTS:

Description Type

Issue Briefing - Police Command Staff Compensation Plan Issue Briefing

TOWNSHIP OF LOWER MERION

Administrative and Human Resources Committee

Issue Briefing

Topic: Police Command Staff Salary Restructuring Plan

Prepared By: Ernie B. McNeely, Township Manager

Date: May 29, 2025

I. Action To Be Considered By The Board:

Approve a restructuring of the Police Command Staff Compensation Plan.

II. Why This Issue Requires Board Consideration:

Approval of employment terms for the Police Command Staff requires Board of Commissioners approval.

III. Current Policy Or Practice (If Applicable): N/A

IV. Other Relevant Background Information:

In September 2011, the Township implemented a planned phase out of the longevity payment benefit that had historically been granted to management employees including Police command staff. The longevity benefit is an annual lump sum bonus payment that increases based on years of service. The policy revision implemented was all full-time employees, excluding FOP, hired after 9-21-2011 would not be eligible to receive any longevity payment.

Over the years with retirements and promotions of employees hired after 9-21-2011, the ranks of management personnel still getting that benefit have shrunk to only 18 employees in disparate positions across the organization but with a current concentration of 6 in the Police command staff comprised of 2 captains and 4 lieutenants. The Police Superintendent hired in 2024 does not receive the benefit, 1 of the 4 lieutenants currently receiving the benefit do so because of a one-time waiver granted by the Board of Commissioners in 2022 and there is currently 1 lieutenant position vacant.

Since it takes a number of years to move through the ranks of police patrol officer and then sergeant the 2011 longevity provision had no impact on police command staff or promotions until 2022. In 2022 there were two lieutenant positions vacant and some of the sergeant candidates were hired after 9-21-2011 so if they had been promoted after a civil service exam they would have lost their longevity benefit payment which they received as patrol officers and

sergeants by collective bargaining agreement. It would have been a disincentive for sergeants to seek promotion to lieutenant and would have resulted in some lieutenants being paid \$8,000 - \$11,000 less than other lieutenants doing the same jobs. As such the Board of Commissioners in 2022 granted the one-time waiver of the 9-21-2011 policy.

With another lieutenant position soon to be filled, the issue again arises and rather than granting another waiver of the policy the Board of Commissioners has directed staff to prepare a plan to permanently eliminate the longevity payments to command staff and replace the lost revenue for the officers with base salary adjustments and any one-time payments required to make them whole. To make the 6 command staff officers whole the restructuring plan has to factor for two effects, total annual compensation and most importantly impact on pension calculation.

The proposed Police Command Staff Salary Restructuring Plan includes the following revisions:

- 1. Effective the date of promotion, the 2025 probationary salary for any individual promoted to Probationary Lieutenant will be revised from \$157,117 to \$164,326 and they will receive no further longevity payments.
- 2. Effective 1-1-2026, the Probationary Lieutenant salary of \$164,326 will be adjusted by any salary increase approved by the Board of Commissioners for 2026.
- 3. Upon completing the one-year probationary period, the promoted individual will receive the full 2025 Lieutenant salary revised from \$164,986 to \$177,000 adjusted by any salary increase approved by the Board of Commissioners for 2026.
- 4. Effective 1-1-2026, the full Lieutenant salary for the 4 current command staff members is revised from \$164,986 to \$177,000 plus any salary increase approved by the Board of Commissioners for 2026.
- 5. Effective 1-1-2026, the full Captain salary for the 2 current command staff members is revised from \$188,321 to \$202,000 plus any salary increase approved by the Board of Commissioners for 2026.
- 6. To mitigate the verified negative effect on pension calculations, the 4 command staff members who have not had their pension calculations already calculated/finalized will receive 1 additional final longevity payment in January 2026.
- 7. Two command staff members who previously entered the Deferred Retirement Option program have already had their pension calculation finalized. These 2 staff members will not receive any additional longevity payment; however, they will each receive a one-time payment in January that will make them whole with respect to total compensation out to their mandatory retirement date.
- 8. Except for the above restructuring payments mentioned above, Longevity as a benefit is eliminated for all existing and future Police Command staff.

V. Impact On Township Finances:

The proposed Police Command Staff Salary Restructuring Plan is estimated to cost \$75,805 in additional payroll for the final longevity and payments in lieu of longevity in 2026 and will be accommodated in the 2026 Budget.

VI. Recommendation:

Recommend the Board of Commissioners approve the Police Command Staff Salary Restructuring Plan.