

TOWNSHIP OF LOWER MERION

GOVERNANCE & ADMINISTRATION COMMITTEE

**WEDNESDAY, MAY 20, 2026
7:15 PM (Approximately)**

Chairperson: Maggie Epstein

Vice Chairperson: Sean Whalen, V. Scott Zelov

AGENDA

1. APPROVAL OF 2026 SALARY INCREASE FOR THE TOWNSHIP SECRETARY
2. APPROVAL OF EMPLOYMENT AGREEMENT AND 2026 SALARY INCREASE FOR THE TOWNSHIP MANAGER



Township of Lower Merion
A FIRST CLASS TOWNSHIP

AGENDA ITEM INFORMATION

COMMITTEE: Governance & Administration

ITEM: **APPROVAL OF 2026 SALARY INCREASE FOR THE TOWNSHIP SECRETARY**

Consider for recommendation to the Board of Commissioners approval of a 3.5% salary increase plus a \$3,000 performance incentive payment for 2025 for the Township Secretary effective January 1, 2026.

PUBLIC COMMENT

ATTACHMENT(S):

[Issue Briefing Twp Sec - 2026 Wage.docx](#)

TOWNSHIP OF LOWER MERION
Governance & Administration Committee

Issue Briefing

Topic: Township Secretary 2026 Salary

Prepared By: Todd M. Sinai, Board President

Date: May 15, 2026

I. Action To Be Considered By The Board:

Approve a 3.5% salary increase plus a \$3,000 performance incentive payment for 2026 for the Township Secretary.

II. Why This Issue Requires Board Consideration:

Approval of employment terms for the Township Secretary requires the Board of Commissioners approval.

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

IV. Other Relevant Background Information:

The Township Secretary is one of two Township positions that report directly to the Board of Commissioners. A 2026 salary adjustment has not yet been approved by the Board of Commissioners. All other full-time Township employees, including the non-union workforce, the Fraternal Order of Police and the Workers Association, were granted 3.5% wage increases for 2026.

The Township Secretary has served Lower Merion since June 1988. The Board of Commissioners in Executive Session discussed employment terms and performance metrics for the Township Secretary. A salary increase of 3.5% is recommended for the position for 2026. Additionally, a \$3,000 performance incentive payment is recommended by the Board of Commissioners.

V. Impact On Township Finances:

The proposed wage increase plus performance incentive payment will have a cost of \$6,937 and is accommodated in the 2026 Budget for personnel and salary expense.

VI. Recommendation:

Recommend the Board of Commissioners approve a 3.5% salary increase plus a \$3,000 performance incentive payment for 2026 for the Township Secretary.



Township of Lower Merion
A FIRST CLASS TOWNSHIP

AGENDA ITEM INFORMATION

COMMITTEE: Governance & Administration

ITEM: **APPROVAL OF EMPLOYMENT AGREEMENT AND 2026 SALARY INCREASE FOR THE TOWNSHIP MANAGER**

Consider for recommendation to the Board of Commissioners authorization to execute an updated Employment Agreement for the Township Manager effective January 5, 2026 through January 3, 2028 including a 3.5% salary increase for 2026 plus a \$3,000 performance incentive payment.

PUBLIC COMMENT

ATTACHMENT(S):

[Issue Briefing Twp Mgr - Agrmnt 2026-2028.docx](#)

[TM Contract Ernie B. McNeely 2026-2028.pdf](#)

TOWNSHIP OF LOWER MERION
Governance & Administration Committee

Issue Briefing

Topic: Township Manager 2026-2028 Employment Terms

Prepared By: Todd M. Sinai, Board President

Date: May 15, 2026

I. Action To Be Considered By The Board:

Authorize execution of an updated Employment Agreement for the Township Manager effective January 5, 2026 through January 3, 2028 including a 3.5% salary increase for 2026 plus a \$3,000 performance incentive payment.

II. Why This Issue Requires Board Consideration:

Approval of Township Manager employment terms requires Board of Commissioners' approval.

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

IV. Other Relevant Background Information:

The Township Manager is one of two Township positions that report directly to the Board of Commissioners. Neither the Township Manager Employment Agreement nor a salary adjustment have been approved by the Board for 2026. Municipal manager employment agreements by state law may only extend from a Board of Commissioners Reorganization meeting to the next such meeting.

The Township Manager has served Lower Merion since May 2014. The Board of Commissioners in Executive Session discussed employment terms and performance metrics for the Township Manager. A salary increase of 3.5% is recommended for the position for 2026. The Board of Commissioners will determine a 2027 salary adjustment, if any, in 2027 so it is not specified in the agreement. In addition, a performance incentive payment of \$3,000 is recommended for 2026.

V. Impact On Township Finances:

The proposed wage increase plus performance incentive payment will amount to \$11,378 and is accommodated in the 2026 Budget for personnel and salary costs.

VI. Recommendation:

Recommend the Board of Commissioners approve the updated Township Manager Employment Agreement renewal for 1-5-2026 through 1-3-2028 including a 3.5% salary increase for 2026 plus a \$3,000 performance incentive payment.

EMPLOYMENT AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of May, 2026, by and between the Township Board of Commissioners of Lower Merion, Pennsylvania, a municipal corporation, (hereinafter the "Board") and Ernie B. McNeely, (hereinafter "McNeely") both of whom agree as follows:

WITNESSETH

WHEREAS, the Board desires to employ the services of McNeely as Township Manager of the Township of Lower Merion, Pennsylvania, as provided for in the First Class Township Code and Code of the Township of Lower Merion; and

WHEREAS, it is the desire of the Board to provide certain benefits, to establish certain conditions of employment and to set forth working conditions of McNeely; and

WHEREAS, McNeely desires to be employed as Township Manager of Lower Merion Township.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties intending to be legally bound agree as follows:

Section 1. Duties of the Township Manager.

- A. The Board hereby agrees to employ McNeely as Township Manager of the Township of Lower Merion to perform the functions and duties specified in the First Class Township Code and Code of the Township of Lower Merion, and to perform other legally permissible and proper duties and functions as the Board shall from time-to-time assign, subject to this Agreement.
- B. McNeely shall faithfully serve the Township, shall use his best efforts to promote the Township's interests and, recognizing that this is a full-time position, shall not, without the consent of the Board, have any active business interests beyond the business of the Township with the exception of personal investments in securities or property, assuming that such investments do not involve any material time commitment or create any conflicts of interest between McNeely and the Township.

Section 2. Term.

- A. The term of this agreement shall extend from January 5, 2026 to and including January 3, 2028. It is expressly understood, however, that McNeely's employment is at will.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of McNeely to voluntarily resign at any time from his position and employment with the Township. In the event McNeely voluntarily resigns as Township Manager, McNeely shall

provide the Board not less than forty-five (45) days advance written notice, unless the parties agree otherwise.

Section 3. Termination and Severance Pay.

- A. In the event that the Township terminates McNeely for cause, this Agreement and the rights and obligations of the parties hereunder, cease. "Cause" is defined and hereby limited for the purposes of this Agreement to the following: (1) willful misconduct and/or neglect of duty, (2) felony or misdemeanor conviction of any crime involving moral turpitude, (3) dishonesty in the conduct of the Township's affairs, or (4) any other act of similar or greater seriousness.
- B. In the event the Board terminates McNeely without cause during the term of this Agreement the Board agrees to continue to pay McNeely his base salary for a period of four (4) months following the effective date of termination.
- C. If McNeely voluntarily resigns, retires, or his contract of employment is not renewed or he is terminated for cause, he will not be eligible for any severance pay.
- D. Should McNeely be permanently disabled or otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of six (6) successive weeks beyond any accrued or eligible paid leave, including short-term disability, the Board shall have the right to terminate this Agreement. Such termination shall be deemed to be without cause. This would not negatively impact McNeely's eligibility for any long-term disability or other retirement-related benefits that McNeely might otherwise be eligible to receive. In the event of a dispute with respect to McNeely's fitness and ability to perform the functions of his position, McNeely agrees to submit to, and the parties agree to be bound by, the determination of an Independent Medical Examination to be scheduled by the Township.
- E. Contemporaneously with the delivery of the severance pay herein above set out, McNeely agrees to execute and deliver to the Board a release, releasing the Board of all claims that McNeely may have against the Township or the Board.

Section 4. Base Salary.

- A. The Board agrees to pay McNeely for his services rendered pursuant hereto as Township Manager an annual base salary of \$247,765 for the calendar year 2026. An annual salary rate for 2027 will be determined by the Board at a later date. Payment is prorated during the term of this agreement, payable in installments at the same time as other management employees of the Township of Lower Merion are paid.
- B. As provided for in Section 10, upon receipt of McNeely's performance evaluation, the Board agrees to review McNeely's performance and base pay and, without any commitment for any modification thereof, to evaluate whether any adjustment thereto is, in the Board's exclusive discretion, appropriate.

Section 5. Retirement Benefits.

- A. McNeely shall be covered and governed by the terms of the same defined benefit retirement pension plan as is provided to all other qualified non-uniformed Township employees.

Section 6. Fringe Benefits.

- A. McNeely shall be entitled to the fringe benefits during the term of this agreement set forth on Exhibit "A" attached hereto.

Section 7. Automobile Allowance.

- A. The Board shall provide McNeely with an automobile allowance of Four Hundred Dollars (\$400.00) per month paid along with McNeely's regular base pay installments.

Section 8. Other Benefits.

- A. All provisions of the Code of the Township and the rules, regulations and policies of the Township relating to fringe benefits and working conditions for all management employees as they now exist or hereafter may be amended, shall apply to McNeely as they would to all other management employees of the Township.

Section 9. General Expenses.

- A. The Board recognizes that certain expenses of a non-personal and job-affiliated nature are incurred by McNeely, including participation and attendance in civic and other local organization functions and activities, and hereby agrees to reimburse or pay said general expenses.
- B. The Board shall bear the full cost of any fidelity or other bonds required of McNeely as the Township Manager under any law or ordinance.

Section 10. Performance Evaluation.

- A. McNeely shall provide the Board with a written performance self-evaluation no later than February 1st of each year. The Board shall review and evaluate the written performance self-evaluation in accordance with specific criteria developed jointly by the Board and McNeely and the Board shall promptly thereafter share its analysis with McNeely.
- B. Annually, the Board and McNeely shall jointly define such goals and performance objectives that they determine necessary for the proper operation of the Township of Lower Merion, and in the attainment of the Board's policy objectives. The Board and McNeely shall further

establish a relative priority among those various goals and objectives, which shall generally be attainable within the time limitations as specified, and within the annual operating budget and capital budget and appropriations provided.

Section 11. Indemnification.

- A. The Board shall defend, save harmless, and indemnify McNeely against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of McNeely's duties as Township Manager, excluding willful and intentional acts by McNeely taken outside of his authority and/or the Township's best interests. The Board may, in its exclusive judgment, compromise, settle or litigate any such claim or suit and promptly pay or satisfy the amount of any such settlement or judgment rendered thereon. Said indemnification shall extend beyond termination of employment, and the otherwise expiration of this Agreement, to provide full and complete protection to McNeely by the Township of Lower Merion, as described herein, for any acts undertaken or committed in his capacity as Township Manager, regardless of whether the notice of filing of a lawsuit for such tort, claim, demand, or other legal action occurs during or following McNeely's employment with the Township.

Section 12. General Provisions.

- A. The foregoing constitutes the entire agreement of the parties hereto with respect to the subject matter of this Agreement and McNeely acknowledges that he has not been induced by any oral or other written representations or promises other than those herein expressed. No modification hereof shall be binding upon the parties unless the same is approved by the Board, made in writing and signed by the parties hereto.
- B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the estate of McNeely.
- C. This Agreement shall become effective upon execution by McNeely and adoption and approval by the Board of Commissioners of the Township of Lower Merion.
- D. If any provisions, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall not be affected and shall remain in full force and effect.
- E. Governing Law. This Agreement shall be interpreted in accordance with the internal laws of the Commonwealth of Pennsylvania conflict of law provisions notwithstanding.
- F. Waivers and Amendments. No waiver of any term, provision or condition of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further and continuing waiver of any such term, provision or condition of this Agreement. No amendment to any provision of this Agreement shall be effective unless in writing and signed by each party hereto.

IN WITNESS THEREOF, the Board of Commissioners of the Township of Lower Merion has caused this Agreement to be signed and executed in its behalf by its Board President and Vice President, and McNeely has signed and executed this Agreement, both in duplicate, the day and year first written above.

TOWNSHIP OF LOWER MERION
BOARD OF COMMISSIONERS

By: _____
Board President: Todd M. Sinai

Board Vice President: Jeremiah Woodring

ATTEST:

Township Secretary: Jody L. Kelley

APPROVED AS TO FORM

Township Solicitor: Gilbert P. High, Jr.

By: _____
Ernie B. McNeely

Exhibit “A”

**EMPLOYMENT AGREEMENT
EXHIBIT "A"
ERNIE B. MCNEELY**

HOLIDAYS AND LEAVES OF ABSENCE

LEGAL HOLIDAYS	New Year's Day, Martin Luther King Day (3 rd Monday in January); Presidents' Day; Good Friday; Memorial Day; Juneteenth; July 4 th ; Labor Day; Thanksgiving Day; Christmas Day
PERSONAL HOLIDAYS	(7 days per calendar year)
VACATION LEAVE	4 weeks (20 days) per year
SICK LEAVE 1st yr of service 1 yr but < 5 yrs of service 5 yrs and over	Up to 30 days 30 days/yr* 60 days/yr* includes Short Term Bank (10 days), Medical Permission time (3 days) and Long Term Bank (balance); what is not used is lost per calendar year. There is no carryover.
OTHER LEAVE WITH PAY <u>Medical Permission Leave</u> – Can use up to three (3) sick leave days per year for medical appointments for either the employee or dependent(s), including dentist visits, hospital/lab tests, etc.; attendance at home or medical facility with an ill or injured dependent. "Dependent" is a member of the employee's immediate family including spouse, child, parent, brother, sister and/or grandparent. Eligible after 3-month sick leave waiting period. <u>Jury Duty</u> – Receive base pay; jury fees returned to the Township. <u>Military Leave</u> – The Township will provide 15 days (120 hours) of paid military leave in accordance with federal and state law. The Township will allow up to 5 unpaid days for reserve duty for those employees that do not work the normal Monday to Friday work schedule. <u>Bereavement Leave</u> - Three (3) work days for death in immediate family. One (1) extra bereavement day granted if employee travels over 200 miles one way to attend funeral. Two (2) work days total for a mother/father-in-law (not an ex-in-law) and one (1) work day for aunt/uncle of blood relation.	

**EMPLOYMENT AGREEMENT
EXHIBIT "A"
ERNIE B. MCNEELY**

RETIREMENT BENEFITS

SOCIAL SECURITY (FICA and Medicare)	Yes
NORMAL RETIREMENT AGE under applicable pension plan	Non Police Mgmt – age 60
EMPLOYEES DEFINED BENEFIT PENSION PLAN Defined benefit pension plan which provides a pension based on earnings and years of Plan service. Employees are enrolled upon hiring and are vested in their accrued benefit when they have earned 5 years of vesting credit or when they attain their normal retirement age, if earlier. Participation is mandatory for any employee hired on or after January 1, 2007.	<u>Employee Contributions:</u> Employees contribute 5.0% of salary <u>Pension Formula:</u> 1.4% x FAS x credited years of service up to 35 years
457 DEFERRED COMPENSATION PLAN After 3 months of service a participant can contribute up to the IRS maximum.	

HEALTHCARE *(An employee has 31 days to notify Human Resources (HR) if they have a change in status including but not limited to a change in marital status, birth of a child, or loss of spouse's coverage. If an employee does not notify HR within this 31-day period, they will not be able to make changes to their benefits until the next open enrolment period.)*

WAITING PERIOD FOR TOWNSHIP-PAID COVERAGES: Up to Family coverage	1 st of the Month after date of hire
MEDICAL PLAN Administered through the Pennsylvania Municipal Health Insurance Cooperative (PMHIC)	As provided to management employees with option to select a (PPO) Preferred Provider Plan or HDHP (High-Deductible Health Plan) with a HAS (Health Savings Account.)
Employee Healthcare Contribution Either 5% or 7.5% of total annual premium depending on the plan as selected for medical, prescription, dental and vision coverage. Premium is paid through a payroll healthcare deduction on a bi-monthly basis and may be subject to a 10% rolling cap.	

**EMPLOYMENT AGREEMENT
EXHIBIT "A"
ERNIE B. MCNEELY**

DENTAL PLAN - United Concordia Companies Inc. (UCCI)	
Class I - Diagnostic/Preventive services	100%
Class II - Basic Services (fillings, etc.)	80%
Class III - Major services (inlays, crowns, bridges, etc.)	80%
Annual Program Maximum (per person)	\$2,500
Lifetime Orthodontic Maximum (per person)	\$1,800
VISION PLAN - Vision Benefits of America (VBA)	
As provided to other management employees	
PRESCRIPTION DRUG PLAN	
As provided to other management employees and incorporated with the medical plan	
HEARING AIDS	
The Township will reimburse a maximum of \$300 once every thirty-six (36) months towards hearing aid devices with proof of purchase.	

**EMPLOYMENT AGREEMENT
EXHIBIT "A"
ERNIE B. MCNEELY**

"WRAP-AROUND PLAN" Requires that all dependent members of the same family be insured by a single plan (e.g., for married Township employees, if one spouse chooses an PPO plan, the other spouse must be covered by that same PPO plan).													
LIFE INSURANCE – (TOWNSHIP PAID) Waiting period Employees – 1.5 times annual salary includes Accidental Death & Dismemberment coverage in the same amount as life insurance. Coverage levels reduced beginning age 65. Retirees - Amount of coverage <u>Supplemental Life Insurance</u> – Employees are eligible to purchase additional group term life insurance for themselves and their dependents. All premium and plan costs other than internal Township administrative costs will be paid by the participants.	1 st of month after date of hire 1.5 times annual salary \$12,500												
SHORT-TERM DISABILITY – (TOWNSHIP PAID/SELF-FUNDED) Provides a percentage of base pay based upon years of completed service after all available leave is exhausted. Eligibility begins on the 21 st day of disability and continues until the employee returns to work, becomes eligible for LTD benefits or reaches the 180 th day of a disability, whichever comes first. <table style="margin-left: auto; margin-right: auto;"> <tr> <td>Less than 1 yr:</td><td>0%</td></tr> <tr> <td>1 - 4 years:</td><td>50%</td></tr> <tr> <td>5 - 9 years:</td><td>60%</td></tr> <tr> <td>10 - 14 years:</td><td>70%</td></tr> <tr> <td>15 - 19 years:</td><td>80%</td></tr> <tr> <td>20+ years:</td><td>90%</td></tr> </table>		Less than 1 yr:	0%	1 - 4 years:	50%	5 - 9 years:	60%	10 - 14 years:	70%	15 - 19 years:	80%	20+ years:	90%
Less than 1 yr:	0%												
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15 - 19 years:	80%												
20+ years:	90%												
LONG-TERM DISABILITY – (TOWNSHIP PAID) Provides 60% of base pay beginning on the 181 st day of disability until the employee reaches age 65 or is able to return to work. (See plan document for details.) Waiting period	1 st of month after date of hire												
FLEXIBLE SPENDING ACCOUNTS <u>Medical/Dental Expense and Dependent/Child Care Assistance Reimbursement Plans</u> – Employee can set aside pre-tax dollars to pay for their out-of-pocket medical care expenses for employee and their dependents if not using the High Deductible Plan or to reimburse oneself for eligible dependent care expenses such as day care or elder care. Waiting Period	6 months												

**EMPLOYMENT AGREEMENT
EXHIBIT "A"
ERNIE B. MCNEELY**

EDUCATIONAL REIMBURSEMENT	
Reimbursement level	100%
Maximum reimbursement per year	\$1,600 (with a grade B or higher and must serve 1-year employment obligation)
RIDEECO VOUCHERS	
The RideECO program is a great way to save money on transportation costs and is available to anyone who takes public transportation to and from work. The program allows employers and commuters to save money by putting pre-tax dollars toward fares on public transportation. Employees may purchase <i>up to \$130.00</i> of RideECO vouchers per month on a pre-tax basis, meaning that you save on federal income tax and FICA (Social Security) taxes. RideECO is accepted by SEPTA, DART First State, NJ Transit, PATCO, and Amtrak. It is also accepted by central Pennsylvania transit agencies, including CAT, Red Rose, rabbittransit, LT, and BARTA. In addition, commuters may use RideECO vouchers on vRide, a vanpool provider. You use the RideECO vouchers to purchase tokens, transit tickets, or monthly passes. For more information on the program, visit their website at http://www.rideeco.org.	
OTHER OPTIONAL BENEFITS	
• Direct Deposit of paycheck • Employee Assistance Program (EAP) – 5 face-to-face visits with Health Management System • Health Advocate – employee assistance program offering free healthcare help to assist in finding the best doctors, navigate healthcare issues, untangle insurance claims, assist with eldercare issues, etc.	