

## EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”), is made as of the 2nd day of January 2024, by and between Kennett Square Borough (the “Borough”) whose principal place of business is 600 South Broad Street, Kennett Square, PA 19348, and Kyle B. Coleman (“Employee”) whose address is 210 N. Mill Road Kennett Square, PA 19348 (collectively referred to as the “Parties”).

### **WITNESSETH:**

WHEREAS, the Borough, by and through the Borough Council, desires to employ Employee as the duly appointed Borough Manager in accordance with the Pennsylvania Borough Code; and

WHEREAS, Employee agrees to perform the services of Borough Manager in accordance with the Pennsylvania Borough Code and Chapter 2, Article III, Sections 2-3 through 2-10 of the Code of Ordinances of Kennett Square Borough, as amended, and the terms set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged and, intending to be legally bound hereby, the parties hereto agree as follows:

1. **Employment Retention** The Borough hereby retains the employment of Employee as Borough Manager, and Employee hereby accepts employment based upon the terms and conditions hereinafter set forth, effective on the date this Agreement is fully executed and duly approved by Borough Council.
2. **Term; Termination.** The term of this agreement shall commence on the Effective Date as defined herein and shall continue in full force and effect until the Borough Council’s organizational meeting in January 2026 pursuant to 8 Pa.C.S.A. § 1142(b)(1).
3. **Effective Date.** The effective date of this Agreement shall be the date this Agreement is fully executed and duly approved by Council.
4. **At-Will Employment.** Employee understands that his employment is considered “at-will” in accordance with Pennsylvania law and that the terms of this Agreement shall not be construed as a guarantee of any duration of employment.
5. **Duties.** Employee shall perform the duties set forth in Chapter 2, Article III, Section 2-8 and 2-9 of the Code Ordinances of Kennett Square Borough, as amended, and other duties as assigned by Council from time to time. For as long as the Employee remains an employee of the Borough, substantially all of Employee’s working time, energy, skill and best efforts shall be devoted to the performance of his duties hereunder in a manner that furthers the business and interests of the Borough.

6. **Compensation; Hours of Work; Benefits.**

- A. **SALARY.** Commencing January 2, 2024, through the date this Agreement terminates pursuant to 8 Pa.C.S.A. § 1142(b)(1), Employee shall be paid an annualized salary of One Hundred Thirty-Seven One Hundred and Fifty Four Dollars (\$ 137,154.00) to be paid at the same payroll intervals as other Borough employees. Employee shall also receive annual cost of living increases consistent with the Borough's non-uniformed staff at the discretion of Council. As the position of Borough Manager is a salaried, managerial position, Employee is not entitled to overtime compensation and may not accumulate compensatory time.
- B. **HOURS OF WORK.** The Council expects Employee will provide the Borough with a minimum of forty (40) hours of work per week unless a vacation, personal day, sick leave, or holiday. It is recognized that the Manager, in the performance of his duties, will spend time above and beyond the normal business hours of the Borough. Deviations in the Manager's work schedule from these normal business hours are expected and acknowledged.
- C. **EMPLOYEE BENEFITS.**
1. **Medical Insurance, Prescription, Dental, Vision.**  
  
Employer agrees to provide and to pay the premiums for health, hospitalization, surgical, vision, dental and comprehensive medical insurance for the Employee and his dependents equal to that which is provided to all other non-uniformed employees of the Borough. The Employee shall be responsible for payment of premium contributions in an amount that is equal to the percentage paid by non-uniformed employees.
  2. **Paid Time Off (PTO).** Employee is entitled to a total of four weeks paid time off, which is available to Employee for vacation, personal or sick leave.
  3. **Pension Plan.** Employee will be enrolled in the Borough's Pension Plan through the Pennsylvania Municipal Retirement System ("PMRS"). Pursuant to the Pension Plan's requirements, Employee must contribute a minimum of 3% of his gross pay and may contribute an additional 17% of gross pay. Employee also has the option of contributing to a 457(b) plan in addition to being enrolled in the PMRS plan.
  4. **Holidays.** Employee is entitled to paid holidays in accordance with those recognized in any calendar year by the Borough.
  5. **Disability Insurance.** Employee may enroll in the Borough's disability insurance policy provided by the Borough.

6. Life Insurance. The Borough shall provide Employee with group life insurance equal to which is provided to other non-uniformed employees of the Borough.
7. Cellular Phone. The Borough will provide Employee with a smart phone at the Borough's expense. Employee may use the smart phone for Borough business and for personal use subject to the Borough's cell phone policies.
8. Use of Vehicle. Employee shall have the use of a Borough-owned vehicle for official purpose only.
9. Professional Development. Employer agrees to budget for and pay for expenses relating to seminars, conferences, and conventions related to the professional development of the Employee. Employee's participation in seminars, conferences, conventions, and professional development shall not interfere with the performance of the duties as Borough Manager.

10. Severance Pay

- a. Employee shall be entitled to receive severance pay equal to nine (9) months of his annual salary under the following circumstances:
  - i. This Agreement terminates by operation of Pennsylvania law and the Borough Council does not approve, extend and ratify this Agreement at the January 2026 re-organization meeting; or
  - ii. Borough Council terminates Employee without cause
- b. Employee shall not be entitled to severance pay under the following circumstances:
  - i. Council terminates Employee for cause; or
  - ii. Employee voluntarily resigns at any time

"For cause" is defined for the purposes of this Agreement as including Employee's performance that is deemed to be unsatisfactory to the Borough Council regarding assigned tasks as the Employee, and acts that include but are not limited to: violations of work rules; neglect of duty; acts of fraud; malfeasance of office; insubordination; or being charged with a felony or charged with a misdemeanor crime that involves moral turpitude.

No terms in this Agreement shall be deemed to prevent, limit, or otherwise interfere with the authority of Borough Council to terminate Employee's employment at any time for any lawful reason, with or without cause.

7. **Ethical Commitments.** Employee will at all times uphold the tenets of the ICMA Code of Ethics, and the Pennsylvania State Ethics Act, which is incorporated herein. Specifically, Employee shall not endorse candidates, make financial contributions, sign or circulate petitions, or participate in fund-raising activities for individuals seeking or holding elected office, nor seek or accept any personal enrichment or profit derived from confidential information or misuse of public time. Employer shall support Employee in keeping these commitments by refraining from any order, direction or request that would require Employee to violate the ICMA Code of Ethics. Specifically, neither the governing body nor any individual member thereof shall request Employee to endorse any candidate, make any financial contribution, sign or circulate any petition, or participate in any fund-raising activity for individuals seeking or holding elected office, nor to handle any matter of personnel on a basis other than fairness, impartiality and merit.
8. **Notice of Resignation.** In the event Employee voluntarily resigns, Employee agrees to provide Council with written notice of his resignation at least four weeks prior to the effective date of resignation. Employee understands and agrees that a failure to comply with this material term of the Agreement shall result in a forfeiture of any and all post-separation payments or benefits to which Employee is entitled pursuant to this Agreement.
9. **Governing Law.** This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania. Employee agrees that action brought under this Agreement shall be exclusively brought in the Chester Court of Common Pleas or the United States District Court for the Eastern District of Pennsylvania. Employee and Employer hereby irrevocably consents to the personal jurisdiction of the federal or state courts of the Commonwealth of Pennsylvania.
10. **Entire Agreement.** This Agreement constitutes the entire understanding and agreement between the parties and supersedes all prior agreements, understandings and communications between the parties with respect to the subject matter hereof, and no verbal or other statements, inducements or representations have been made or relied upon by any party. Except as otherwise specifically set forth in this Agreement, no amendment, modification or termination of this Agreement shall be valid or binding upon the parties unless in writing specifically referring to this Agreement and signed by the parties or a duly authorized representative of the parties hereto.
11. **No Assignments.** Neither this Agreement nor any of the provisions hereof may be assigned by Employee. Nothing in this Agreement, expressed or implied, is intended to confer any rights or obligations on any person other than the Parties, their respective successors and permitted assigns.
12. **Waivers.** No waiver of any breach or default of this Agreement or any provisions herein contained shall be deemed valid unless in writing and signed by the party giving such waiver. If any party fails to enforce any provision of this Agreement or to exercise any right hereunder or waives any such right, such failure or waiver shall not be construed as constituting a waiver of that party's right thereafter to enforce each and every provision of this Agreement in accordance with its terms. No extension for performance of any

obligation or act shall be deemed an extension of time for performance of any other obligations or acts.

13. **Severability.** It is understood and agreed by the parties hereto that the provisions of each of the paragraphs of this Agreement are independent of and severable from each other and if any provision or part thereof is held illegal, void or invalid under applicable law, such provision or part may be changed to the extent reasonably necessary to make the provision or part, as so changed, legal, valid or binding. If any provision of this Agreement is held illegal, void, or invalid in its entirety, the remaining provisions of this Agreement shall not in any way be affected or impaired, but shall remain binding in accordance with their terms and this Agreement shall be so interpreted.
14. **Definitions, Number and Gender.** Whenever in this Agreement words, including pronouns are used in the singular or plural, or masculine or feminine they may be read and construed in the plural or singular, or feminine or masculine, respectively, wherever they so apply.
15. **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be deemed given to a Party when delivered personally or when sent by United States Mail to the applicable address first set forth above (or such other address as a Party may hereinafter designate from time to time).

IN WITNESS WHEREOF, the parties, intending to be legally bound, state that they understand this agreement, enter into it freely, and have duly executed it below effective as of the date first written above.

**KENNETT SQUARE BOROUGH  
BOROUGH COUNCIL**

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Robert Norris, President

**BOROUGH MANAGER**

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Kyle B. Coleman