

## EMPLOYMENT AGREEMENT

**THIS EMPLOYMENT AGREEMENT** is entered into this \_\_\_\_ day of October, 2023, by and between the **LEELANAU COUNTY BOARD OF COMMISSIONERS** ("Board"), and **SEAN COWAN** ("Employee").

### WITNESSETH:

**WHEREAS**, the Board requires the services of a qualified person to serve as the Leelanau County Chief Financial Officer; and

**WHEREAS**, the Employee desires to provide such services and is qualified to perform the same.

**NOW, THEREFORE**, for and in consideration of the mutual covenants hereinafter contained, **IT IS HEREBY AGREED** between the parties as follows:

1. **Employment.** The Employee shall be employed as the Leelanau County Chief Financial Officer, upon the terms and conditions hereinafter set forth. It is expressly understood and agreed by the Board and the Employee that the Employee shall be an "at-will" employee of the Board. Either the Employee or the Board may terminate this Agreement with or without cause as provided below.

2. **Applicable Laws.** This Agreement is subject to all applicable laws bearing upon the parties and the subject matter of this Agreement and as such law may be in effect from time to time. In the event of a conflict between the provisions of this Agreement and such applicable law, such applicable law shall control.

3. **Duties.** The Employee shall perform such duties and responsibilities as required and directed by the Board and in accordance with the laws of the State of Michigan including MCL 141.421 et seq, and shall perform such other duties and functions as may be required.

4. **Term.**

A. The term of this Agreement shall be for one hundred twenty (120) days commencing on October 2, 2023, and continuing through December 31, 2023, unless terminated by either the Board or the Employee, with or without cause, upon thirty (30) calendar days prior written notice to the other party. Such notice shall not be required if the Employee is terminated by the Board for "just cause" as defined below. In the event the Board terminates the Employee during any part of the Agreement, without just cause, then the Employee shall continue to receive the salary indicated herein for a period of one hundred and twenty (120) calendar days from the date the Employee is notified of termination provided there is one hundred and twenty (120) days or more left of the contract term, or unless the Employee

is terminated for "just cause." For the purpose of this Agreement, "just cause" includes, but is not limited to:

1. Conviction of or pleading guilty to a felony;
2. Embezzlement;
3. Theft;
4. Misappropriation of funds;
5. Incompetence or neglect of duty;
6. Reporting to work or working in an intoxicated condition;
7. Illegal activity on the County's premises during work or non-work hours;
8. Violation of any part of this Agreement.

- B. In the event the Board terminates this Agreement for other than "just cause" as authorized herein, it shall have the option of either requiring the Employee to continue to perform services under this Agreement until the effective date of termination, or to require the Employee to cease employment and the performance of services at any time during the one hundred and twenty (120) calendar day notice period, provided there is one hundred and twenty (120) calendar days or more left of the contract term. If the Employee is required to cease employment and performance of services during the one hundred and twenty (120) calendar day notice period, the Employee shall continue to receive the salary and benefits set forth in this Agreement until the effective date of the termination, provided the Employee does not obtain other employment nor receive unemployment benefits during this period and provided that the Employee is not terminated for "just cause" as defined above. Should the Employee obtain other employment, or receive unemployment benefits, the salary and benefits shall cease upon the effective date of the receipt of such other employment or unemployment benefits.
- C. In the event the Employee's employment is terminated by the Board for "just cause" and the Employee disputes same, that dispute shall be submitted to binding arbitration in accordance with the Employment Dispute Resolution Rules established by the American Arbitration Association. The arbitrator shall have no authority to reinstate the Employee, to add to, subtract from, or modify this Agreement, nor provide the Employee any compensation or benefits in excess of those which are authorized under this Agreement. Further, the arbitrator shall have no authority to award compensation to the Employee for a period beyond the expiration of this Agreement which is currently December 31, 2023.
- D. Notwithstanding any contrary provisions in this contract, if the County Chief Financial Officer is totally disabled which renders him unable to perform his duties, the County may terminate this contract without any salary compensation requirements as noted in "A" above. Any dispute regarding

total disability shall be resolved by medical examination. The County reserves the right to require the County Chief Financial Officer, at the County's expense, if not covered by insurance, to take a physical or mental examination to determine if the County Chief Financial Officer is disabled as noted above. The physical or mental examination shall be given by a doctor selected by the County. If the County Chief Financial Officer is not satisfied with the determination of the designated physician of the County, he may submit a report from a doctor of his own choosing. If the dispute still exists, the designated physician of the County and the County Chief Financial Officer's doctor shall agree upon a third doctor to submit a report to the County and the County Chief Financial Officer, and the decision of such third party shall be binding on all the parties. The expense of the doctor shall be shared equally by the County and the County Chief Financial Officer if not covered by the County Chief Financial Officer's insurance. On the basis of that examination, the County may terminate the employment of the County Chief Financial Officer.

5. **Return of Property.** Upon termination of employment, the Employee shall return all documents, correspondence, files, papers or property of any kind, of all type or nature pertaining to the Board, which the Employee may possess or control, and shall sign a statement verifying return of such property. An authorized representative of the Board shall sign a statement acknowledging receipt of any Leelanau County property upon return of such property by the Employee.

6. **Compensation.**

A. Effective upon the execution of this Agreement, the Board shall pay, and the Employee shall receive, a salary of \$79,570.45 per annum, payable in equal installments at the same time as other county employees are paid, for services rendered pursuant to this Agreement. It is agreed between the parties that the Employee is exempt from the overtime provisions of the Federal Fair Labor Standards Act and that the Employee shall not be entitled to and shall not receive overtime compensation.

B. The Employer may increase the salary and any other benefits of the Employee in such amounts and to such extent as the Board may determine that it is desirable to do so. The Employer agrees to meet and discuss with the Employee annually potential salary adjustments.

7. **Fringe Benefits.** The Employee shall be entitled to the following fringe benefits:

A. To be credited with twenty-five (25) days' vacation on January 1st of each year, or prorated based on start date.

B. All other fringe benefits provided to non-union employees not in conflict with this contract.

8. **Insurance.** The County agrees that the County Chief Financial Officer shall be covered by liability insurance carried by the County for itself and its officers and employees covering the County Chief Financial Officer to the same extent as other County employees. The requirements of this paragraph may be met through a self-insurance pool or fund.

9. **Professional Development.** The Employee may attend, with prior Board approval, professional meetings at the local, state and national level, the reasonable expenses of such attendance to be paid by the Board, as long as it is in the County budget and for the good of the County.

10. **Non-Discrimination.** The Employee, as required by law, shall not discriminate against any person seeking services from the County or against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or matters directly or indirectly related to employment because of physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position, or because of race, color, height, weight, marital status, religion, national origin, age, or sex. Breach of this covenant may be regarded as a material breach of this Agreement and just cause for termination.

11. **Employee's Best Efforts.** The Employee agrees that all services required by this Agreement will be performed faithfully and to the best of the Employee's ability, experience, and talents. The Employee shall report to the Board and such other representatives as may be designated by the Board.

12. **Outside Employment.**

- A. The Employee shall not engage in any employment or business outside of this Agreement, except when approved in advance by the Chairperson of the Board and under the following circumstances:
1. Not use the County's facilities as a source of referral for private customers or clients.
  2. Not be engaged in outside employment during the Employee's regular working hours.
  3. Not use the County's supplies, facilities, staff or equipment in conjunction with any outside or supplemental employment.
  4. Maintain a clear separation of outside or supplemental employment from activities performed for the County.
  5. Not cause any conflict of interest, or any possible appearance of conflict of interest, or any impairment of the independent and impartial performance of the Employee's duties.

B. The Board and County shall not be liable, either directly or indirectly, for any activities performed during outside or supplemental employment.

13. **Compliance with the Law.** The Employee shall perform all duties and obligations hereunder in complete compliance with all applicable federal, state and local laws, ordinances, rules and regulations.

14. **Complete Agreement.** This Agreement constitutes the complete agreement concerning the employment arrangement between the parties and shall, as of the effective date hereof, supersede any and all prior contracts, oral or written, between the parties, if any. It is understood and agreed that this Agreement shall supersede and take precedence over any other document, handbook, benefit plan or material which could otherwise be construed as being contractual in nature, whether in existence prior to, currently or subsequent to the execution of this Agreement, unless such other document, handbook, plan or material is made expressly applicable to the Employee by this Agreement or by formal action of the Board. It is further understood that no Board personnel has authority to enter into any employment contract with the Employee for any specified period of time, or to make any agreement contrary to the provisions herein, except when the same is approved by a formal action of the Board.

15. **Applicable Law.** This Agreement shall be construed according to the laws of the State of Michigan.

16. **Waivers.** No failure or delay on the part of either of the parties to this Agreement in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall a single or partial exercise of any right, power or privilege preclude any other or further exercise of any other right, power or privilege.

17. **Assignment or Subcontracting.** The Employee may not assign, subcontract or otherwise transfer any duties and/or obligations under this Agreement.

18. **Modification of Agreement.** Modifications, amendments or waivers of any provisions of this Agreement may be made only by the written mutual consent of the parties hereto.

19. **Disregarding Titles.** The titles of the sections set forth in this Agreement are inserted for the convenience of reference only and shall be disregarded when construing or interpreting any of the provisions of this Agreement.

20. **Invalid Provisions.** If any provision of this Agreement is held to be invalid, the remainder of the agreement shall not be affected thereby, except where the invalidity of the provision would result in the illegality and/or unenforceability of this Agreement.

21. **Certification.** The persons signing this Agreement on behalf of the parties hereto certify by their signatures that they are duly authorized to sign this Agreement on behalf of said parties and that this Agreement has been authorized by said parties.

**IN WITNESS WHEREOF**, the authorized representatives of the parties hereto have fully executed this Agreement on the day and year first above written.

**WITNESSED BY:**

**LEELANAU COUNTY BOARD  
OF COMMISSIONERS**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ty Wessell, Board Chairperson

**EMPLOYEE**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Sean Cowan

UNIFORM BUDGETING AND ACCOUNTING ACT (EXCERPT)  
Act 2 of 1968

**141.421 Uniform charts of accounts for local units; design; conformity to uniform standards; maintenance of local unit accounts; publication of standard operating procedures and forms; assistance, advice, or instruction; inadequacy of local unit; report; services of certified public accountant or state treasurer; expenses; payment; contract; monthly billings.**

Sec. 1. (1) The state treasurer shall prescribe uniform charts of accounts for all local units of similar size, function, or service designed to fulfill the requirements of good accounting practices relating to general government. Such chart of accounts shall conform as nearly as practicable to the uniform standards as set forth by the governmental accounting standards board or by a successor organization that establishes national generally accepted accounting standards and is determined acceptable to the state treasurer. The official who by law or charter is charged with the responsibility for the financial affairs of the local unit shall insure that the local unit accounts are maintained and kept in accordance with the chart of accounts. The state treasurer may also publish standard operating procedures and forms for the guidance of local units in establishing and maintaining uniform accounting.

(2) A local unit may request the state treasurer to provide assistance, advice, or instruction in establishing or maintaining the uniform chart of accounts required by subsection (1).

(3) The state treasurer may provide assistance, advice, or instruction to a local unit to establish or maintain the uniform chart of accounts required by subsection (1) based on information from 1 or more of the following sources:

(a) Disclosure by the certified public accountant or the department of treasury in an audit report required by section 5 or 6 that the local unit has failed to establish or maintain the uniform chart of accounts required by subsection (1).

(b) Disclosure by the department of treasury in a special examination report that the local unit has failed to establish or maintain the uniform chart of accounts required by subsection (1).

(c) Disclosure in an audit report issued under section 5 or 6 that the records of the local unit are not auditable because the local unit has failed to establish or maintain the uniform chart of accounts required by subsection (1).

(d) Disclosure from another state agency.

(e) Department of treasury records indicate that the audit required under section 5 has not been performed or filed and is delinquent, and that the local unit is subject to the provisions of section 21 of the Glenn Stell state revenue sharing act of 1971, 1971 PA 140, MCL 141.921.

(4) The state treasurer, in performing the services under subsection (2) or (3), may make a determination that the local unit cannot adequately establish or maintain the uniform chart of accounts without additional assistance, advice, or instruction from the state treasurer. The state treasurer shall submit a written report of the findings and recommendations to the governing body of the local unit. The local unit shall retain, within 90 days after receipt of this report, the services of a certified public accountant or the state treasurer to perform the needed additional services and shall notify, by resolution of the governing body, the state treasurer of such action. Upon failure of the local unit to respond within the 90-day period, the state treasurer shall perform the necessary services to adequately establish or maintain the uniform chart of accounts.

(5) The state treasurer shall charge reasonable and necessary expenses, including per diem and travel expenses, to the local unit for services performed pursuant to subsections (2), (3), and (4), and the local unit shall make payment to the state treasurer for these expenses. The state treasurer shall execute a contract with the local unit or provide monthly billings if a contract is not executed.

History: 1968, Act 2, Imd. Eff. Feb. 20, 1968;—Am. 1982, Act 451, Imd. Eff. Dec. 30, 1982;—Am. 2000, Act 493, Imd. Eff. Jan. 11, 2001.