



Town of Monterey
302 Commercial Ave
Monterey, TN 38574
Phone: (931)839-3770

THIS AGREEMENT was made and effective into as of the 3rd day of August 2026, by and between the TOWN OF MONTEREY, a municipal corporation, (hereinafter referred to as "the Town"); and RAFFERTY CLEARY (hereinafter referred to as "Mr. Cleary" or the "Town Administrator").

WITNESSETH:

WHEREAS, Municipal Code of the TOWN OF MONTEREY (hereinafter "The Municipal Code") provides that a Town Administrator shall be the chief administrative officer of the Town and he shall be responsible to the board of mayor and Alderman for the administration of all City affairs placed in his charge by or under the Charter and/or the Municipal Code;

WHEREAS the Charter provides that the board may appoint a Town Administrator based on his executive and administrative qualifications to serve at the will of the board, and that the board shall fix the compensation of the Town administrator;

WHEREAS the board has unanimously selected Mr. Cleary for appointment as Town Administrator, and Mr. Cleary has accepted such appointment upon terms agreed to by both Parties;

WHEREAS the Town and the Town Administrator desire to enter into a written agreement memorializing the terms of their relationship and assuring a continuous and harmonious management of the affairs of the Town in the event the relationship should cease to exist.

NOW, THEREFORE, for and in consideration of the mutual promises and the benefits to be derived there from, the Town and Town Administrator agree as follows:

1. **Contract.** The Town has hereby appointed Mr. Cleary as its Town Administrator, and Mr. Cleary accepts such appointments.
2. **Effective Date.** The effective date of this agreement will be August 3, 2026.
3. **Term.** The contract of the Town Administrator will continue indefinitely until terminated by either the Town or the Town Administrator as provided in Sections 11 or 12 of this Agreement.
4. **Duties.** The Town Administrator is a full-time position of the Town, will discharge and perform to the best of his ability the lawful duties and responsibilities of



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Town Administrator as established by the Municipal Code and applicable law, and as may be assigned to him by the Town acting through a majority of its board.

5. **Compensation -- Base Salary.** For his professional services to the Town, the Town will pay the Town Administrator the following compensation:

(a) An annual base salary of eighty thousand (\$80,000.00), payable in equal biweekly installments.

(b) This Agreement will be deemed to have been amended automatically to reflect any salary adjustments that are made to the base salary of the Town Administrator with the approval of the fiscal budget each year.

6. **Health, Disability and Life Insurance Benefits.**

(a) The Town will provide the Town Administrator and his dependents with all the health and dental insurance benefits which are provided for regular, full-time employees of the Town on the same terms that these benefits are made available to such employees. Upon the effective date of his contract, the Town Administrator and his qualified dependents will be allowed to participate in the Town's health insurance plan with no lapse in coverage.

(b) The Town will provide other benefits to the Town Administrator in an amount equal to that provided to other regular, full-time employees.

7. **Vacation, Sick, and Executive Leave.**

(a) The Town Administrator will accrue vacation leave and sick leave on an annual basis at the highest rate provided by the Town to its other regular, full-time employees.

(b) The Town Administrator will be paid for all unused vacation and sick leave which has accrued to the date of termination of contract as allowed for other regular, full-time employees.

8. **Retirement Benefits.** The Town Administrator will be entitled to participate in the Town's retirement plan on the same terms that these benefits are provided for regular, full-time employees of the Town.

9. **General Business Expenses.**

(a) The Town will pay such professional dues and subscriptions reasonably incurred by the Town Administrator for his continuation and full participation in national, regional, state and local associations and organizations which are desirable for the



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Town Administrator's professional participation, growth and advancement and which benefit the Town.

(b) The Town will pay or reimburse the Town Administrator for such expenses he may reasonably incur on behalf of the Town or in the performance of his official duties. Reimbursement will follow the customary format for any other reimbursement issued by the Town.

10. Communications Allowance. The Town will provide the Town Administrator with the appropriate communication tools to meet the needs of customary communication associated with the effective operation of the Town.

11. Termination. For the purposes of this Agreement, a termination of the Town Administrator shall occur upon the happening of any one or more of the following:

(a) It takes 2/3 of the board vote to terminate the contract of the Town Administrator at a duly authorized public meeting.

(b) If the Charter, Municipal Code, or applicable state law relating to the role, powers, duties, authority or responsibilities of the office of Town Administrator is amended in such a manner that changes the Town's form of government so as to substantially diminish the office of Town Administrator, then the Town Administrator will have the right to declare that such amendments constitute a termination.

12. Resignation. Should the Town Administrator elect to resign his employment, he will give the Town at least thirty (60) days' written notice of his intention to do so.

13. Hours of Work. It is recognized that the Town Administrator will devote a significant amount of time outside the normal office hours to the performance of his duties for the Town, and the Town Administrator will be allowed to establish an appropriate work schedule consistent with the professional nature of his employment.

14. Indemnification.
(a) To the fullest extent permitted by law, the Town will defend, save harmless and indemnify the Town Administrator against any tort, professional liability claim, demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of the Town Administrator's duties as Town Administrator or resulting from the exercise of his judgment or discretion in connection with the performance of his duties, unless the act or omission involved willful or wanton conduct. The Town Administrator may request, and the Town will not unreasonably refuse to provide in appropriate situations, independent legal



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representation for the Town Administrator at the Town's expense. Legal representation provided by the Town for the Town Administrator will continue until a final determination of the legal action including any appeals brought by either party. The Town will further indemnify the Town Administrator against any and all losses, damages, judgments, interest, settlements, fines, court costs and other reasonable costs and expenses of legal proceedings, including reasonable attorney's fees, and any other liabilities incurred by, imposed upon, or suffered by the Town Administrator in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of his or her duties, unless the act or omission involved willful or wanton conduct. Any settlement of a claim against the Town Administrator must be made with prior approval of the Town in order for the indemnification as provided in this Section to be available.

(b) The Town Administrator recognizes that the Town will have the right to compromise and settle claims and litigation and, unless the Town Administrator is a party thereto in which event the any such compromise and settlement will require the approval of the Town Administrator, the Town may compromise and settle any claim or litigation unless such compromise and settlement is of a personal nature to the Town Administrator. The Town will pay all reasonable litigation expenses incurred by the Town Administrator throughout the pendency of any litigation to which the Town Administrator is a party, witness or advisor to the Town. The Town's obligation to pay such expenses will continue beyond the Town Administrator's employment with the Town as long as the litigation is pending.

(c) After the Town Administrator's employment with the Town terminates, the Town Administrator, if requested to do so by the Town, will assist the Town in any litigation involving the Town, including returning to the Town if requested, to testify or otherwise participate in such litigation. In such event, the Town will reimburse the Town Administrator for reasonable expenses incurred by him for travel and subsistence and will pay the Town Administrator reasonable compensation for his post-employment services for the Town.

15. Bonding. The Town will pay for any fidelity, surety or other bonds which may be required by the Town Administrator.

16. Other Terms and Conditions of Employment. Upon agreement of the Town and the Town Administrator, the Town may from time to time establish such other terms and conditions of employment as the Town Administrator.

17. Miscellaneous.



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(a) This Agreement sets forth and establishes the entire understanding between the Town and the Town Administrator concerning the employment relationship of the parties. All prior discussions or representations by or between the parties have been merged into this Agreement. The parties by mutual written agreement may amend any provision of this Agreement during its term. Any such amendments shall be incorporated into and made a part of this Agreement.

(b) This Agreement will be binding on the Town, and its successors, and on the Town Administrator, and his heirs and personal representatives.

(c) This Agreement will become effective upon its execution by each party following its approval by the Town's board which effective date will be written at the top of the first page of this Agreement.

(d) This Agreement and the relationship of the parties will be governed and construed under the laws of the State of Tennessee.

(e) The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. Should a court of competent jurisdiction hold any provision of this Agreement to be invalid, the remaining provisions will be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

IN WITNESS WHEREOF, the parties have affixed their respective signatures as of the 3 day of August 2026 first above written.

TOWN OF MONTEREY

By: _____
Mayor Alex Garcia

ATTEST:
(Duly approved by the Board of the
TOWN OF MONTEREY on Aug 3, 2026)

Town Recorder



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Rafferty Cleary