

**CITY OF CLINTON
REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN
TUESDAY, FEBRUARY 20, 2007 – 7:00 P.M.
MUNICIPAL COURTROOM - 305 MONROE STREET**

WELCOME AND CALL TO ORDER – Mayor Rosemary Aultman

INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG

The invocation was led by Mayor Aultman followed by the Pledge of Allegiance to the Flag led by Alderman Barnett.

ROLL CALL – City Clerk, Russell Wall

Present: Jehu Brabham – Alderman-at-Large
 Tony Hisaw – Alderman Ward 1
 Tony Greer - Alderman Ward 2
 Phil Fisher – Alderman Ward 4
 Mike Morgan – Alderman Ward 5
 William Barnett – Alderman Ward 6

Absent: Mike Bishop – Alderman Ward 3

RECONGNITIONS:

Mr. Willie Robinson was presented with a plaque from Mayor Aultman recognizing his 30th anniversary with The City of Clinton.

Police Chief Don Byington and the Clinton Police Department were commended by Dr. Tommye Henderson, Superintendent of the Clinton Public School District, for the police department's investigation into the recent break in, vandalism, robbery of the Clinton Jr. High School and the apprehension of the suspects.

APPROVAL OF AGENDA ITEMS A-W

MOTION made by Alderman Fisher and **SECONDED** by Alderman Brabham to approve Consent Agenda Items A-W. Item C will serve to advertise favorably the opportunities, possibilities and resources of The City of Clinton. **MOTION CARRIED UNANIMOUSLY**

REAPPOINTMENT OF KATHY PEACE TO THE PLANNING AND ZONING COMMISSION

Upon presentation and **MOTION** made by Phil Fisher, Alderman Ward 4, and **SECONDED** by Alderman Greer to approve the reappointment of Kathy Peace to the Planning and Zoning Commission for a 3 year term. **MOTION CARRIED UNANIMOUSLY**

ABANDONING A PORTION OF MT. SALUS RIGHT OF WAY

Upon presentation by Ken Dreher, City Attorney, **MOTION** made by Alderman Greer and **SECONDED** by Alderman Barnett to direct the City Attorney and the City Engineer to secure all necessary title work, easements and related matters to allow the Mayor and Board of Aldermen to properly consider and take action on the request of Morrison Heights Baptist Church to abandon the right of way of Mt. Salus Drive at the location where said right of way enters the property of the church. **MOTION CARRIED UNANIMOUSLY**

RESOLUTION TO CLOSE VERNON ROAD AT THE KANSAS CITY SOUTHERN RAILROAD RIGHT OF WAY

Upon presentation by Ken Dreher, City Attorney, **MOTION** made by Alderman Brabham and **SECONDED** by Alderman Greer to approve a resolution to close Vernon Road at the Kansas City Southern Railroad Right of Way. Mr. Willie Chappel, 101 Warrenton Road, spoke against this resolution. A copy of the resolution is attached. **MOTION CARRIED 5-1 WITH ALDERMAN HISAW VOTING "NO"**

SUMMARY CHANGE ORDER FOR PARKER DRIVE WATER LINE REPLACEMENT

Upon presentation by Richard Broome, City Engineer, **MOTION** made by Alderman Fisher and **SECONDED** by Alderman Brabham to approve a summary change order for Parker Drive water line replacement by a deduction of \$10,891.50. A copy of the change order is attached. **MOTION CARRIED UNANIMOUSLY**

BOND RESOLUTION FOR TAX INCREMENT LIMITED OBLIGATION BONDS (SPRINGRIDGE CROSSING PROJECT), 2007

Upon presentation by Bob Woods with Harris, Geno & Associates, **MOTION** made by Alderman Greer and **SECONDED** by Alderman Fisher to approve a resolution authorizing and directing the issuance of the first series of Tax Increment Limited Obligation Bonds (Springridge Crossing Project), 2007, of The City of Clinton, MS, in the principal amount of four hundred eighty-five thousand and five hundred dollars (\$485,000) to raise money for the purpose of providing funds necessary to defray the cost of constructing various infrastructure improvements in connection with the construction of the Springridge Crossing Project, including but not limited to, installation and/or relocation of utilities such as water, sanitary sewer and natural gas lines; construction of drainage improvements; construction of roadways with curb and gutter; asphalt overlay; landscaping of right of way; related professional fees; capitalization interest; other related soft costs; and cost of issuance of the bonds, which project is undertaken in connection with the construction of a Home Depot Store, 30,000+square feet of additional retail space, and 1.9 acres of outparcel development located on approximately 22 acres of land in the northeast quadrant of the intersection of Interstate-20 and Springridge Road in The City of Clinton, MS. A copy of the resolution is attached. **MOTION CARRIED UNANIMOUSLY**

EXECUTIVE SESSION

MOTION made by Alderman Greer and **SECONDED** by Alderman Fisher to consider entering into executive session for the purpose of discussing ongoing litigation issues. **MOTION CARRIED UNANIMOUSLY**

MOTION made by Alderman Greer and **SECONDED** by Alderman Brabham to enter into executive session for the purpose of discussing ongoing litigation issues. **MOTION CARRIED UNANIMOUSLY**

The Mayor and Board of Aldermen entered into executive session at 7:43 p.m. Also present in executive session were City Attorney Ken Dreher, Police Chief Don Byington and City Clerk Russell Wall. A discussion of a legal matter occurred during executive session. No action was taken during executive session. **MOTION** made by Alderman Brabham and **SECONDED** by Alderman Fisher to exit executive session. **MOTION CARRIED UNANIMOUSLY.** The Mayor and Board of Aldermen exited executive session at 8:22 p.m.

ADJOURN 8:23 P.M.

MOTION made by Alderman Brabham and **SECONDED** by Alderman Greer to adjourn.
MOTION CARRIED UNANIMOUSLY

APPROVED:

Rosemary A. Aultman
Rosemary Aultman, Mayor

March 1, 2007
Date

ATTEST:

Carol Warren Deputy Clerk
Russell L. Wall, City Clerk

March 1, 2007
Date

FEB 20 2007

CITY OF CLINTON AGENDA ITEM FACT SHEET

CITY OF CLINTON

BOARD MEETING DATE: February 20, 2007

AGENDA ITEM NO. 7

CONSENT AGENDA:

TO:

FOR:

ACCT. NO.

DISCUSSION/ACTION: Kathy Peace re- appointment to P&Z Commission

INTRODUCED BY: Phil Fisher, Alderman Ward 4

TELEPHONE:

EXHIBITS FOR REVIEW:Minutes
Ordinance
ResolutionInvoice
Plans, Maps
ContractOther:

RECOMMENDATION:

BOARD ACTION:MOTION MADE BY: FisherSECONDED BY: GreerVOTE CAST:"AYE""NAY"ACTION TAKEN:Brabham
Hisaw
Greer
Bishop
Fisher
Morgan
Barnett✓
✓
✓
A
✓
✓
✓_____

Mayor Aultman

AGENDA ITEMS MUST BE TURNED IN TO THE CITY CLERK WITH ALL ATTACHMENTS NO LATER THAN 5 P.M. ON THE WEDNESDAY PRECEEDING THE TUESDAY BOARD MEETING TO BE INCLUDED ON THE AGENDA. THIS DEADLINE WILL BE STRICTLY ENFORCED.

FEB 20 2007

CITY OF CLINTON AGENDA ITEM FACT SHEET OF CLINTON

BOARD MEETING DATE: FEBRUARY 20, 2007

AGENDA ITEM NO. 8

CONSENT AGENDA: \$

TO:

FOR:

ACCOUNT NO:

INTRODUCED BY:

DISCUSSION/ACTION: Abandoning a Portion of Mt. Salus Right of Way

INTRODUCED BY: Ken Dreher, City Attorney

BOARD ACTION:MOTION MADE BY: GreerSECONDED BY: BarnettVOTE CAST:"AYE""NAY"ACTION TAKEN:

Brabham

✓

Hisaw

✓

Greer

✓

Bishop

A

Fisher

✓

Morgan

✓

Barnett

✓

Mayor Aultman

AGENDA ITEMS MUST BE TURNED IN TO THE CITY CLERK WITH ALL ATTACHMENTS NO LATER THAN 5 P.M. ON THE WEDNESDAY PRECEEDING THE TUESDAY BOARD MEETING TO BE INCLUDED ON THE AGENDA. THIS DEADLINE GIVES THE CLERK TIME TO PREPARE THE AGENDA AND ALSO TO COPY THE AGENDA. PLEASE REMEMBER ALL OF THIS TAKES SOME TIME AND THIS IS WHY WE HAVE THIS DEADLINE. THANKS.

Russell Wall

From: <KENNETHRDREHER@aol.com>
To: <RWALL@CLINTONMS.ORG>
Sent: Wednesday, February 21, 2007 8:38 AM
Subject: AGENDA ITEM 8

MOTION BY ALDERMAN GREER SECOND BY ALDERMAN BARNETT TO DIRECT THE CITY ATTORNEY AND THE CITY ENGINEER TO SECURE ALL NECESSARY TITLE WORK, EASEMENTS AND RELATED MATTERS TO ALLOW THE MAYOR AND BOARD OF ALDERMEN TO PROPERLY CONSIDER AND TAKE ACTION ON THE REQUEST OF MORRISON HEIGHTS BAPTIST CHURCH TO ABANDON THE RIGHT OF WAY OF MT SALUS DRIVE AT THE LOCATION WHERE SAID RIGHT OF WAY ENTERS THE PROPERTY OF THE CHURCH.

[Check out free AOL](#). Most comprehensive set of free safety and security tools, millions of free high-quality videos from across the web, free AOL Mail and much more.

2/21/2007

FEB 20 2007

CITY OF CLINTON AGENDA ITEM FACT SHEET **CLINTON**

BOARD MEETING DATE: FEBRUARY 20, 2007

AGENDA ITEM NO. 9.

CONSENT AGENDA: \$

TO:

FOR:

*Mr. Willie Chappel spoke against
this resolution.*

ACCOUNT NO:

INTRODUCED BY:

DISCUSSION/ACTION: Closure of Vernon Road at Railroad R.O.W. as Required by
MDOT & KCSSR

INTRODUCED BY: Ken Dreher, City Attorney

BOARD ACTION:MOTION MADE BY: BrabhamSECONDED BY: ~~Mr. Green~~ GreenVOTE CAST:"AYE""NAY"ACTION TAKEN:

Brabham

✓

Hisaw

✓

Greer

✓

Bishop

✓

A

Fisher

✓

Morgan

✓

Barnett

✓

Mayor Aultman

✓

AGENDA ITEMS MUST BE TURNED IN TO THE CITY CLERK WITH ALL ATTACHMENTS NO LATER THAN 5 P.M. ON THE WEDNESDAY PRECEEDING THE TUESDAY BOARD MEETING TO BE INCLUDED ON THE AGENDA. THIS DEADLINE GIVES THE CLERK TIME TO PREPARE THE AGENDA AND ALSO TO COPY THE AGENDA. PLEASE REMEMBER ALL OF THIS TAKES SOME TIME AND THIS IS WHY WE HAVE THIS DEADLINE. THANKS.

FEB 20 2007

CITY OF CLINTON

**RESOLUTION BY THE MAYOR AND BOARD OF ALDERMEN
OF THE CITY OF CLINTON TO CLOSE VERNON ROAD AT THE
KANSAS CITY SOUTHERN RAILROAD RIGHT OF WAY**

WHEREAS, the City of Clinton, MDOT and the Kansas City Southern Railroad have entered into discussions to have a "Quiet Zone" established along the Kansas City Southern Railroad Right of Way within the city limits; and,

WHEREAS, the establishment of the "Quiet Zone" requires enhancement of several railroad crossings within the City and the closing of Vernon Road at the railroad right of way; and,

WHEREAS, the Vernon Road crossing was identified by the MDOT Rails Division as meeting a series of criteria it considers for closure, including poor sight distance resulting from the steep grade at the south side of the crossing, the presence of an alternate crossing nearby (Monroe Street), the low number of vehicles that cross at that location and that the Vernon Road crossing is also listed in the top 5% most dangerous public at-grade rail crossings in the State of Mississippi; and,

WHEREAS, MDOT Rail Division has reviewed accident data from the Federal Railroad Administration and determined the dangerous nature of the Vernon Road crossing including the occurrence of an accident with injuries as recently as June 11, 2006; and,

WHEREAS, MDOT has determined that upgrading the Vernon Road crossing would exceed the funds it has available and would not resolve the existing safety issues of this crossing; and,

BOARD APPROVED

FEB 20 2007

CITY OF CLINTON

WHEREAS, a public hearing was held on October 23, 2006, to discuss the proposed closing of the Vernon Road crossing and the public had an opportunity to comment on this matter.

NOW, THEREFORE, after consideration of all public comments, the Quiet Zone requirements and the public safety issue, the Mayor and Board of Aldermen hereby determine that it is in the public interest to close the Vernon Road Crossing, the Mayor and Board of Aldermen specifically finding that all abutting landowners have reasonable access to alternative routes of travel.

A Motion for adoption was made by Alderman Brabham and seconded by Alderman Greer and the foregoing Resolution having been first reduced to writing, and no request being made by the Mayor or any member of the Board of Aldermen that the Ordinance be read by the City Clerk, before any vote was taken, it was submitted to the Board of Aldermen for the passage or rejection on roll call vote upon the vote being as follows, to-wit:

Alderman Brabham: yes

Alderman Hisaw: no

Alderman Greer: yes

Alderman Bishop: absent

Alderman Fisher: yes

BOARD APPROVED

FEB 20 2007

CITY OF CLINTON

Alderman Morgan: *yes*

Alderman Barnett: *yes*

Whereupon the Mayor declared the Resolution approved and adopted, this the
20th day of February 2007.

CITY OF CLINTON, MISSISSIPPI

By: *Rosemary G. Aultman*
Rosemary Aultman, Mayor

ATTEST:

By: *Russell Wall*
RUSSELL WALL, City Clerk

RESOLUTION-CLOSING VERNON RD
02/20/07-JBELL

FEB 20 2007

CITY OF CLINTON

CITY OF CLINTON AGENDA ITEM FACT SHEET

BOARD MEETING DATE: February 20, 2007

AGENDA ITEM NO. 10.

CONSENT AGENDA: \$

TO:

FOR:

ACCOUNT NO.:

INTRODUCED BY:

DISCUSSION/ACTION: Summary Change Order for Parker Drive Water Line Replacement

INTRODUCED BY: Richard L. Broome, P.E.

BOARD ACTION:MOTION MADE BY: FisherSECONDED BY: BrabhamVOTE CAST:"AYE""NAY"ACTION TAKEN:

Brabham

✓

Hisaw

✓

Greer

✓

Bishop

A

Fisher

A

Morgan

✓

Barnett

✓

Mayor Aultman

✓

AGENDA ITEMS MUST BE TURNED IN TO THE CITY CLERK WITH ALL ATTACHMENTS NO LATER THAN 5 P.M. ON THE WEDNESDAY PRECEEDING THE TUESDAY BOARD MEETING TO BE INCLUDED ON THE AGENDA. THIS DEADLINE GIVES THE CLERK TIME TO PREPARE THE AGENDA AND ALSO TO COPY THE AGENDA. PLEASE REMEMBER ALL OF THIS TAKES SOME TIME AND THIS IS WHY WE HAVE THIS DEADLINE. THANKS.



WILLIFORD, GEARHART & KNIGHT, INC.
ENGINEERS & SURVEYORS

BOARD APPROVED

FEB 20 2007

CITY OF CLINTON

PRINCIPALS
Charles H. Williford, P.E., P.S.
Gregory A. Gearhart, P.E., D.E.E.
Jeffery T. Knight, P.E.
Billy W. Owen, P.E.
Michael K. McKenzie, P.E.
John C. Perry, P.E.

February 8, 2007

Mr. Richard Broome, P.E.
City Engineer
City of Clinton
300 Jefferson Street
Clinton, MS 39060

RECEIVED
FEB 08 2007
CITY OF CLINTON
ENGINEERING DEPARTMENT

Re: Summary Change Order
Parker Drive Water Line Replacement
City of Clinton
WGK #E04-215 (C4.5)

Mr. Broome:

I am enclosing three original summary change orders to the contract for the Parker Drive Water Line Replacement. I have reviewed the work and quantities, and recommend the acceptance of this change order. If you concur, please sign and date the appropriate lines and return to our office.

Should you have any questions regarding this summary change order, please contact me or Greg Gearhart.

Sincerely,
WILLIFORD, GEARHART & KNIGHT, INC.

Bill Wall

Bill Wall, P.E.

Attachments

BOARD APPROVED SUMMARY CONTRACT CHANGE ORDER

		CURRENT CONTRACT AMOUNT AS BID AND AWARDED				FINAL CONTRACT AMOUNT PER INSTALLED QUANTITIES			
ITEM NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	CURRENT CONTRACT	INSTALLED QUANTITY	CHANGE IN QUANTITY	CHANGE IN CONTRACT	FINAL CONTRACT AMOUNT
1	12" C900 PVC DR18	1750.0	LF	\$ 28.50	\$ 49,875.00	1731.0	(19.0)	\$ (541.50)	\$ 49,333.50
2	8" C900 PVC DR18	1450.0	LF	\$ 20.00	\$ 29,000.00	1488.0	38.0	\$ 760.00	\$ 29,760.00
3	12" GATE VALVE W/BOX	7.0	EA	\$ 1,160.00	\$ 8,120.00	6.0	(1.0)	\$ (1,160.00)	\$ 6,960.00
4	8" GATE VALVE W/BOX	2.0	EA	\$ 640.00	\$ 1,280.00	1.0	(1.0)	\$ (640.00)	\$ 640.00
5	6" GATE VALVE W/BOX	4.0	EA	\$ 350.00	\$ 1,400.00	4.0	0.0	\$ -	\$ 1,400.00
6	FIRE HYDRANT ASSEMBLY W/GATE VALVES	5.0	EA	\$ 2,100.00	\$ 10,500.00	5.0	0.0	\$ -	\$ 10,500.00
7	STREET BORE - 18" STEEL CASING	80.0	LF	\$ 107.00	\$ 8,560.00	0.00	(80.0)	\$ (8,560.00)	\$ -
8	STREET BORE - 14" STEEL CASING	120.0	LF	\$ 85.00	\$ 10,200.00	0.0	(120.0)	\$ (10,200.00)	\$ -
9	DRIVEWAY BORE - BORE & JACK (18@18')	254.0	LF	\$ 75.00	\$ 19,050.00	448.0	194.0	\$ 14,550.00	\$ 33,600.00
10	SIDEWALK BORE (5@4')	20.0	LF	\$ 60.00	\$ 1,200.00	20.0	0.0	\$ -	\$ 1,200.00
11	WATER SERVICE / NO BORE	22.0	EA	\$ 465.00	\$ 10,230.00	20.0	(2.0)	\$ (930.00)	\$ 9,300.00
12	WATER SERVICE / STREE BORE (26@80')	2080.0	LF	\$ 17.50	\$ 36,400.00	0.0	(2080.0)	\$ (36,400.00)	\$ -
13	TIE TO EXISTING (LINDALE CIRCLE)	1.0	EA	\$ 2,500.00	\$ 2,500.00	1.00	0.0	\$ -	\$ 2,500.00
14	TIE TO EXISTING (LISI LANE & SANDRA COVE)	2.0	EA	\$ 3,250.00	\$ 6,500.00	2.0	0.0	\$ -	\$ 6,500.00
15	TIE TO EXISTING (CARDINAL LANE)	1.0	EA	\$ 2,500.00	\$ 2,500.00	1.0	0.0	\$ -	\$ 2,500.00
16	TIE TO EXISTING (PARKER DR @ OLD VICKSBURG RD)	1.0	EA	\$ 2,500.00	\$ 2,500.00	0.0	(1.0)	\$ (2,500.00)	\$ -
17	REMOVAL OF EXISTING HYDRANTS (SALVAGE TO CITY)	5.0	EA	\$ 300.00	\$ 1,500.00	5.0	0.0	\$ -	\$ 1,500.00
18	EROSION CONTROL	1.0	LS	\$ 3,000.00	\$ 3,000.00	1.0	0.0	\$ -	\$ 3,000.00
19	CRIVE/SIDEWALK REPLACEMENT	1.0	LS	\$ 2,000.00	\$ 2,000.00	1.0	0.0	\$ -	\$ 2,000.00
TOTAL BASE BID W/ALTERNATES					\$ 206,315.00				
ADDED ITEMS									
20	TIE TO EXISTING (PARKER DR @ OLD VICKSBURG RD)		EA	\$ 750.00	\$ -	1.0	1.0	\$ 750.00	\$ 750.00
21	WATER SERVICE / STREET BORE		EA	\$ 1,131.00	\$ -	20.0	20.0	\$ 22,620.00	\$ 22,620.00
22	UNENCASED STREET BORES/CUTS		LS	\$ 11,360.00	\$ -	1.0	1.0	\$ 11,360.00	\$ 11,360.00
TOTALS:					\$ 206,315.00			\$ (10,891.50)	\$ 195,423.50

THIS DOCUMENT SHALL BECOME AN AMENDMENT TO THE CONTRACT AND ALL PROVISIONS OF THE CONTRACT WILL APPLY.

RECOMMENDED BY:

WILLFORD, GEARHART & KNIGHT, INC.

DATE

ACCEPTED BY:

BLURTON, BANKS & ASSOCIATES, INC.

DATE

APPROVED BY:

CITY OF CLINTON

DATE

Bird Hall 2/8/2007

COB 2-8-07

OWNER: CITY OF CLINTON

WGK#: E04-215

PROJECT: PARKER DRIVE WATER LINE REPLACEMENT
BOARD APPROVED

CONTRACTOR: Blurton, Banks & Associates, Inc.

OVERRUN / UNDERRUN SUMMARY

ITEM#	DESCRIPTION	CONTRACT QTY	UNIT	COST	FINAL QTY	QTY OVER	QTY UNDER	ADD \$	DEDUCT \$
1	12" C900 PVC DR18	750.0	LF	\$ 28.50	1731.0		(19)		\$ (541.50)
2	8" C900 PVC DR18	1450.0	LF	\$ 20.00	1488.0	38		\$ 760.00	
3	12" GATE VALVE W/BOX	7.0	EA	\$ 1,160.00	6.0		(1)		\$ (1,160.00)
4	8" GATE VALVE W/BOX	2.0	EA	\$ 640.00	1.0		(1)		\$ (640.00)
5	6" GATE VALVE W/BOX	4.0	EA	\$ 350.00	4.0				
6	FIRE HYDRANT ASSEMBLY W/GATE VALVES	5.0	EA	\$ 2,100.00	5.0				
7	STREET BORE - 18" STEEL CASING	80.0	LF	\$ 107.00	0.00		(80)		\$ (8,560.00)
8	STREET BORE - 14" STEEL CASING	120.0	LF	\$ 85.00	0.0		(120)		\$ (10,200.00)
9	DRIVEWAY BORE - BORE & JACK (18@18')	254.0	LF	\$ 75.00	448.0	194		\$ 14,550.00	
10	SIDEWALK BORE (5@4')	20.0	LF	\$ 60.00	20.0				
11	WATER SERVICE / NO BORE	22.0	EA	\$ 465.00	20.0		(2)		\$ (930.00)
12	WATER SERVICE / STREET BORE (26@80')	2080.0	LF	\$ 17.50	0.0		(2,080)		\$ (36,400.00)
13	TIE TO EXISTING (LINDALE CIRCLE)	1.0	EA	\$ 2,500.00	1.00				
14	TIE TO EXISTING (LISI LANE & SANDRA COVE)	2.0	EA	\$ 3,250.00	2.0				
15	TIE TO EXISTING (CARDINAL LANE)	1.0	EA	\$ 2,500.00	1.0				
16	TIE TO EXISTING (PARKER DR @ OLD VICKSBURG RD)	1.0	EA	\$ 2,500.00	0.0		(1)		\$ (2,500.00)
17	REMOVAL OF EXISTING HYDRANTS (SALVAGE TO CITY)	5.0	EA	\$ 300.00	5.0				
18	EROSION CONTROL	1.0	LS	\$ 3,000.00	1.0				
19	CRIVE/SIDEWALK REPLACEMENT	1.0	LS	\$ 2,000.00	1.0				
20	TIE TO EXISTING (PARKER DR @ OLD VICKSBURG RD)		EA	\$ 750.00	1.0	1		\$ 750.00	
21	WATER SERVICE / STREET BORE		EA	\$ 1,131.00	20.0	20		\$ 22,620.00	
22	UNENCASED STREET BORES/CUTS		LS	\$ 11,360.00	1.0	1		\$ 11,360.00	

SUBTOTALS: \$ 50,040.00 \$ (60,931.50)

TOTAL ADD / (DEDUCT) \$ (10,891.50)

TOTAL Previous Change Orders: 0.00

ORIGINAL CONTRACT 206,315.00

REVISED CONTRACT (PLUS CHANGE ORDERS) 206,315.00

PLUS OVERRUNS/UNDERRUNS (10,891.50)

GRAND TOTAL CONTRACT \$ 195,423.50

BOARD APPROVED

FEB 20 2007

CITY OF CLINTON

CITY OF CLINTON AGENDA ITEM FACT SHEET

BOARD MEETING DATE: FEBRUARY 20, 2007

AGENDA ITEM NO. **11.**

CONSENT AGENDA: \$

TO:

FOR:

ACCOUNT NO:

INTRODUCED BY:

DISCUSSION/ACTION: Bond Resolution for Tax Increment Limited Obligation Bonds (Springridge Crossing Project), 2007

INTRODUCED BY: ~~Demry Grubbs~~

Bob Word

BOARD ACTION:

MOTION MADE BY: *Greer*

SECONDED BY: *Fisher*

VOTE CAST:

"AYE" "NAY"

ACTION TAKEN:

Brabham

☒

☐

Hisaw

☒

☐

Greer

☒

☐

Bishop

A

☐

Fisher

☒

☐

Morgan

☒

☐

Barnett

☒

☐

Mayor Aultman

☐

☐

AGENDA ITEMS MUST BE TURNED IN TO THE CITY CLERK WITH ALL ATTACHMENTS NO LATER THAN 5 P.M. ON THE WEDNESDAY PRECEEDING THE TUESDAY BOARD MEETING TO BE INCLUDED ON THE AGENDA. THIS DEADLINE GIVES THE CLERK TIME TO PREPARE THE AGENDA AND ALSO TO COPY THE AGENDA. PLEASE REMEMBER ALL OF THIS TAKES SOME TIME AND THIS IS WHY WE HAVE THIS DEADLINE. THANKS.

There came on for consideration before the Mayor and Board of Aldermen of the City of Clinton, Mississippi, the following Resolution:

RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF THE FIRST SERIES OF TAX INCREMENT LIMITED OBLIGATION BONDS ((SPRINGRIDGE CROSSING PROJECT) SERIES 2007, OF THE CITY OF CLINTON, MISSISSIPPI, IN THE PRINCIPAL AMOUNT OF FOUR HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$485,000) TO RAISE MONEY FOR THE PURPOSE OF PROVIDING FUNDS NECESSARY TO DEFRAY THE COST OF CONSTRUCTING VARIOUS INFRASTRUCTURE IMPROVEMENTS IN CONNECTION WITH THE CONSTRUCTION OF THE SPRINGRIDGE CROSSING PROJECT, INCLUDING BUT NOT LIMITED TO, INSTALLATION AND/OR RELOCATION OF UTILITIES SUCH AS WATER, SANITARY SEWER AND NATURAL GAS LINES; CONSTRUCTION OF DRAINAGE IMPROVEMENTS; CONSTRUCTION OF ROADWAYS WITH CURB AND GUTTER; ASPHALT OVERLAY; LANDSCAPING OF RIGHT-OF-WAY; RELATED PROFESSIONAL FEES; CAPITALIZED INTEREST; OTHER RELATED SOFT COSTS; AND COST OF ISSUANCE OF THE BONDS, WHICH PROJECT IS UNDERTAKEN IN CONNECTION WITH THE CONSTRUCTION OF A HOME DEPOT STORE, 30,000± SQUARE FEET OF ADDITIONAL RETAIL SPACE, AND 1.9 ACRES OF OUTPARCEL DEVELOPMENT LOCATED ON APPROXIMATELY 22 ACRES OF LAND IN THE NORTHEAST QUADRANT OF THE INTERSECTION OF INTERSTATE-20 AND SPRINGRIDGE ROAD IN THE CITY OF CLINTON, MISSISSIPPI.

WHEREAS, the Mayor and Board of Aldermen of the City of Clinton, Mississippi (the "Governing Body" of the "City"), acting for and on behalf of said City, hereby finds, determines, adjudicates and declares as follows:

1. (a) In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Sections 21-45-1 to 21-45-21, Mississippi Code of 1972, as amended.

"Agent" shall mean any Transfer Agent, Paying Agent, Authentication Agent or Registration Agent, whether serving in either or both capacities, and herein designated by the Governing Body.

"Assessment Certificate" shall mean the Assessment Certificate of the Tax Assessor of Hinds County, Mississippi as required by Section 21-45-21, Mississippi

Code of 1972, as amended, under which the Assessor, on behalf of the City, will certify as to the value of the Original Assessed Value, Current Assessed Value and Captured Assessed Value as each relates to the Redevelopment Project, which Certificate further sets forth the estimated amount of additional City ad valorem taxes available for debt service on the Bonds, which Certificate shall be filed on an annual basis.

"Bond" or **"Bonds"** shall mean the Tax Increment Limited Obligation Bonds (Springridge Crossing Project) Series 2007, of the City authorized and directed to be issued by this resolution in the aggregate amount of \$485,000 and shall be dated March 15, 2007.

"Bond Counsel" shall mean Harris Jernigan & Geno, PLLC, Ridgeland, Mississippi.

"Bond Fund" shall mean the fund of the City provided for in Section 12 hereof.

"Bond Resolution" shall mean this resolution.

"Captured Assessed Value" shall mean the incremental increase in assessed value of the real and personal property within the Redevelopment Project when the Original Assessed Value is subtracted from the Current Assessed Value as of January 1, 2007 and each January 1 thereafter, all as set forth in the annual Assessment Certificate of the Tax Assessor.

"City" shall mean the City of Clinton, Mississippi.

"Clerk" shall mean the Clerk of the City.

"Construction Fund" shall mean the Construction Fund of the City provided for in Section 14 hereof.

"Current Assessed Value" shall mean the assessed value of real and personal property located within the Redevelopment Project Site as of January 1, 2007 and as of January 1 of each year thereafter as long as any of the Bonds are outstanding, as certified annually by the Hinds County Tax Assessor and/or the Clerk of the City as defined in Section 21-45-21 of the Act.

"Current Diversion Amount" shall mean the amount of sales tax collected within the boundaries of the Redevelopment Project and diverted to the City in the twelve month period ending June 30, 2006 and as of June 30 of each year thereafter

as long as the Bonds are outstanding and as set forth in the annual Diversion Certificate of the Mississippi State Tax Commission filed with the City.

"Diversion Certificate" shall mean the certificate of the Mississippi State Tax Commission required by Section 21-45-21 of the Act, under which the Mississippi State Tax Commission will annually certify to the City the amount of the sales tax collected by the State within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve month period ending June 30, 2005 and certifying the amount of the increase or decrease in the amount collected within the boundaries as of June 30 of each year thereafter, all or a portion of which incremental increase shall be set aside by the City in the funds created by the City as required by this Bond Resolution and by Section 21-45-21 of the Act, which in addition to the incremental increase in ad valorem tax, shall be available for debt service on the Bonds.

"Governing Body" shall mean the Mayor and Board of Aldermen of the City.

"Mayor" shall mean the Mayor of the City.

"Original Assessed Value" shall mean the assessed value of the real property, including personal property located thereon, located within the Redevelopment Project Site as of January 1, 2005 as certified by the Hinds County Tax Assessor and/or the Clerk of the City and as defined in Section 21-45-21 of the Act.

"Original Diversion Amount" shall mean the amount of sales tax collected within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve-month period ending June 30, 2005, as certified by the Mississippi State Tax Commission as required by Section 21-45-21 of the Act. Any increase in the amount collected within the boundaries shall be set aside by the City in the funds created by this Bond Resolution as provided in Section 21-45-21 of the Act for transfer to the Bond Fund created by this Bond Resolution.

"Paying Agent" shall mean any bank, trust company or other institution hereafter designated by the Governing Body for the payment of the principal of and interest on the Bonds.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization and a government or agency or political subdivision thereof.

"Public Improvement Project" shall mean the construction of infrastructure improvements in connection with the development and construction of the Springridge Crossing Project, including but not limited to acquiring land and constructing infrastructure improvements including utilities, roadways with curb and gutter, traffic signalization and signage; acquiring and landscaping necessary right of way and other incidental costs, professional fees, capitalized interest and cost of issuance of the Bonds.

"Purchaser" shall mean the initial purchaser of the Bonds.

"Record Date" shall mean, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date thereof.

"Record Date Registered Owner" shall mean the Registered Owner as of the Record Date.

"Redevelopment Plan" shall mean Tax Increment Financing Redevelopment Plan of 1995 of the City of Clinton, Mississippi, approved and adopted by the Governing Body in 1995.

"Redevelopment Project" shall mean the Springridge Crossing Project, as described in detail in the Tax Increment Financing Plan, Springridge Crossing Project, City of Clinton, Mississippi, June 2005, and approved by the Governing Body of the City on June 7, 2005, such project to be located on the Redevelopment Project Site.

"Redevelopment Project Site" shall mean the parcel of approximately 22± acres upon which the Redevelopment Project is located, as more particularly described in Exhibit A attached hereto.

"Registered Owner" shall mean the Person whose name shall appear in the registration records of the City maintained by the Transfer Agent.

"Tax Increment" shall mean the added increments of municipal ad valorem tax revenue levied and collected by the City resulting from the taxation of the Captured Assessed Value of the real and personal property contained within and forming a part of the Redevelopment Project Site and the increased increment of sales tax collected within the Redevelopment Project Site and diverted to the City, when the Original Diversion Amount is subtracted from the Current Diversion Amount, which shall be so much of the additional tax revenues necessary and sufficient to pay the principal of and interest on the Bonds together with the annual fees and expenses of the Paying Agent, but shall not include ad valorem taxes for

school district purposes nor ad valorem taxes levied and collected for and on behalf of Hinds County, Mississippi.

"Tax Increment Financing Plan" means the Tax Increment Financing Plan, Springridge Crossing Project, City of Clinton, Mississippi, June 2005, approved and adopted by the Governing Body on June 7, 2005.

"Tax Increment Surplus" shall mean the remainder of the Tax Increment after the payment of the principal of and interest on the Bonds, and the fees of the Paying Agent, which surplus shall be withheld by the City and used for any lawful municipal purpose as authorized by Section 21-45-21 of the Act.

"Transfer Agent" shall mean any bank, trust company or other institution hereafter designated by the Governing Body for the registration of owners of the Bonds and for the performance of such other duties as may be herein or hereafter specified by the Governing Body.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any such words and terms.

2. The Mayor and Board of Aldermen acting for and on behalf of the City, a public body corporate and politic and a municipality as defined in Title 21, Chapter 45, Section 3 of the Act, is authorized and empowered by the Constitution and statutes of the State of Mississippi, including the Act, to undertake and carry out redevelopment projects within an area determined by the Governing Body of the City to be in need of development and/or redevelopment and designated as appropriate for a redevelopment project, in accordance with Redevelopment and Tax Increment Financing Plans adopted by the Governing Body of the City.

3. Said redevelopment projects may include:

- i. activities for the elimination and for the prevention of the development and spread of blight;
- ii. slum clearance, redevelopment, rehabilitation, and conservation within a project area, including both demolition and removal of buildings and improvements; and
- iii. a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements within a project area in accordance with a redevelopment plan.

4. The Governing Body of the City approved the Redevelopment Plan in 1995 and the Tax Increment Financing Plan on June 7, 2005, after conducting public hearings on each as required by the Act. The Tax Increment Financing Plan approved and provided for the issuance, from time to time, of up to One Million One Hundred Twenty-Five Thousand Dollars (\$1,125,000) in Tax Increment Limited Obligation Bonds to finance the cost of the Public Improvement Project.

5. The City desires to afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation and redevelopment of the Redevelopment Project area by private enterprise, and in order to utilize appropriate private and public resources to eliminate and prevent development or spread of urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of blighted areas, and to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of the Redevelopment Plan, the City encourages rehabilitation and clearance and redevelopment of portions of the Redevelopment Project area described in the Redevelopment Plan by carrying out a program of voluntary repair and rehabilitation of buildings or other improvements in accordance with the Redevelopment Plan, demolition and removal of buildings and improvements, and construction of improvements necessary for carrying out the redevelopment objectives in accordance with the Redevelopment Plan, and, as part of such program, the City from time to time is authorized to issue bonds to finance all or part of the costs (including costs of acquiring real estate) of constructing or reconstructing streets, utilities and other site improvements essential to the preparation of sites for uses in accordance with the Redevelopment Plan and public improvements to encourage private development in accordance with the Redevelopment Plan.

6. The City desires to issue and sell the Bonds for the purpose of financing the cost of the Public Improvement Project in accordance with the Redevelopment Plan.

7. As an inducement to the City to issue the Bonds and to apply the proceeds of such Bonds to fund the cost of constructing the Public Improvement Project, it is contemplated by the City that a portion of the incremental increase in revenues from ad valorem taxes collected by the City with respect to increased property values on the real property resulting from the Redevelopment Project and the and the incremental increase in the sales tax collected within the boundaries of the Redevelopment Project shall be dedicated to and sufficient for the payment of principal of and interest on the Bonds and the fees and expenses of the Paying Agent; and

8. The Governing Body is authorized and empowered by the provisions of the Act to issue the Bonds in the form and manner hereinafter provided for by the Act.

9. It has now become necessary to make provision for the preparation, execution and issuance of said Bonds.

10. All acts, conditions and things relative to the passage of this resolution, to the issuance of the first series of Bonds and to the execution of any documents necessary in connection therewith as required by the Code, or the Constitution or the laws of the State of Mississippi to happen, exist

and be performed precedent to and in the passage of this resolution and precedent to the issuance of the Bonds have happened, do exist and have been performed as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. (a) In consideration of the purchase and acceptance of the Bonds by the Purchaser, this Bond Resolution shall constitute a contract between the City and the Registered Owner from time to time of the Bonds. The pledge made herein and the covenants and agreements herein set forth to be performed on behalf of the City shall be for the benefit, protection and security of the Registered Owner of the Bonds.

(b) For the purpose of effecting and providing for the payment of the principal of and interest on the Bonds and the fees and expenses of the Paying Agent as the same shall respectively mature and accrue, there is hereby irrevocably pledged:

- i. the avails of the Tax Increment authorized herein as the same is received;
- ii. the amounts held on behalf of the City in the funds and accounts previously established herein, namely the Construction Fund and the Bond Fund.

Should there be a failure in any year to comply with the requirements of this subsection (b), such failure shall not impair the right of the Registered Owners of any of the Bonds to subsequently receive payments of principal of and interest on the Bonds from the avails of the Tax Increment, or amounts in the funds and accounts named in this subsection, or the Guaranty. The covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction.

SECTION 2. The Bonds are hereby authorized and ordered to be prepared and issued in one or more series, with the first series to be in the principal amount of Four Hundred Eighty-Five Thousand Dollars (\$485,000.00), to raise money for the Public Improvement Project as authorized by the Act, leaving a balance of Six Hundred Forty Thousand Dollars (\$640,000.00) in bonds authorized and unissued.

SECTION 3. (a) Payments of interest on the Bonds shall be made by check or draft mailed to the Record Dated Registered Owner, and payments of principal shall be made to the Record Date Registered Owner upon presentation and surrender thereof at the principal office of the Paying Agent in lawful money of the United States of America. Interest and principal shall be payable in such manner irrespective of any transfer or exchange of such Bond pursuant to Section 16 hereof

subsequent to the Record Date and prior to the due date of such interest or principal. Payments of interest and principal shall be made in lawful money of the United States of America.

(b) Bonds maturing on March 15, 2015 and thereafter are subject to redemption prior to their respective maturities at the election of the City on March 15, 2014 or on the first day of any month thereafter, either as a whole or in part (in inverse order of maturity and by lot if less than all of the maturity is to be redeemed), at the principal amount thereof plus accrued and unpaid interest to the date of redemption. Notice of the call for redemption shall be mailed to the last known address of all Registered Owners of the Bonds not less than thirty (30) days prior to the date of any redemption. The Bonds shall cease to bear interest from and after the date of redemption as set forth in the Notice of Redemption.

(c) The Bonds shall be registered as to both principal and interest; shall be dated March 15, 2007; shall be issued in denominations of \$5,000 each or in any integral multiple thereof not to exceed a single maturity; shall be numbered R-1 upward in the order of issuance; shall bear interest from the date thereof at the rates determined pursuant to Section 22 hereof, payable on March 15 of each year commencing March 15, 2008 and on each succeeding March 15 thereafter until the outstanding principal amount shall have been paid in full; and shall mature and become due and payable on March 15, in the years and in the principal amounts as follows:

<u>Year (Mar. 15 Maturity)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2008	\$30,000	4.800%
2009	35,000	4.800
2010	35,000	4.800
2011	35,000	4.800
2012	35,000	4.800
2013	40,000	4.800
2014	40,000	4.800
2015	45,000	4.800
2016	45,000	4.800
2017	45,000	4.800
2018	50,000	4.800
2019	50,000	4.800

The Bonds are being sold by the City to the Purchaser at a private sale for not less than par as authorized by Section 21-45-9, Mississippi Code of 1972, as amended, and shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of the Bond Purchase Agreement by and between the City and the Purchaser, together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance and sale of the Bonds, and the final, unqualified approving Opinion of Bond Counsel.

(d) The Bond Purchase Agreement is hereby approved in substantially the form of Exhibit C attached hereto with such changes, additions and deletions as shall be approved by the Mayor and the Clerk, their execution thereof signifying their approval.

SECTION 4. (a) The Bonds shall be executed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the Clerk, with the seal of the City imprinted or affixed thereto. In case any official of the City whose signature shall appear on the Bonds shall cease to be such official before the delivery or reissuance thereof, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or reissuance.

(b) The Bonds shall not bear a greater overall maximum interest rate to maturity than eleven percent (11%) per annum, and shall mature in the amounts and on the dates hereinabove set forth; no bond shall bear more than one (1) rate of interest; each bond shall bear interest from its date to its stated maturity date at the interest rate or rates specified herein.

(c) The Bonds shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions herein, together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance, sale and validation of the Bonds, and the final, unqualified approving opinion of the Bond Counsel, which opinion shall be imprinted on the reverse of each of the Bonds.

(d) Prior to or simultaneously with the delivery by the Transfer Agent of any of the Bonds, the City shall file with the Transfer Agent:

- i. a copy, certified by the Clerk, of the transcript of proceedings of the Governing Body in connection with the authorization, issuance, sale and validation of the Bonds;
- ii. an authorization to the Transfer Agent, signed by the Mayor, to authenticate and deliver the Bonds to the Purchaser.

(e) At delivery, the Transfer Agent shall authenticate the Bonds and deliver them to the Purchaser thereof upon payment of the purchase price of the Bonds to the City.

(f) Certificates, blank as to denomination, rate of interest, date of maturity and CUSIP number and sufficient in quantity in the judgment of the City to meet the reasonable transfer and reissuance needs of the Bonds, shall be printed and delivered to the Transfer Agent in generally-accepted format, and held by the Transfer Agent until needed for transfer or reissuance, whereupon the Transfer Agent shall imprint the appropriate information as to denomination, rate of interest, date of maturity and CUSIP number prior to the registration, authentication and delivery thereof to the transferee holder. The Transfer Agent is hereby authorized upon the approval of the Governing Body to have printed from time to time as necessary additional certificates bearing the facsimile seal

of the City and facsimile signatures of the persons who were the officials of the Governing Body as of the date of original issue of the Bonds.

SECTION 5. (a) The City specifically reserves the right to hereafter designate a separate Transfer Agent, Paying Agent, Authentication Agent and Registration Agent in its discretion in the manner hereinafter provided.

(b) So long as any of the Bonds shall remain outstanding, the City shall maintain with the Transfer Agent records for the registration and transfer of the Bonds. The Transfer Agent is hereby appointed registrar for the Bonds, in which capacity the Transfer Agent shall register in such records and permit to be transferred thereon, under such reasonable regulations as may be prescribed, any Bond entitled to registration or transfer.

(c) The City shall pay or reimburse the Agent, pursuant to the Act, for reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to trustees, paying agents, transfer agents and bond registrars, subject to agreement between the City and the Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the gross negligence, willful misconduct or willful default of the Agent, shall be made by the City on a case-by-case basis, subject, where not prevented by emergency or other exigent circumstances, to the prior written approval of the Governing Body.

(d) (i) The Agent may at any time resign and be discharged of the duties and obligations of either the function of the Paying Agent or Transfer Agent, or both, by giving at least sixty (60) days' written notice to the City. If such Agent so appointed, or any successor thereto, shall fail, neglect or refuse to perform any of the duties herein imposed or that may be imposed by reason of any of the provisions of this Bond Resolution, such Agent or any successor thereto, shall, on the written request of twenty per centum or more in aggregate principal amount of the holder or holders of the Bonds or other obligations issued pursuant to the Bond Resolution, be removed, by resolution duly adopted by the City by which such Agent, or any successor thereto, was appointed; and in such event, it shall be the duty of any such Agent so removed to effectuate a valid transfer of all moneys then in the possession or under the control of such Agent so removed to a duly appointed successor, and a failure on the part of such Agent so removed to do so shall constitute an embezzlement of such moneys and shall be punishable accordingly. The resolution shall specify the date on which such removal shall take effect and the name and address of the successor Agent, and shall be transmitted to the Agent being removed within a reasonable time prior to the effective date thereof. Provided, however, that no resignation or removal of an Agent shall become effective until a successor Agent has been appointed pursuant to this Bond Resolution. Pursuant to the Act, such successor Agent shall be satisfactory to said holder or holders of twenty percent or more in aggregate principal amount of Bonds as heretofore described in this subparagraph.

(ii) Upon receiving notice of the resignation of an Agent, the City shall promptly appoint a successor Agent by resolution of the Governing Body. Any appointment of a successor

Agent shall become effective upon acceptance of appointment by the successor Agent. If no successor Agent shall have been so appointed and have accepted appointment within thirty (30) days after the notice of resignation, the resigning Agent may petition any court of competent jurisdiction for the appointment of a successor Agent, which court may thereupon, after such notice as it may deem appropriate, appoint a successor Agent.

(iii) In the event of a change of Agents, the predecessor Agent shall cease to be custodian of any funds held pursuant to this Bond Resolution in connection with its role as such Agent, and the successor Agent shall become such custodian; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Agent shall be fully paid. Every predecessor Agent shall deliver to its successor Agent all records of account, registration records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Agent.

(iv) Any successor Agent appointed under the provisions hereof shall be a bank, trust company or national banking association having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls.

(v) Every successor Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor Agent and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Agent, without further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor.

(vi) Should any transfer, assignment or instrument in writing be required by any successor Agent from the City to more fully and certainly vest in such successor Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Agent, any such transfer, assignment and written instrument shall, on request, be executed, acknowledged and delivered by the City.

(vii) The City will provide any successor Agent with certified copies of all resolutions, orders and other proceedings adopted by the Governing Body relating to the Bonds.

(viii) All duties and obligations imposed hereby on an Agent or successor Agent shall terminate upon the accomplishment of all duties, obligations and responsibilities imposed by law or required to be performed by this Bond Resolution.

(e) Any corporation or association into which an Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Agent hereunder and vested with all the powers, discretions, immunities, privileges and all other matters as was its

predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of either the City or the successor Agent, anything herein to the contrary notwithstanding, provided only that such successor Agent shall be satisfactory to the City and eligible under the provisions of Section 5(d)(iv) hereof.

SECTION 6. The Bonds shall be in substantially the following form, with such appropriate variations, omissions and insertions as are permitted or required by this Bond Resolution and/or approved in writing by the Purchaser:

[BOND FORM]

**UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF CLINTON, MISSISSIPPI
TAX INCREMENT LIMITED OBLIGATION BONDS
(SPRINGRIDGE CROSSING PROJECT)
SERIES 2007**

NO. R- _____

\$ _____

**Rate of
Interest**

Maturity

**Date of
Original Issue**

CUSIP

March 1, 2007

Registered Owner:

Principal Amount:

DOLLARS

The Mayor and Board of Aldermen of the City of Clinton, located in Hinds County, State of Mississippi (the "City"), a body politic existing under the Constitution and laws of the State of Mississippi, acting for and on behalf of the City, acknowledges itself to owe and for value received, promises to pay, pursuant to the Act, in lawful money of the United States of America to the registered owner identified above, upon the presentation and surrender of this Bond, at the principal office of _____ in _____, Mississippi or its successor, as paying agent (the "Paying Agent") for the Tax Increment Limited Obligation Bonds (Springridge Crossing Project), Series 2007, of the City (the "Bonds"), on the maturity dates identified above, the principal amount identified above. Payment of the principal amount of this Bond shall be made to the registered owner hereof who shall appear in the registration records of the City maintained by _____, in _____, Mississippi or its successor, as transfer agent for the Bonds (the "Transfer Agent"), as of the 15th day of the calendar month preceding the maturity date hereof.

The City further promises to pay interest on such principal amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the rate of interest per annum set forth above, on March 1 of each year, commencing March 1, 2008, and on each March 1 thereafter until the outstanding principal amount shall have been paid in full, to the Registered Owner hereof who shall appear in the registration records of the City maintained by the Transfer Agent as of the 15th day of the calendar month preceding the applicable interest payment date.

Payments of the interest on this Bond shall be made by check or draft mailed to such registered owner at his address as it appears on such registration records and payments of principal shall be made upon presentation and surrender thereof at the principal office of the Paying Agent in lawful money of the United States of America. The registered owner hereof may change such address by written notice to the Transfer Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Transfer Agent, such notice to be received by the Transfer Agent not later than the 15th day of the calendar month preceding the applicable principal or interest payment date.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to denomination; number, rate of interest and date of maturity, issued in the aggregate authorized principal amount of Four Hundred Eighty-Five Thousand Dollars (\$485,000) to raise money for the purpose of providing funds necessary to defray the cost of constructing various improvements in connection with the construction of a public improvement project, including but not limited to, construction of water, sewer, storm drainage, roadway and related improvements, related engineering costs, attorneys' fees, other related soft costs, capitalized interest and cost of issuance of the Bonds, all of which constitutes the public improvement project (the "Public Improvement Project").

This Bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including Sections 21-45-1 to 21-45-21, Mississippi Code of 1972 (the "Act"), and by the further authority of proceedings duly had by the Governing Body of the City, including a resolution adopted on February 20, 2007 (the "Bond Resolution").

This Bond is registered as to both principal and interest. The Bonds are to be issued or reissued in the denomination of \$5000 each or any integral multiple thereof up to the amount of a single maturity.

This Bond may be transferred or exchanged by the registered owner hereof upon obtaining the prior written approval of the Governing Body of the City, but only in the manner, subject to the limitations in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer or exchange, a new Bond will be issued.

The City and Paying Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

This Bond is and will continue to be payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing ad valorem tax to be levied annually upon the incremental increase in assessed value of all taxable real and personal property within and forming a part of the Redevelopment Project and the Redevelopment Project Site and the incremental increase in sales tax diversion collected within the Redevelopment Project and the Redevelopment Project Site and diverted to the City. The additional increases in ad valorem and

sales taxes subject to this pledge are described in the Tax Increment Financing Plan, City of Clinton, Mississippi, June 2005, as adopted by the Governing Body of the City on June 7, 2005 to provide for the funding of the Public Improvement Project and the issuance of this Bond.

For purposes of this Bond and a description of the security pledged to the payment of this Bond, the following definitions shall apply:

"Captured Assessed Value" shall mean the incremental increase in assessed value of the real and personal property within the Redevelopment Project when the Original Assessed Value is subtracted from the Current Assessed Value as of January 1, 2007 and each January 1 thereafter, all as set forth in the annual Assessment Certificate of the Tax Assessor.

"Current Assessed Value" shall mean the assessed value of real and personal property located within the Redevelopment Project Site as of January 1, 2007 and as of January 1 of each year thereafter as long as any of the Bonds are outstanding, as certified annually by the Hinds County Tax Assessor and/or the Clerk of the City as defined in Section 21-45-21 of the Act.

"Current Diversion Amount" shall mean the amount of sales tax collected within the boundaries of the Redevelopment Project and diverted to the City in the twelve month period ending June 30, 2006 and as of June 30 of each year thereafter as long as the Bonds are outstanding and as set forth in the annual Diversion Certificate of the Mississippi State Tax Commission filed with the City.

"Diversion Certificate" shall mean the certificate of the Mississippi State Tax Commission required by Section 21-45-21, Mississippi Code of 1972, as amended, under which the Mississippi State Tax Commission will annually certify to the City the amount of the sales tax collected by the State within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve month period ending June 30, 2005 and certifying the amount of the increase in the amount collected within the boundaries as of June 30 of each year thereafter, all or a portion of which incremental increase shall be set aside by the City in the funds created by the City as required by the Bond Resolution and by Section 21-45-21 of the Act, which in addition to the incremental increase in ad valorem tax, shall be available for debt service on the Bonds.

"Original Assessed Value" shall mean the assessed value of the real property, including personal property located thereon, located within the Redevelopment Project Site as of January 1, 2005 as certified by the Hinds County Tax Assessor and/or the clerk of the City and as defined in Section 21-45-21 of the Act.

"Original Diversion Amount" shall mean the amount of sales tax collected within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve-month period ending June 30, 2005, as certified by the Mississippi State Tax Commission as required by Section 21-45-21, of the Act. Any increase in the amount collected within the boundaries shall be set aside by the City in the funds created by the Bond Resolution as provided in Section 21-45-21 of the Act for transfer to the Bond Fund created by the Bond Resolution.

"Redevelopment Project" shall mean the Springridge Crossing Project as described in detail in the Tax Increment Financing Plan, City of Clinton, Mississippi, June 2005, as approved by the Governing Body of the City on June 7, 2005, such project to be located on the Redevelopment Project Site.

"Redevelopment Project Site" shall mean the parcel of land consisting of 22± acres upon which the Redevelopment Project is located, as more particularly described in Exhibit A to this Bond Resolution.

"Tax Increment" shall mean the added increments of municipal ad valorem tax revenue levied and collected by the City resulting from the taxation of the Captured Assessed Value of the real and personal property contained within and forming a part of the Redevelopment Project Site and the increased increment of sales tax collected within the Redevelopment Project Site and diverted to the City, when the Original Diversion Amount is subtracted from the Current Diversion Amount which shall be so much of the additional tax revenues necessary and sufficient to pay the principal of and interest on the Bonds, together with the annual fees and expenses of the Paying Agent, but shall not include ad valorem taxes for school district purposes nor ad valorem taxes levied and collected for and on behalf of Hinds County, Mississippi.

The Bonds are not subject to redemption prior to maturity.

THIS BOND IS NOT AN OBLIGATION OF THE STATE OF MISSISSIPPI AND THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS IS NOT GUARANTEED BY THE STATE OF MISSISSIPPI. THIS BOND IS NOT A GENERAL OBLIGATION OF THE CITY AND, EXCEPT AS HERETOFORE DESCRIBED, THE BOND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE CITY AND SHALL NOT GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY. THIS BOND IS A LIMITED OBLIGATION OF THE CITY SECURED SOLELY BY THE INCREMENTAL INCREASE IN AD VALOREM TAX REVENUES RECEIVED BY THE CITY FROM LEVYING AN AD VALOREM TAX ON THE REAL PROPERTY AND PERSONAL PROPERTY WHICH CONSTITUTES A PART OF THE REDEVELOPMENT PROJECT SITE AND THE INCREMENTAL INCREASE IN SALES TAX COLLECTED WITHIN THE

REDEVELOPMENT PROJECT SITE AND DIVERTED TO THE CITY. AD VALOREM TAXATION FOR SCHOOL DISTRICT PURPOSES IF NOT PLEDGED TO THE PAYMENT OF THE BONDS NOR ARE AD VALOREM TAXES LEVIED AND COLLECTED FOR AND ON BEHALF OF HINDS COUNTY, MISSISSIPPI.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Bond Resolution until the certificate of registration and authentication hereon shall have been signed by the Transfer Agent.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all conditions, acts and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds, in order to make the same legal and binding obligations of the City, according to the terms thereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Clerk of the City, under the facsimile seal of the City, which said facsimile signatures and seal said officials adopt as and for their own proper signatures and seal, all as of the 1st day of March , 2007.

CITY OF CLINTON, MISSISSIPPI

BY: _____
MAYOR

COUNTERSIGNED:

CITY CLERK
(Facsimile Seal)

[There shall be printed in the lower left portion on the face of the Bonds a registration and authentication certificate in substantially the following form:]

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond is described in the within mentioned Bond Resolution and is one of the Tax Increment Limited Obligation Bonds (Springridge Crossing Project), Series 2007, of the City of Clinton, Mississippi.

As Transfer Agent

BY: _____
Authorized Officer

Date of Registration and Authentication

[There shall be printed on the reverse of the Bonds a registration certificate and an assignment form in substantially the following form:]

REGISTRATION AND VALIDATION CERTIFICATE

**STATE OF MISSISSIPPI
COUNTY OF HINDS
CITY OF CLINTON**

I, the undersigned City Clerk of the City of Clinton, Mississippi, do hereby certify that the within bond has been duly registered by me as a limited obligation of said City pursuant to law in a book kept in my office for that purpose and the issuance of the Bonds was confirmed by a validation decree of the Chancery Court of Hinds County, Mississippi, on March ___, 2007.

*(Facsimile)
City Clerk*

(Facsimile Seal)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____

(Name and Address of Assignee)

(Insert Social Security No. Or Other Tax I.D. No. of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____
attorney to transfer the said Bond on the records kept for registration and transfer of the within Bond,
with full power of substitution in the premises.

Signature Guaranteed:

(Bank, Trust Company or
Transfer Agent)

Date of Assignment

***NOTICE: The signature to this Assignment must
correspond with the name of the registered owner as
it appears upon the face of the within bond in every
particular, without any alteration whatever.***

[End of Bond Form]

SECTION 7. In case any Bond shall become mutilated or be stolen, destroyed or lost, the City shall cause to be authenticated and delivered a new Bond of like date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond stolen, destroyed or lost, upon the Registered Owner's paying the reasonable expenses and charges of the City in connection therewith, and in case of a Bond stolen, destroyed or lost, his filing with the City or Transfer Agent evidence satisfactory to them that such Bond was stolen, destroyed or lost, and of his ownership thereof, and furnishing the City or Transfer Agent with such security or indemnity as may be required by law or by them to save each of them harmless from all risks, however remote.

SECTION 8. For the purpose of effectuating and providing for the payment of the principal of and interest on the Bonds and the fees and expenses of the Paying Agent as the same shall respectively mature and accrue, pursuant to Section 21-45-13 of the Act, there shall be and continue to be levied, as long as any of the Bonds remains outstanding, a direct and continuing ad valorem tax upon all of the taxable real and personal property within the geographical limits of the Redevelopment Project Site and sales tax collected on all sales made within the Redevelopment Project Site. All or any portion of the receipts from the levy and collection of said ad valorem tax and sales tax which represent the Tax Increment shall be withheld by the tax collector and the Mississippi State Tax Commission and paid over to the City which tax revenues shall be used to pay the principal of and interest on the Bonds, and, who shall pay over all or a part of such Tax Increment to the Paying Agent in an amount sufficient to pay the annual principal and interest payments along with the fees and expenses of the Paying Agents, which shall be a credit to the Bond Fund created pursuant to Section 12 hereof. Any such moneys so paid to the Paying Agent to the credit of the Bond Fund shall be expended only as provided in Section 12 hereof. The Tax Increment Surplus shall be retained by the City and used for any municipal purpose authorized by law.

Nothing in this Resolution shall be construed as a guarantee on the part of the State of Mississippi, or Hinds County, Mississippi, to pay the principal of or interest on the Bonds.

SECTION 9. Only such of the Bonds as shall have endorsed thereon a certificate of registration and authentication in substantially the form hereinabove set forth, duly executed by the Transfer Agent, shall be entitled to the rights, benefits and security of this Bond Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of registration and authentication shall have been duly executed by the Transfer Agent, which executed certificate shall be conclusive evidence of registration, authentication and delivery under this Bond Resolution. The Transfer Agent's certificate of registration and authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Transfer Agent, but it shall not be necessary that the same officer sign said certificate on all of the Bonds that may be issued hereunder at any one time.

SECTION 10. (a) In the event the Purchaser shall fail to designate the names, addresses and social security or tax identification numbers of the Registered Owners of the Bonds within five (5) days of the date of sale, or at such other later date as may be designated by the City, one Bond

registered in the name of the Purchaser may be issued in the full amount for each maturity. Ownership of the Bonds shall be in the name of the Purchaser.

(b) Except as hereinabove provided, the Person in whose name any Bond shall be registered in the records of the City maintained by the Transfer Agent may be deemed the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on any Bond shall be made only to or upon the order of the Registered Owner thereof, or his legal representative, but such registration may be changed as hereinafter provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

SECTION 11. Each Bond shall be transferable only in the records of the City, upon surrender thereof at the office of the Transfer Agent, together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the transfer of any Bond, the City, acting through its Transfer Agent, shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond or Bonds.

In all cases in which the privilege of transferring Bonds is exercised, the Transfer Agent shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution.

SECTION 12. The City shall maintain with the Paying Agent a Bond Fund in its name for the payment of the principal of and interest on the Bonds, and the payment of Agent's fees in connection therewith. There is hereby established a fund to be known as the "Series 2007 -Tax Increment Bond Fund (Springridge Crossing Project)" (the "Bond Fund"), which fund shall be held by the Paying Agent. There shall be deposited into the Bond Fund:

- i. The accrued interest and premium, if any, received upon delivery of the Bonds as and when the same shall be received;
- ii. Transfers made to the Bond Fund pursuant to Section 13 hereof ;
- iii. Any income received from investment of monies in the Bond Fund;
- iv. Surplus funds remaining in the Construction Fund upon completion of the Public Improvement Project;
- v. Capitalized interest from funds on deposit in the Construction Fund to the extent that such payments are approved by the Governing Body of the City and Bond Counsel; and

- vi. Any other funds available to the City which may be lawfully used for payment of the principal of and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the Bond Fund.

SECTION 13. (a) The Paying Agent shall deposit all moneys received by it from the City, including but not limited to funds derived from the Tax Increment portion of the receipts from the levy and collection of the ad valorem tax of the Captured Assessed Value constituting a part of the Redevelopment Project and the Tax Increment portion of the sales tax diversion receipts derived from the Captured Diversion Amount, but excluding the proceeds of the Bonds (other than for capitalized interest) and the Tax Increment Surplus, into the Bond Fund. The Bond Fund shall be held by the Paying Agent which shall be a member of the Federal Deposit Insurance Corporation.

Not later than February 15, 2008, and each February 15 of each year thereafter in which the Bonds are outstanding, the City shall pay to the Paying Agent for credit to the Bond Fund, an amount equal to the amount necessary to make the payment required on each interest or principal and interest payment date together with the annual fees and expenses of the Paying Agent. The source of such funds shall be limited to the Tax Increment portion of the ad valorem tax receipts derived from the Captured Assessed Value and the sales tax diversion receipts derived from the Tax Increment portion of the sales tax diversions.

(b) With respect to each interest payment date for the Bonds, and as long as any principal of and interest on the Bonds remains outstanding, the Paying Agent is hereby irrevocably authorized and directed to withdraw from the Bond Fund an amount which, shall equal the amount necessary to make the payment required on each principal and interest payment date and to pay the Registered Owners of the Bonds as each appears on the registration books of the City maintained by the Paying Agent along with the fees and expenses of the Paying Agent.

SECTION 14. There is hereby established a fund to be known as the "2007 Tax Increment Construction Fund" (the "Construction Fund") which fund shall be held by the City. The principal proceeds received upon the sale of the Bonds, exclusive of accrued interest and premium, if any, shall be deposited into the Construction Fund. From the Construction Fund there shall be first paid the costs, fees and expenses incurred by the City in connection with the authorization, issuance, sale, validation and delivery of the Bonds. From the Construction Fund, there next may be established a reserve to pay all or a portion of the interest payment due on March 1, 2008 in an amount as may be determined by the City in accordance with the Act. The balance thereof shall be held for payment of the cost of the Public Improvement Project, as authorized by the Act. Cost of the Public Improvement Project shall be deemed to include all reasonable costs directly or indirectly related to the construction of the Public Improvement Project, including employment of engineers, attorneys and such other employees as shall be necessary or useful in carrying out the construction of the Public Improvement Project. The City shall authorize and direct payments from the Construction Fund to pay for and/or reimburse the costs of the Public Improvement Project pursuant to the Security and Reimbursement Agreement, upon receipt from the Developer of (a) original executed

requisition (upon which the City may rely conclusively and shall be protected in relying) stating with respect to each payment to be made: (1) the requisition number, (2) the name and address of the Person to whom payment is due or, in the event such payment is for reimbursement, the name and address of the person to whom payment previously has been made, (3) the amount to be paid, (4) that there has been no default under the Bonds or this Bond Resolution, and (5) that each obligation, item of cost or expense mentioned therein has been properly incurred and is a proper charge against the Construction Fund and has not been the basis of any previous withdrawal; and (b) executed copies of certifications of work completed by the submitting party and by a licensed professional engineer or architect approved by the City, which certifications shall be prepared on AIA draw forms or comparable documents. Attached to such requisitions shall be copies of invoices or statements from a contractor, vendor or other payee or other document acceptable to the City for each cost of the Public Improvement Project. If any contract provides for retention of a portion of the contract price, there shall be paid from the Construction Fund only the net amount remaining after deduction of such portion, until such retainage becomes due in accordance with the terms of such contract.

Upon completion of construction of the Public Improvement Project, all remaining and unexpended funds remaining in the Construction Fund shall be transferred to the Bond Fund.

SECTION 15. Moneys in the Construction Fund, Bond Fund and all other accounts held by the City or the Paying Agent hereunder, if any, shall be invested in the same manner as permitted under the laws of the State of Mississippi for the investment generally of money of the City. Any income received from said investments shall be properly credited to the fund from which the investment was initially made.

SECTION 16. Principal of and interest on the Bonds shall be paid to the Record Date Registered Owners at the addresses appearing in the registration records of the Transfer Agent pursuant to Section 3 hereof. Any such address may be changed by written notice from the Registered Owner to the Transfer Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Transfer Agent, such notice to be received by the Transfer Agent not later than the 15th day of the calendar month preceding the applicable principal or interest payment date to be effective as of such date.

SECTION 17. The City hereby covenants that it shall not extend the time for the payment of the principal of or interest on the Bonds directly or indirectly by any means or in any manner.

SECTION 18. (a) The Assessment Certificate of the Tax Assessor of Hinds County which is to be filed annually with the City is hereby approved in substantially the following form with such changes, additions, deletions, and modifications as shall be approved by the officers executing the Assessment Certificate, their execution thereof signifying their approval:

**City of Clinton, Mississippi
Tax Increment Limited Obligation Bonds
(Springridge Crossing Project), Series 2007**

**ASSESSMENT CERTIFICATE OF TAX ASSESSOR
HINDS COUNTY, MISSISSIPPI
RE: ASSESSMENT OF VALUE OF REAL PROPERTY**

Pursuant to and as required by Section 21-45-21, Mississippi Code of 1972, as amended and a resolution duly adopted by the Board of Aldermen of the City of Clinton, Mississippi, on February 20, 2007 (the "Bond Resolution"), I, _____, the undersigned Tax Assessor of Hinds County, Mississippi, after having been requested and authorized to do so by the Bond Resolution, do hereby certify that:

1. Pursuant to the provisions of the Bond Resolution, the City has irrevocably pledged to the payment of the principal of and interest on the City's Tax Increment Limited Obligation Bonds (Springridge Crossing Project), Series 2007 dated as of March 1, 2007, (the "Bonds"), together with the annual fees and expenses of the Paying Agent under the Bond Resolution, an amount equal to the Tax Increment, as defined below, from the avails of the City ad valorem tax generated from taxation of the Captured Assessed Value, as defined below.

2. The Original Assessed Value of the Redevelopment Project Site and improvements thereon as determined by the Tax Assessor of Hinds County, Mississippi as of January 1, 2005 is \$_____.

3. Based upon information provided by the owners of the Redevelopment Project Site, the estimated Current Assessed Value of the Redevelopment Project Site and improvements thereon that constitute real and personal property as determined by the Tax Assessor of Hinds County, Mississippi as of January 1, 2007 is \$_____.

4. The estimated Captured Assessed Value of the Redevelopment Project as defined below and in Section 21-45-21, Mississippi Code of 1972, as amended, as of January 1, 2007 is \$_____.

5. On January 1, 2007 the incremental increase in ad valorem taxes resulting from City ad valorem taxation when applied to the Captured Assessed Value is \$_____ (the "Tax Increment") based upon an assessment ratio of fifteen percent (15%) of true value and the current City millage rate of _____ mills.

6. The Bond Resolution requires that the use of the funds held within the Bond Fund, as such term is defined in the Bond Resolution, including the investment earnings thereon, is limited solely to payment of the principal of and interest on the Bonds as each respectively becomes due and

payable together with the annual fees and expenses of the Paying Agent for the Bonds and avails of the Tax Increment is pledged, pursuant to the Bond Resolution to the Bond. Pursuant to the Bond Resolution, a portion of the Bond proceeds may be used to supplement the Tax Increment in order to pay accrued interest on the Bonds on _____ 1, 20__.

For purposes of this Certificate, the following words and phrases shall have the following meaning with respect to pledged revenues securing the Series 2007 Bond.

"Captured Assessed Value" means the incremental increase in assessed value of the real and personal property within the Redevelopment Project when the Original Assessed Value is subtracted from the Current Assessed Value as of January 1, 2007 and each January 1 thereafter, as set forth in the annual Assessment Certificate of the Tax Assessor.

"Current Assessed Value" means the assessed value of real and personal property located within the Redevelopment Project Site as of January 1, 2007 and as of January 1 of each year thereafter as long as any of the Bonds are outstanding, as certified annually by the Hinds County Tax Assessor and/or the Clerk of the City as defined in Section 21-45-21 of the Act.

"Original Assessed Value" means the assessed value of the real and personal property, located within the Redevelopment Project Site as of January 1, 2005 as certified by the Hinds County Tax Assessor and/or the Clerk of the City and as defined in Section 21-45-21 of the Act.

"Redevelopment Project" shall mean the Springridge Crossing Project, as described in detail in the Tax Increment Financing Plan, Springridge Crossing Project, City of Clinton, Mississippi, June 2005, and approved by the Board of Aldermen of the City on June 7, 2005, such project to be located on the Redevelopment Project Site.

"Tax Increment" shall mean the added increments of municipal ad valorem tax revenue levied and collected by the City resulting from the taxation of the Captured Assessed Value of the real and personal property contained within and forming a part of the Redevelopment Project Site and the increased increment of sales tax collected within the Redevelopment Project Site and diverted to the City, when the Original Diversion Amount is subtracted from the Current Diversion Amount which shall be so much of the additional tax revenues necessary and sufficient to pay the principal of and interest on the Bonds together with the annual fees and expenses of the Paying Agent, but shall not include ad valorem taxes for school district purposes nor ad valorem taxes levied and collected for and on behalf of Hinds County, Mississippi.

This the _____ day of _____, 2007.

HINDS COUNTY, MISSISSIPPI

By: _____
TAX ASSESSOR

(b) The Diversion Certificate of the Mississippi State Tax Commission which is to be filed annually with the City is hereby approved in substantially the following form with such changes, additions, deletions and modifications as shall be approved by the officers of the Mississippi State Tax Commission executing the Diversion Certificate, their execution thereof signifying the approval:

DIVERSION CERTIFICATE OF MISSISSIPPI STATE TAX COMMISSION

RE: PUBLIC IMPROVEMENTS SALES TAX DIVERSION

Pursuant to and as required by Section 21-45-21, Mississippi Code of 1972, as amended and a resolution duly adopted by the Mayor and Board of Aldermen of the City of Clinton, Mississippi, dated February 20, 2007 (the "Bond Resolution"), the Mississippi State Tax Commission, after having been requested and authorized to do so by the Bond Resolutions, does hereby certify that:

1. The Original Diversion Amount of the sales tax collected and diverted to the City from the Redevelopment Project Site as determined by the Mississippi State Tax Commission as of June 30, 2005 is \$_____-0-_____.

2. The estimated Current Diversion Amount to be collected within the Redevelopment Project Site and diverted to the City as of June 30, 2006, as determined by the Mississippi State Tax Commission based upon gross estimated sales volumes provided by the owner of the Redevelopment Project is \$_____.

3. On June 30, 2006, the incremental increase in sales taxes diverted to the City resulting from sales tax levied within the Redevelopment Project Site is \$_____ (the "Tax Increment").

For purposes of this Certificate, the following words and phrases shall have the following meaning:

"Current Diversion Amount" shall mean the amount of sales tax collected within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve month period ending June 30, 2006 and as of June 30 of each year thereafter as long as the Bonds, as such terms are defined in the Bond Resolution, are outstanding and as set forth in the Annual Diversion Certificate of the Mississippi State Tax Commission filed with the City.

"Original Diversion Amount" shall mean the amount of sales tax collected within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve-month period ending June 30, 2005, as certified by the Mississippi State Tax Commission as required by Section 21-45-21 of the Act. Any increase in the amount collected within the boundaries shall be set aside by the City in the funds created by the Bond Resolution as provided in Section 21-45-21 of the Act for transfer to the Bond Fund.

"Redevelopment Project" shall mean the Springridge Crossing Project, as described in detail in the Tax Increment Financing Plan, City of Clinton, Mississippi, June 2005, and approved by the Mayor and Board of Aldermen of the City on June 7, 2005, such project to be located on the Redevelopment Project Site.

"Tax Increment" shall mean the added increments of municipal ad valorem tax revenue levied and collected by the City resulting from the taxation of the Captured Assessed Value of the real and personal property contained within and forming a part of the Redevelopment Project Site and the increased increment of sales tax collected within the Redevelopment Project Site and diverted to the City, when the Original Diversion Amount is subtracted from the Current Diversion Amount to the City which shall be so much of the additional tax revenues necessary and sufficient to pay the principal of and interest on the Bonds issued by the City, together with the annual fees and expenses of the Paying Agent, but shall not include ad valorem taxes for school district purposes nor ad valorem taxes levied and collected for and on behalf of Hinds County, Mississippi.

This the ____ day of _____ 200__.

MISSISSIPPI STATE TAX COMMISSION

By: _____

SECTION 19. The Mayor and the Clerk of the City are hereby authorized to execute and deliver such documents and/or agreements in connection with the issuance of the Bond, the Public Improvement Project and the Redevelopment Project as shall be necessary to comply and conform with the terms and conditions of the Code, the Tax Increment Financing Plan and this Bond Resolution as shall be approved by the officers of the City executing and delivering the same, the execution thereof by such officers to be conclusive evidence of such approval.

SECTION 20.

(a) The City Clerk is hereby authorized and directed to annually obtain from the Tax Assessor the Assessment Certificate in appropriate form and as may be required by Section 21-45-21, Mississippi Code of 1972, as amended.

(b) The City Clerk is hereby authorized and directed to annually obtain from the Mississippi State Tax Commission the Diversion Certificate in appropriate form and as may be required by Section 21-45-21, Mississippi Code of 1972, as amended.

SECTION 21. The Bonds shall be and hereby are designated as a portion of the \$10,000,000 allowed as "Qualified Tax Exempt Obligation" for purposes of section 265(b) of the Internal Revenue Code of 1986. The City does not anticipate issuing in excess of \$10,000,000 of such qualified tax exempt obligations during the 2007 calendar year.

SECTION 22. The Governing Body hereby authorizes Bond Counsel and the City's Financial Advisor to distribute the Preliminary Official Statement in substantially the same form as attached hereto as Exhibit B for and on behalf of the Governing Body, and, further authorizes the Mayor and the Clerk to sign and distribute the Official Statement as requested by the Purchaser pursuant to the sale of the Bonds.

SECTION 23. (a) The City covenants and certifies to and for the benefit of the Registered Owners of the Bonds that it will neither take any action or omit to take any action nor make any investment or use of the proceeds from the issue and sale of the Bonds, including amounts treated as proceeds, if any, which will cause the Bonds to be classified as arbitrage bonds within the meaning of Section 148 of the Code, and any regulations thereunder as such may be applicable to the Bonds, at the time of such action, investment or use.

(b) The City does not reasonably expect to issue in excess of \$5,000,000 in tax exempt obligations during calendar year 2007 and the entirety of the proceeds of the Bonds will be expended immediately after delivery of the Bonds on the construction of the Public Improvement Project.

(c) The City shall not intentionally use any portion of the proceeds (within the meaning of Subsection 148(a) of the Code and any regulations promulgated pursuant thereto) of the Bonds to acquire higher yielding investments (as defined in Subsection 148(a) of the Code and all regulations promulgated pursuant thereto) or to replace funds which were used directly or indirectly to acquire

higher yielding investments, except to the extent specifically permitted pursuant to Section 148 of the Code and any regulations promulgated thereunder.

(d) The City shall not purchase or acquire any investment property with proceeds (within the meaning of Section 148 of the Code) of the Bonds in a manner or for a price which would cause any of the Bonds to be or become an arbitrage bond, within the meaning of Section 148 of the Code and all regulations promulgated thereunder, including, without limitation, to the extent prescribed by applicable regulations, investments (regardless of yield) which do not comply with the provisions of any regulations intended to assure that obligations are acquired at their "market price".

(e) The Mayor and/or Clerk are hereby authorized to execute a "nonarbitrage and federal tax certificate" in connection with the sale and delivery of the Bonds, setting forth the reasonable expectations of the City with respect to the investment and use of proceeds of the Bonds and also setting forth certain covenants, stipulations and certifications with respect to the investment and expenditures of the proceeds of the Bonds, and the City shall comply with all certifications, stipulations and covenants set forth in such certificate.

SECTION 24. All orders, resolutions or proceedings of the Governing Body in conflict with any provision hereof shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict. For cause, this Bond Resolution shall become effective upon the adoption hereof.

Alderman Fisher *Alderman Greer made the motion and* seconded the motion to adopt the foregoing resolution after the same had been read and considered section by section, and, being put to a roll call vote, the result was as follows:

Alderman Jehu W. Brabham
Alderman Tony Hisaw
Alderman Tony Greer
Alderman Mike Bishop
Alderman Phil Fisher
Alderman Mike Morgan
Alderman Bill Barnett

voted: yes
voted: yes
voted: yes
voted: absent
voted: yes
voted: yes
voted: yes

The motion having received the affirmative vote of a majority of all of the members of the Board present, the Mayor declared the motion carried and the Resolution adopted on this the 20th day of February, 2007.

CITY OF CLINTON, MISSISSIPPI

By: Rosemary J. Aultman
MAYOR

ATTEST:

Carol Warren, Deputy Clerk
CITY CLERK



EXHIBIT A
REDEVELOPMENT PROJECT SITE

EXHIBIT B

PRELIMINARY OFFICIAL STATEMENT

EXHIBIT C
BOND PURCHASE AGREEMENT

HARRIS JERNIGAN & GENO, PLLC
Attorneys at Law

Robert F. Wood

Telephone
601-427-0048

Legal Assistants:
Carol Pyron
Kay Valentine

587 Highland Colony Parkway
Ridgeland, Mississippi 39157
Post Office Box 3380
Ridgeland, Mississippi 39158-3380

Facsimile
601-427-0050

E-Mail
kvalentine@harrisgeno.com

MEMORANDUM

TO: Carol Warren
FROM: Kay Valentine
FOR: Robert F. Wood
RE: Transcript Preparation - \$485,000 Tax Increment Limited Obligation Bonds,
(Springridge Crossing Project) - Series 2007
DATE: February 28, 2007

Since, once again, we will be rushing the validation process, the transcript of proceedings needs to be prepared AS SOON AS POSSIBLE -- i.e., if I could pick it up from you Monday morning on the way to work, it would be MUCH appreciated. (And if you want me to come help put it together, let me know!)

We believe the transcript should include the following:

- ✓1. Convene the meeting of the Board on May 16, 2005;
- ✓2. Insert Resolution Accepting the City's Tax Increment Financing Plan (Springridge Crossing Project), June 2005, and Setting Public Hearing on it;
- ✓3. Adjourn (or recess as the case may be) the May 16, 2005 meeting;
- ✓4. Convene the June 7, 2005 meeting;
- ✓5. Insert proof of publication of Notice of Hearing on the TIF Plan; *June 7, 2005*
- ✓6. Insert the Resolution Approving the TIF Plan;
- ✓7. Insert the Resolution Approving the Security and Reimbursement Agreement; *5*
- ✓8. Adjourn (or recess as the case may be) the June 7, 2005 meeting;
- ✓9. Convene the February 20, 2007 meeting;
10. ♦ Insert the Bond Resolution;
- ✓11. Adjourn the February 20, 2007 meeting;
12. The last page should be the transcript certification (make sure to **execute** and **seal**).

The certification we have prepared is attached for your convenience. Forward the original transcript to us and keep a copy for your files. Should you have any questions, feel free to contact us. THANK YOU.

RFW/kkv

FEB 20 2007

CITY OF CLINTON

CITY OF CLINTON AGENDA ITEM FACT SHEET

BOARD MEETING DATE: FEBRUARY 20, 2007

AGENDA ITEM NO.

12.

CONSENT AGENDA: \$

TO:

FOR:

ACCOUNT NO:

INTRODUCED BY:

DISCUSSION/ACTION: Litigation

INTRODUCED BY: Mayor Aultman

BOARD ACTION:MOTION MADE BY:SECONDED BY:VOTE CAST:"AYE""NAY"ACTION TAKEN:

Brabham

Hisaw

Greer

Bishop

Fisher

Morgan

Barnett

Mayor Aultman

AGENDA ITEMS MUST BE TURNED IN TO THE CITY CLERK WITH ALL ATTACHMENTS NO LATER THAN 5 P.M. ON THE WEDNESDAY PRECEEDING THE TUESDAY BOARD MEETING TO BE INCLUDED ON THE AGENDA. THIS DEADLINE GIVES THE CLERK TIME TO PREPARE THE AGENDA AND ALSO TO COPY THE AGENDA. PLEASE REMEMBER ALL OF THIS TAKES SOME TIME AND THIS IS WHY WE HAVE THIS DEADLINE. THANKS.

PRUGON PROPERTIES, L.L.C.
PARCEL DESCRIPTION

BEGINNING AT A FOUND IRON PIN MARKING THE SOUTHWEST CORNER OF LOT NO. 1 OF STONEGATE SUBDIVISION PART 2 ACCORDING TO A PLAT ON FILE IN THE RECORDS OF THE CHANCERY CLERK OF HINDS COUNTY, MISSISSIPPI, IN PLAT CABINET 24, SLOT 47; THENCE

SOUTH 00 DEGREES 35 MINUTES 31 SECONDS WEST FOR A DISTANCE OF 57.63 FEET; THENCE

SOUTH 87 DEGREES 45 MINUTES 47 SECONDS WEST FOR A DISTANCE OF 343.62 FEET; THENCE

SOUTH 52 DEGREES 54 MINUTES 31 SECONDS WEST FOR A DISTANCE OF 652.25 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY OF INTERSTATE HIGHWAY NO. 20; THENCE

NORTH 37 DEGREES 21 MINUTES 23 SECONDS WEST ALONG SAID NORTH RIGHT-OF-WAY FOR A DISTANCE OF 465.64 FEET; THENCE

NORTHWESTERLY ALONG THE SAID NORTH RIGHT-OF-WAY AND THE ARC OF A CURVE TO THE LEFT FOR A DISTANCE OF 407.26 FEET; SAID CURVE HAVING A RADIUS OF 1572.40 FEET AND A DEFLECTION ANGLE OF 14 DEGREES 50 MINUTES 24 SECONDS (CHORD BEARING AND DISTANCE, NORTH 50 DEGREES 14 MINUTES 26 SECONDS WEST, 406.13 FEET); THENCE

NORTH 42 DEGREES 16 MINUTES 30 SECONDS WEST ALONG THE SAID NORTH RIGHT-OF-WAY FOR A DISTANCE OF 6.72 FEET TO THE POINT OF INTERSECTION WITH THE EAST RIGHT-OF-WAY OF SPRINGRIDGE ROAD; THENCE

NORTH 01 DEGREES 35 MINUTES 13 SECONDS EAST ALONG SAID EAST RIGHT-OF-WAY FOR A DISTANCE OF 193.84 FEET; THENCE

NORTH 01 DEGREES 43 MINUTES 17 SECONDS WEST ALONG THE SAID EAST RIGHT-OF-WAY FOR A DISTANCE OF 49.24 FEET; THENCE

SOUTH 88 DEGREES 16 MINUTES 43 SECONDS WEST ALONG THE SAID EAST RIGHT-OF-WAY FOR A DISTANCE OF 1.11 FEET; THENCE

NORTH 13 DEGREES 11 MINUTES 08 SECONDS WEST ALONG THE SAID EAST RIGHT-OF-WAY FOR A DISTANCE OF 80.94 FEET; THENCE

NORTH 89 DEGREES 30 MINUTES EAST FOR A DISTANCE OF 17.20 FEET; THENCE

NORTH 89 DEGREES 10 MINUTES 06 SECONDS EAST FOR A DISTANCE OF 338.28 FEET; THENCE

NORTH 23 DEGREES 16 MINUTES 30 SECONDS WEST FOR A DISTANCE OF 209.10 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY OF BROADWAY STREET; THENCE

SOUTH 88 DEGREES 34 MINUTES 53 SECONDS EAST ALONG SAID SOUTH RIGHT-OF-WAY OF BROADWAY STREET FOR A DISTANCE OF 88.44 FEET; THENCE

SOUTH 16 DEGREES 40 MINUTES EAST FOR A DISTANCE OF 191.50 FEET; THENCE

SOUTH 89 DEGREES 40 MINUTES EAST FOR A DISTANCE OF 260.00 FEET; THENCE

NORTH 89 DEGREES 43 MINUTES 01 SECONDS EAST FOR A DISTANCE OF 784.96 FEET
TO A FOUND IRON PIN ON THE WEST LINE OF THE AFOREMENTIONED STONEGATE
SUBDIVISION, PART 2; THENCE

SOUTH 02 DEGREES 02 MINUTES 47 SECONDS EAST ALONG THE WEST LINE OF
STONEGATE SUBDIVISION, PART 2 FOR A DISTANCE OF 506.38 FEET TO THE POINT OF
BEGINNING.
CONTAINING 22.23 ACRES±

NEW ISSUE**PRELIMINARY
OFFICIAL STATEMENT**

In the opinion of Bond Counsel, based on existing statutes, regulations, rulings and court decisions and assuming, among other matters, compliance with certain covenants, interest on the Bonds is not includible in the gross income of the holders thereof for federal income tax purposes and is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although it is included in adjusted current earnings in calculating corporate minimum taxable income. Bond Counsel is also of the opinion that under existing law, interest on the Bonds will be exempt from State of Mississippi income taxation. See "TAX EXEMPTION" herein.

\$485,500
THE CITY OF CLINTON, MISSISSIPPI
Tax Increment Limited Obligation Bonds
Series 2007 (Springridge Crossing Project)

Dated: March 1, 2007**Due: March 1, as shown below**

Principal payable at the principal corporate trust office of, and interest payable annually on March 1, 2008 and on each March 1 thereafter, by check or draft mailed to the registered holder of each of the Bonds by, _____ Bank, _____, Mississippi, paying agent for the Bonds. The Bonds will be issuable only in the form of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple of \$5,000 up to the amount of a single maturity. The Bonds will be a limited obligation of the City secured by the ad valorem tax revenues generated from the ad valorem tax levy by the City on the real and personal property that constitute a part of the Redevelopment Project, the Redevelopment Project Site and improvements thereon, as described in the Tax Increment Financing Plan (Springridge Crossing Project), City of Clinton, Mississippi, June 2005, as adopted by the City on June 7, 2005, as hereinafter described and defined. (See "Security" herein).

The Bonds will mature in the years and principal amounts as follows:

<u>Year (Mar. 1 Maturity)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2008	30,000	
2009	35,000	
2010	35,000	
2011	35,000	
2012	35,000	
2013	40,000	
2014	40,000	
2015	45,000	
2016	45,000	
2017	45,000	
2018	50,000	
2019	50,000	

The Bonds are designated as qualified tax exempt obligations as such term is defined in Section 265(b)(3), Internal Revenue Code of 1986.

DUNCAN-WILLIAMS, INC.

The date of this Preliminary Official Statement is February 20, 2007; it is final for the purposes of SEC Rule 15c2-12.

The Bonds will be offered by the City when, as and if issued and received by the Purchaser thereof, subject to the approval of the validity thereof by Harris Jernigan & Geno, PLLC, Ridgeland, Mississippi, Bond Counsel. It is expected that the Bonds in definitive form will be available for delivery on or about March ___, 2007. The Bonds will be sold privately in a negotiated sale.

The Bonds maturing on March 1, 2015 are subject to redemption prior to maturity in whole or in part, at par plus accrued interest on March 1, 2014 or the first day of any month thereafter upon giving thirty (30) days' written notice to the Registered Owners of the Bonds.

In the opinion of Bond Counsel, interest on the Bonds is excluded from the gross income of the registered owner for State of Mississippi and for Federal income tax purposes, with the standard exceptions for the effect the interest may have on the taxable income of corporations subject to alternative minimum tax, environmental tax and branch profits tax, and the possible effect on recipients of Social Security or Tier 1 Railroad Retirement Benefits, on taxpayers deemed to have incurred or continued indebtedness to purchase the Bonds, and on the income adjustments of property and casualty insurers. (See "Tax Exemption" herein).

The Bonds are designated as Qualified Tax Exempt Obligations as described in Section 265(b)(3) of the Internal Revenue Code of 1986 and the City reasonably expects that the total amount of Qualified Tax Exempt Obligations issued by the City including any subordinate entity of the City will not exceed \$10,000,000 during calendar year 2007.

The date of this Preliminary Official Statement is February 20, 2007, and it is deemed final for purposes of SEC Rule 15c2-12.

IMPORTANT NOTICES

No dealer, broker, salesman or other person has been authorized to make any representations with respect to the Bonds other than is contained in this Preliminary Official Statement and if given or made, such other information or representations must not be relied upon. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. While all information has been secured from sources which are believed to be reliable, all parties preparing and distributing the Preliminary Official Statement make no guarantee or warranty relating thereto. All opinions, instruments or assumptions, whether or not expressly identified, are intended as such and not as representations of fact. Neither the delivery of this Preliminary Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

CITY OF CLINTON, MISSISSIPPI

Mayor

Rosemary G. Aultman

Board of Aldermen

Jehu W. Brabham
Tony Hisaw
Tony Greer
Mike Bishop
Phil Fisher
Mike Morgan
Bill Barnett

City Clerk

Russell Wall

Purchaser

Duncan-Williams, Inc.
Memphis, Tennessee

City Attorney

Kenneth R. Dreher, P.A.
Clinton, Mississippi

Financial Advisor

Government Consultants, Inc.
Jackson, Mississippi

Bond Counsel

Harris Jernigan & Geno, PLLC
Ridgeland, Mississippi

TABLE OF CONTENTS

CITY OFFICIALS AND BOND COUNSEL	3
INTRODUCTORY STATEMENT	6
THE BONDS	7
General Description	7
Authority for Issuance and Purpose	7
The Public Improvement Project	7
The Redevelopment Project	8
Security	8
Tax Increment Surplus	9
Assessment Certificate	9
Diversion Certificate	9
Redemption	10
Registration and Payment of Bonds	10
Denomination and Transfer	10
Use of Proceeds	11
 ECONOMIC AND DEMOGRAPHIC INFORMATION	 12
General Description	13
Population	13
Government	13
Transportation	14
Per Capita Income (Jackson MSA/Hinds County)	14
Employment (Jackson MSA/Hinds County)	15
Unemployment Statistics (Jackson MSA/Hinds County)	16
Major Employers	17
Retail Sales	17
Educational Facilities	18
 TAX INFORMATION	 21
Assessed Valuation	22
Procedure for Property Assessments	22
History of Assessed Valuation	22
Homestead Exemption	24
Tax Levy in Place per \$1,000 Valuation	24
Ad Valorem Tax Collections	25
Procedure for Tax Collections	25
Ten Largest Taxpayers	26
 DEBT INFORMATION	 27
Legal Debt Limit Statement	
(at January 31, 2007)	28
General Statutory Debt Limits Provisions	28

Outstanding General Obligation Bonded Debt (at January 31, 2007)	29
Other Outstanding Bonded Debt - Revenue Bonds (at January 31, 2007)	30
Other Long Term Debt (at September 30, 2006)	29
AUDIT, MISCELLANEOUS AND LEGAL INFORMATION	31
Audit Statements and Financial Information	32
No Default on Securities of City	32
Bond Proceeds for Current Operating Expenses	32
Pension Plan	32
Reappraisal of Property and Limitation on Ad Valorem Levies	32
Legal Proceedings	32
Validation	32
Approval of Legal Proceedings	33
Tax Exemption	33
Qualified Tax Exempt Obligations	33
Arbitrage Covenant	34
Continuing Reporting under Rule 15c2-12	34
Financial Advisor	34
Underwriter	35
Rebate	35
Miscellaneous	36
APPENDIX A Assessment Certificate of Tax Assessor of Hinds County, Mississippi	
APPENDIX B Diversion Certificate of the Mississippi State Tax Commission	

PRELIMINARY OFFICIAL STATEMENT

relating to

THE CITY OF CLINTON, MISSISSIPPI

\$485,500

**Tax Increment Limited Obligation Bonds, Series 2007
(Springridge Crossing Project)
to be dated March 1, 2007**

INTRODUCTORY STATEMENT

This Preliminary Official Statement, including the cover page and Appendices A and B hereto, is furnished to prospective purchasers by the Mayor and Board of Aldermen (the "Governing Body") of the City of Clinton, Mississippi (the "City") in connection with the sale of the City's \$485,500 in principal amount Tax Increment Limited Obligation Bonds, Series 2007, to be dated March 1, 2007 (the "Bonds"). The Bonds will be issued for the purpose of providing funds necessary to defray the cost of constructing various infrastructure improvements in connection with the construction of the Springridge Crossing Project, including but not limited to, installation and/or relocation of utilities such as water, sanitary sewer and natural gas lines; construction of drainage improvements; construction of roadways with curb and gutter; asphalt overlay; landscaping of right-of-way; related professional fees; capitalized interest; other related soft costs; and cost of issuance of the Bonds (the "Public Improvement Project"), which Public Improvement Project will provide access and required infrastructure improvements in connection with a commercial development located on approximately 22(+/-) acres of land located at the northeast quadrant of Interstate 20 and Springridge Road in the City of Clinton, Mississippi (the "Redevelopment Project").

The Bonds will be issued by the City under the authority of the Constitution and laws of the State of Mississippi and pursuant to a resolution of the Governing Body of the City dated February 20, 2007 (the "Bond Resolution"). The Bonds will constitute limited obligations of the City for the payment of the principal of and the interest on the Bonds for which the City will irrevocably pledge the incremental increase in ad valorem tax receipts resulting from taxation of the real and personal property that constitutes the Redevelopment Project Site and all improvements thereon, together with the increase in sales taxes within the Redevelopment Project Site.

The pledge of ad valorem taxes to the payment of the principal of and interest on the Bonds will not include ad valorem taxes levied and collected on behalf of Hinds County nor ad valorem taxes for school district purposes.

THE BONDS

General Description

The Bonds will be dated March 1, 2007, will bear interest at the respective rates to be shown on the cover page of the Official Statement, and will mature on March 1 in the respective principal amounts and years shown on the cover page of this Preliminary Official Statement.

The principal of the Bonds shall be payable at the principal corporate trust office of _____ (the "Bank") located in _____, Mississippi. Interest thereon will be payable on March 1, 2008, and annually thereafter on March 1 of each year by check mailed by the Bank to the then registered owners of the Bonds. The Bonds will be issued in fully registered form in the denomination of \$5,000 each or any integral multiple thereof not to exceed an annual maturity. The principal on the Bonds shall be payable only upon presentation and surrender of the Bonds at the principal corporate trust office of the Bank. Interest on the Bonds shall be remitted by the Bank to the then registered owners of the Bonds at their respective addresses as shown on the registration books of the Bank pertaining to the Bonds.

Authority for Issuance and Purpose

The Mayor and Board of Aldermen of the City, a public body corporate and politic and a municipality as defined in Title 21, Chapter 45, Section 3, Mississippi Code of 1972, as amended (the "Act"), is authorized and empowered by the Constitution and statutes of the State of Mississippi, including Sections 21-45-1 through 21-45-21, Mississippi Code of 1972, as amended, (the "Code") to undertake and carry out redevelopment projects within an area determined by the respective Governing Body of the City to be in need of development and/or redevelopment and designated as appropriate for a redevelopment project, in accordance with Redevelopment and Tax Increment Financing Plans adopted by the Governing Body of the City.

In order to issue the Bonds, the Governing Body of the City adopted resolutions declaring their intention to adopt the *Tax Increment Financing Redevelopment Plan of 1995, City of Clinton*, ("City Redevelopment Plan"), *Tax Increment Financing Plan, Springridge Crossing Project, Clinton, Mississippi, June 2005* ("City TIF Plan"), called for public hearings with respect to the City Redevelopment Plan and the City TIF Plan, and gave notice of such public hearings by publication of said resolutions in a newspaper having general circulation in the City, all as required by the Act. After conducting a public hearing on each as required by the Act, the Governing Body of the City approved the City Redevelopment Plan in 1995 and the City TIF Plan on June 7, 2005.

The Public Improvement Project

The Bonds will be issued for the purpose of providing funds necessary to defray the cost of constructing various infrastructure improvements in connection with the construction of the Springridge Crossing Project, including but not limited to, installation and/or relocation of utilities such as water, sanitary sewer and natural gas lines; construction of drainage improvements; construction of roadways with curb and gutter; asphalt overlay; landscaping of right-of-way; related professional fees; capitalized interest; other related soft costs; and cost of issuance of the Bonds.

The Redevelopment Project

The Redevelopment Project presently consists of a twenty-two (22) +/- acre site at the intersection of Springridge Road and Interstate 20 in the City (the "Redevelopment Project Site"), on which is located a 120,000± square foot Home Depot store. An additional 30,000± square feet of additional retail space, and 1.9 acres of outparcel development is also planned for development on the Redevelopment Project Site.

Security

For the purpose of effecting and providing for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue and the fees and expenses of the Paying Agent pursuant to the Bond Resolution, there have been irrevocably pledged the avails of the Tax Increment (as defined below) and the amounts held on behalf of the City in the funds and accounts established in the Bond Resolution, namely the Construction Fund and the Bond Fund. Should there be a failure in any year to comply with the requirements of the Bond Resolution, such failure shall not impair the right of the Registered Owners of any of the Bonds in subsequent years to receive payments of principal of and interest on the Bonds from avails of the Tax Increment or amounts in the funds and accounts pledged pursuant to the Bond Resolution.

The Assessment Certificate attached hereto as Appendix C sets forth the tax revenue available, based on current millage rates, for payment of the principal of and interest on the Bonds along with the fees and expenses of the Paying Agent.

"Captured Assessed Value" means the incremental increase in assessed value of the City real and personal property constituting the Redevelopment Project Site and improvements thereon when the Original Assessed Value is subtracted from the Current Assessed Value as of January 1, 2006, initially and each January 1 thereafter.

"Current Assessed Value" means the estimated assessed value of the Redevelopment Project Site and all improvement thereon that constitute City real and personal property as of January 1, 2006 and each January 1 thereafter.

"Current Diversion Amount" shall mean the amount of sales tax collected within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve month period ending June 30, 2006, and as of June 30 of each year thereafter as long as the Bonds are outstanding and as set forth in the annual Diversion Certificate of the Mississippi State Tax Commission filed with the City.

"Diversion Certificate" shall mean the certificate of the Mississippi State Tax Commission required by Section 21-45-21 of the Act, under which the Mississippi State Tax Commission will annually certify to the City the amount of the sales tax collected by the State within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve month period ending June 30, 2005, and certifying the amount of the increase or decrease in the amount collected within the boundaries as of June 30 of each year thereafter, all or a portion of which incremental increase shall be set aside by the City in the funds created by the City in the Bond Resolution and as required by Section 21-45-21 of the Act, which in addition to the incremental increase in ad valorem tax, shall be available for debt service on the Bonds.

"Original Assessed Value" means the assessed value of the City real and personal property that constitutes the Redevelopment Project Site and improvements thereon, if any, as of January 1, 2005.

"Original Diversion Amount" shall mean the amount of sales tax collected within the boundaries of the Redevelopment Project Site and diverted to the City in the twelve-month period ending June 30, 2005, as certified by the Mississippi State Tax Commission as required by Section 21-45-21 of the Act. Any increase in the amount collected within the boundaries shall be set aside by the City in the fund created by the Tax Increment Financing Plan as provided in Section 21-45-21 of the Act for transfer to the Bond Fund.

"Redevelopment Project" means the Springridge Crossing Project as described in detail in (i) the Tax Increment Financing Plan, Springridge Crossing Project), Clinton, Mississippi, June 2005, approved by the Mayor and Board of Aldermen of the City on June 7, 2005, to be located on the Redevelopment Project Site.

"Redevelopment Project Site" means the parcel of real property consisting of 22 acres (+/-) lying in the northeast quadrant of the intersection of Interstate 20 and Springridge Road in the City, specifically described in Exhibit A to the Bond Resolution of the City, upon which the Redevelopment Project and other improvements will be constructed.

"Tax Increment" means the added increments of City ad valorem tax revenue levied and collected by the City resulting from the taxation of the Captured Assessed Value of the real and personal property contained within and forming a part of the Redevelopment Project Site and the increased increment of sales tax collected within the Redevelopment Project Site and diverted to the City when the Original Diversion Amount is subtracted from the Current Diversion Amount, which shall be so much of the additional tax revenues necessary and sufficient to pay the principal of and interest on the Bonds, together with the annual fees and expenses of the Paying Agent, but shall not include ad valorem taxes for school district purposes nor taxes levied and collected for and on behalf of Hinds County, Mississippi.

Based upon the assessed valuation of the property for Tax Year 2006, as determined by the Hinds County Tax Assessor, City ad valorem tax on real property due on January 1, 2007, is \$_____, which is pledged as security for the Bonds. Ad valorem tax on personal property is \$_____, which is also pledged as security for the Bonds. Sales tax diversions to the City from sales within the Redevelopment Project Site is \$_____ as of June 30, 2006, and estimated to be \$_____ as of June 30, 2007.

Additionally, ad valorem taxes on the real and personal property improvements that will be constructed on the remaining part of the Redevelopment Project Site (7± acres) will be part of the Tax Increment and pledged to the payment of the principal of and interest on the Bonds. It is unknown at this time what value will be connected to such additional development but it is in a prime location and is expected to be significant.

The TIF Act permits the City to use any available, unappropriated funds of the City on an annual basis to pay and redeem the principal of and interest on the Bonds.

Tax Increment Surplus

After the payments of the principal of and interest on the Bonds and the fees and expenses of the Paying Agent have been deducted from the Tax Increment, the remaining tax revenues shall be withheld by the City and used for any lawful municipal purpose as authorized by Section 21-45-21 of the Act.

Assessment Certificate

The Tax Assessor of the County will deliver at closing and annually thereafter a certificate for and on behalf of the City in the form set forth in Appendix "A" hereto, under which the Tax Assessor will certify to the Original Assessed Value, Current Assessed Value, Captured Assessed Value and the Tax Increment with respect to the incremental increase in assessed value and increased ad valorem taxes generated by levying ad valorem taxes on the real and personal property that constitutes a part of the Redevelopment Project Site. See "Appendix A" attached hereto for details.

Diversion Certificate

The Mississippi State Tax Commission ("Tax Commission") will deliver annually, a certificate in the form as set forth in Appendix "B" hereto, wherein the Tax Commission will certify to the Original Diversion amount, the Current Diversion amount and the Tax Increment with respect to the increased sales tax diverted to the City generated from sales within the boundaries of the Redevelopment Project Site.

Redemption

The Bonds maturing on March 1, 2015 are subject to redemption prior to maturity in whole or in part, at par plus accrued interest on March 1, 2014 or the first day of any month thereafter upon giving thirty (30) days written notice to the Registered Owners of the Bonds.

Registration and Payment of Bonds

The Bonds as initially issued will be dated March 1, 2007. Interest on the Bonds will be payable on March 1 of each year, beginning March 1, 2008, by check or draft mailed to the registered owner as shown on the registration books kept by the Bond Registrar at the main corporate trust office of the Bond Registrar and Paying Agent (the "Bond Registrar" or "Paying Agent") on the 15th day of the calendar month preceding such March 1. The Bonds will mature on the dates and in the amounts set forth on the cover page hereof, and will bear interest to maturity at the rates to be set forth on the cover page of the Official Statement. The principal of the Bonds is payable when due to the registered owner upon presentation of the Bonds at the principal corporate trust office of the Paying Agent.

A portion of the interest payment due on March 1, 2008 may be paid with proceeds of the Bonds.

Denomination and Transfer

The Bonds are to be fixed-rate bonds in fully registered form in the denomination of \$5,000.00 or any integral multiple thereof not to exceed a single maturity. Ownership of any Bond is transferable upon surrender thereof to the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative, in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer of ownership, the Bond Registrar shall cause to be authenticated and delivered a new Bond or Bonds registered in the name or names of the transferee(s) in any denomination that is a multiple of \$5,000.00 in the same aggregate principal amount, maturity and interest rate as the Bonds surrendered for such transfer. The Bonds may be exchanged by the Bond Registrar for a like principal amount of Bonds of the same maturity of other authorized denominations. For every exchange or registration or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge may be made to the owner for any exchange or registration of transfer of the Bond.

Use of Proceeds

The City expects that the total proceeds from the sale of the Bonds will be as follows:

Principal amount of the Series 2007 Bonds	\$485,500
Accrued Interest to Date of Delivery	_____
Proceeds of the Bonds	\$ _____

The City expects that the said proceeds will be applied as follows:

(a) Public Improvement Project Costs	\$	
(b) For Payment of the Expenses of Issuing the Bonds*	\$	*
(c) Accrued Interest Deposited into Bond Fund	\$	0
(d) Capitalized Interest	\$	_____**
TOTAL	\$ 1,	_____

* Includes cost of printing, legal and other professional fees, publication, and court costs.

** Maximum.

ECONOMIC AND DEMOGRAPHIC INFORMATION

General Description

The City is located on Interstate 20 in the central portion of the state, directly in the heart of Mississippi's largest urban area, some seven miles west of Jackson, the capital city. It enjoys ready access to all the advantages of a large metropolitan area while continuing to have the amenities, as the *Clarion Ledger* and Mississippi Municipal League have recognized twice, of a Mississippi "Most Livable Community." The City is also a Certified Retirement Community and has received several "Making Mississippi Move" awards.

Population

The population of the City has been recorded or estimated as follows:

1970	1980	1990	2000	2005
7,289	16,917	21,841	23,347	23,427

SOURCE: U. S. Department of Commerce, Bureau of the Census, *Census of Population and Housing*, 1970 - 2000; Clinton Community Profile, Mississippi Development Authority website, May 2006.

Government

The City operates as a Code Charter form of government, divided equally into six wards. The local Governing Body is comprised of the Mayor, one Alderman representing each of the six Wards and one Alderman-at-Large whose duty is to represent the entire community. The current Mayor, Rosemary G. Aultman, has served in that position since July, 1993. The current members of the Board of Aldermen are:

Name	Occupation	Position Held Since
Jehu W. Brabham	Church Administrator	July 1993
Tony Hisaw	Special Agent, Prudential Preferred Financial Services	July 1997
Tony Greer	Realtor	July 2001
Mike Bishop	Sales Rep, Pfizer, Inc.	July 2005
Phil Fisher	Sales Rep, Proctor & Gamble	July 1993
Mike Morgan	LFO, Healthtech Corp.	July 2005
Bill Barnett	Retired	July 2005

Transportation

Clinton is on Interstate 20, an important east-west corridor and is approximately seven miles from north-south Interstates 55 and 220 and U.S. Highway 49. Two other major highways, U.S. Highway 80 and Mississippi Highway 18, also serve the City.

Kansas City Southern Railroad provides freight service on three different lines that radiate in all directions from the City. The company offers about 20 scheduled runs per day. Passenger service is available in Jackson, where Amtrak uses Illinois Central's rails to run daily north-south schedules through Jackson from New Orleans to Chicago.

Over 20 motor freight companies offer interstate and intrastate shipping services into and out of the City. Interline service is available to every state in the continental United States, with overnight service to points throughout the southeast and the lower Mississippi River Valley. Companies include Bowman Transportation, Carolina Freight Carriers, Consolidated Freightways, Freeman Truck Line, Jones Truck Lines and KLLM.

Inland barge facilities are available at the Port of Vicksburg on the Mississippi River, only 40 miles to the west. Charter air service for package freight is provided by Airborne, Emery and Federal Express. Parcel service is also offered through at least seven parcel services, including United Parcel Service, Purolator, and Film Transit.

Air transportation is available in nearby Jackson. The Jackson-Evers International Airport is off Interstate 20, about 23 miles east of Clinton. Designated as a general purpose Foreign Trade Zone, it houses an office of the U.S. Customs Service. The airport maintains two 8500-foot runways and provides direct service to almost every major city in the United States, with non-stop flights to hub cities including Atlanta, Cincinnati, Dallas, Memphis, Nashville and New Orleans. Airlines which utilize its services, providing about 40 outgoing flights daily, include American Eagle, Delta, Continental Express, Northwest Airlines and Southwest Airlines, TWExpress and United.

Closer to Clinton is Jackson's former municipal airport, Hawkins Field, which is now primarily a private aircraft base, serving jet and regular air traffic. It operates a tower with full FAA facilities. Two smaller fields for private aircraft are also located in the area, one between Clinton and Raymond.

County Employment

	2005	2004	2003	2002	2001
Residence Based Employment					
Civilian Labor Force	127,060	126,240	123,820	122,160	123,300
Unemployed	8,800	7,350	7,000	7,190	6,010
Unemployment Rate	6.9%	5.8%	5.7%	5.9%	4.9%
Employed	118,260	118,890	116,820	114,970	117,290
Establishment Based Employment					
Manufacturing	6,410	6,740	7,600	8,230	8,730
Non-manufacturing (Total)	134,910	134,820	136,930	139,170	139,310
Natural Resources and Mining	270	290	260	280	460
Construction	5,150	5,000	5,240	5,550	5,470
Trade, Transportation & Utilities	24,390	24,450	25,180	25,400	26,290
Information	3,230	3,490	4,160	5,310	6,070
Financial Activities	8,490	8,420	8,790	9,220	9,300
Professional & Business Services	18,740	17,820	17,930	18,300	18,000
Education & Health Services	20,130	19,930	20,080	20,170	19,340
Leisure & Hospitality	11,330	11,160	11,650	11,670	11,630
Other Services	6,550	6,550	6,670	6,850	6,110
Government	36,630	37,710	36,970	36,420	36,640
Public Education	12,960	12,860	12,570	12,590	12,880
Total Non-agricultural Employment	141,320	144,550	144,540	147,400	148,040

NOTE: Establishment-based amounts are estimates and do not include self-employed individuals, religious entities or non-profit institutions. Amounts include a pro rata share of unclassified employment.

SOURCE: Mississippi Department of Employment Security, Labor Market Information Division:
Annual Averages 2001 Forward, Internet Version, July 2006.

Unemployment Statistics of the County

	2006	2005	2004	2003	2002	2001
January	7.2%	7.2%	5.4%	6.6%	6.7%	4.8%
February	7.0	6.6	4.7	5.7	5.8	4.4
March	6.8	6.4	4.7	5.9	6.0	4.8
April	6.1	6.3	4.6	5.7	5.6	4.1
May	6.2	6.9	5.7	6.2	6.0	4.6
June	6.8	7.7	6.7	7.2	6.6	5.2
July	7.3	7.0	6.3	6.0	5.9	4.6
August	6.1	6.9	6.1	5.5	5.7	5.0
September	6.0	6.9	6.3	4.9	5.3	4.9
October	5.7	7.4	6.8	5.4	5.9	5.4
November	6.1	7.2	6.4	4.5	5.5	5.1
December	6.0	6.5	6.2	4.3	5.7	5.4
Annual Average	6.4%	6.9%	5.8%	5.7%	5.9%	4.9%

SOURCE: MS Dept. of Employment Security, Labor Market Information Division, Summary of Unemployment Rates for Years 1970 Forward, Internet Version, February 2007.

City Retail Sales

State Fiscal Year Ended June 30	Amount
2006	\$304,176,358
2005	256,617,417
2004	252,895,467
2003	253,991,331
2002	231,897,132
2001	240,029,521
2000	225,791,243

SOURCE: Annual Report, FYE June 30 for each year, Mississippi State Tax Commission, 2000 - 2005; verbal report from State Tax Commission staff, FYE 2006.

Per Capita Income

Year	Hinds County	Mississippi	United States	County as % of U.S.
2004	\$28,896	\$24,518	\$33,050	87.4%
2003	27,468	23,271	31,484	87.3
2002	26,723	22,321	30,810	86.7
2001	25,973	21,955	30,574	85.0
2000	24,779	21,005	29,845	83.0

SOURCE: Labor Market Information Dept., Mississippi Department of Employment Security: *Historical LMI Data Sheet*, Internet Version, February 2007, 2000-2004;
U.S. Bureau of Economic Analysis, *Regional Economic Information System* Website, February 2007.

City's Major Employers

The following is a listing of the City's major employers, their products or services and their approximate number of employees:

Employer	Employees	Product/Service
MCI/Skytel	762	Phone & Wireless Communications
Delphi Corporations - Packard Electric System	1077	Engine electrical eqpt.; Ignition harness & cable sets
Clinton Public School District	575	Public Education
Wal-Mart SuperCenter	520	Discount Retail Center
Mississippi College	450	Private Education
Entergy	338	Electric utility company
City of Clinton	215	Municipal Government
Kroger	130	Grocery Store

SOURCE: Office of City Clerk and City of Clinton website, February 2007

Sales Tax Rebates from the State

The State of Mississippi rebates monthly 18.5% of the total State sales tax of 7% for all sales originating within the City; this rebate may be used for any lawful purpose. Sales tax rebates from the State to the City are as follows:

State Fiscal Year Ending June 30	Amount
2006	\$3,882,829
2005	3,327,347
2004	3,302,344
2003	3,304,987
2002	3,086,892
2001	3,198,466

SOURCE: Mississippi State Tax Commission, Annual Reports for Years Indicated

Note also that the State Tax Commission's website in February 2007 shows diversion from July 1 through December 31, 2006 as \$2,001,546, compared to \$1,814,023 for the same period in 2005.

Educational Facilities

Public Schools. The Clinton Public School District, formed in 1970, is comprised of eight schools: four elementary (K-1, 2-3, 4-5, and 6), three secondary (one for 7th and 8th grade, one for 9th grade and one high school), and one career complex. Enrollment is based solely on grade level and has no relation to the area of the City in which a family resides. A bond issue passed in 1993 provided funds for the state-of-the-art high school, which opened in August 1996.

The Clinton schools have consistently scored well by both state and national standards.

Total first-month enrollment figures for the District in recent scholastic years is as follows:

Scholastic Year	District Enrollment
2006-2007	
2005-2006	4,956
2004-2005	4,860
2003-2004	4,899
2002-2003	4,956
2001-2002	4,843
2000-2001	4,887

SOURCE: State Department of Education, "Public School Enrollment (End of First Month)," for years indicated.

Private Schools. Mt. Salus Christian School serves grades K-6 and Mt. Salus Christian High School completes secondary school education.

Institutions of Higher Learning. Clinton is home to Mississippi College, a Baptist college which is the oldest institution of higher learning in Mississippi and one of the 64 oldest in the country. It gave the U.S. its first woman graduate of a four-year college and has a current enrollment of approximately 3,600. The main campus of Hinds Community College, the state's largest two-year college and vocational training complex, is five miles away in Raymond.

Banking Institutions

Institutions	June 30, 2005 Total Assets
AmSouth Bank ¹	(Not available)
BancorpSouth Bank ²	\$10,825,364,000
BankPlus ³	1,475,757,000
M&F Bank ⁴	1,204,523,000
Merchants & Planters Bank ⁵	69,656,000
Regions Bank ¹	(Not available)
Trustmark National Bank ⁶	7,951,182,000

- 1 Head office in Birmingham, Alabama
- 2 Head office in Tupelo, Mississippi
- 3 Head office in Belzoni, Mississippi
- 4 Head office in Kosciusko, Mississippi
- 5 Head office in Raymond, Mississippi
- 6 Head office in Jackson, Mississippi

SOURCE: Mississippi Financial Institutions Directory,
Mississippi Bankers Association, 2005-2006 edition.

TAX INFORMATION

Assessed Valuation¹

Assessment Year	Real Property	Personal Property ²	Public Utility Property	Total
2006				
2005	\$95,676,682	\$53,210,657	\$10,804,511	\$159,691,850
2004	97,774,307	50,135,177	9,791,744	157,701,228
2003	83,972,443	48,692,163	9,657,919	142,322,525
2002	80,302,198	48,242,852	9,741,157	138,286,207
2001	68,610,593	50,627,070	9,545,458	128,783,121
2000	65,313,663	45,755,668	9,322,576	120,391,907

¹ Excludes real property values that are subject to homestead exemption.

² Personal Property includes automobiles, other motor vehicles and mobile homes.

SOURCE: Office of the City Clerk.

Procedure For Property Assessments

The Tax Assessor of Hinds County assesses all real and personal property subject to taxation in the County, including property in the City, except motor vehicles and property owned by public service corporations. The assessed value of motor vehicles is determined by an assessment schedule prepared each year by the State Tax Commission. With minor exceptions the property of public utilities is assessed each year by the State Tax Commission.

Section 21-33-9, Mississippi Code of 1972, as amended, provides that the governing authorities of a municipality which is located within a county having completed a countywide reappraisal approved by the State Tax Commission and which has been furnished a true copy of that part of the County assessment roll containing the property located within a municipality as provided in Section 27-35-167, Mississippi Code of 1972, as amended, shall adopt such assessment rolls for its assessment purposes. The City is utilizing the assessment rolls of the County.

The City may not correct or revise such assessment rolls except for the purpose of conforming the municipal assessment roll to corrections or revisions made to the County assessment roll. All objections to the municipal assessment roll may be heard by the Board of Supervisors of the County at the time and in the manner that objections to the County assessment roll are heard. The Board of Supervisors shall notify, in writing, the Governing Body and the Tax Assessor of the City of any corrections or revisions made by it to the part of the County assessment roll adopted as the municipal assessment roll.

History of Assessed Valuation

The State of Mississippi has undertaken substantial revision of its property taxation since 1980. In that year the Mississippi Supreme Court rendered its decision in State Tax Commission v. Fondren, 387 So. 2d 712, in which the State Tax Commission was enjoined from approving assessment rolls from any county in the state for the tax year 1983 unless the Tax Commission equalized the assessment rolls of all counties. While the appeal of that case was pending in the Mississippi Supreme Court, the Legislature passed Senate Bill No. 2672, Regular Session 1980, which is codified in part as Sections 27-35-49 and 27-35-50, Mississippi Code of 1972, as amended (the "Mississippi Code"), which ordered a state-wide reappraisal of property and required appraisal at true value and assessment in proportion to true value.

On June 3, 1986, the voters of the State of Mississippi approved an amendment to Section 112 of the Mississippi Constitution which established certain classes of property and related assessment ratios for property taxation purposes. Formerly there were four classes of property and no assessment ratio of one class could be more than double the assessment ratio of each of the other classes of property. The amendment sets forth five classes of property and provides that the assessment ratio of one class of property must not be more than three times the assessment ratio of each of the other classes of property.

- | | |
|-----------|--|
| CLASS I | Single-family, owner-occupied, residential City real and personal property and County real property - ten percent (10%) of true value; |
| CLASS II | All City real and personal property and County real property except that of public utilities and single-family, owner-occupied property - fifteen percent (15%) of true value; |
| CLASS III | All personal property except motor vehicles and personal property of public utilities - fifteen percent (15%) of true value; |
| CLASS IV | All public utility property - thirty percent (30%) of true value; and |
| CLASS V | Motor vehicles - thirty percent (30%) of true value. |

The entire State has completed its reappraisal, and all property in the City is now appraised at true value. Assessments for the years 1986 and thereafter, for taxes payable in the years 1987 and thereafter, have been and will continue to be based on the assessment ratios set forth in the constitutional amendment and legislation related thereto.

Sections 27-35-15, *et seq.*, Mississippi Code of 1972, as amended, require county tax assessors to annually appraise all personal property subject to taxation and describe how the assessors are to obtain and maintain property lists and how to value the property. Section 27-35-50 of the Mississippi Code also requires determination of true value of all real property annually, and the Mississippi State Tax Commission is given power to establish rules to facilitate implementation of appraisal and assessment.

Rule 6 of the Commission's Property Tax Bureau set the tax roll year 1997 as a year of developing and adopting standards and minimum requirements for maintenance of property

appraisal. Each county was to prepare a base property sales file and establish an update cycle of no more than four years, during which 100% of the tax parcels would be physically observed and notated on the county's property records. The Tax Commission has statutory authority to monitor each county's progress and to assure that each county's assessment records comply with acceptable standards.

Hinds County has opted for the four-year cycle, established its base real and personal property sales files, and is in the midst of its second cycle of physically observing and notating all tax parcels.

Homestead Exemption

The Homestead Exemption Law of 1946, as amended, reduces the local tax burden on certain homes and provides partial replacement of the tax loss by revenues from other sources of taxation on the state level. Provisions of the homestead exemption law determine qualification, define ownership and limit the amount of property that may come within the exemption. The exemption is not applicable to taxes levied to pay the Bonds, except as hereinafter noted.

Those homeowners who qualify for the homestead exemption and who have reached the age of sixty-five (65) years on or before January 1 of the year for which the exemption is claimed, service-connected, totally disabled American veterans who were honorably discharged from military services and those classified as disabled under the federal Social Security Act are exempt from any and all ad valorem taxes on qualifying homesteads not in excess of \$6,000 of assessed value thereof.

The tax loss resulting to the City from homestead exemptions is reimbursed by the State Tax Commission. However, in any year the City will not be reimbursed an amount in excess of one hundred six percent (106%) of the total net reimbursement made to the City in the previous year nor may any exemption exceed \$200.00 per qualified applicant.

Tax Levy Per \$1000 Valuation

(Year in Which Taxes Levied)

	2006	2005	2004	2003	2002	2001
General Fund		33.67	33.54	33.28	33.28	32.90
Parks & Recreation Bond & Interest		0	0	0	0	0
North/South Parkway Bond & Interest		1.50	1.90	2.25	2.35	2.35
Fire & Police Retirement		.57	.30	.21	.11	.49
General Purposes Total		35.74	35.74	35.74	35.74	35.74
District Maintenance		47.57	47.57	47.57	45.41	44.92
1986 School District Bonds		2.40	2.70	2.70	2.20	2.60
1994 School District Bonds		4.60	4.30	4.30	4.11	4.70
School Purposes Total		54.57	54.57	54.57	51.72	52.22
TOTAL		90.31	90.31	90.31	87.46	87.96

SOURCE: Office of the City Clerk.

Ad Valorem Tax Collections*

Fiscal Year Ended September 30	Amount Budgeted	Amount Collected**	Difference Over (Under)	Percent Collected
2006				
2005	\$5,776,372	\$5,715,289	\$(61,083)	98.9%
2004	5,167,135	5,173,549	6,414	100.1
2003	4,997,618	4,972,377	(25,241)	99.5
2002	4,570,470	4,575,160	4,690	100.1
2001	4,280,516	4,291,395	10,879	100.2
2000	4,167,071	4,201,680	34,609	100.8

* Does not include school taxes.

** Includes prior years' collections.

SOURCE: Annual audit reports of the City; City Clerk's office.

Procedure for Tax Collections

Ad valorem taxes on real, personal and utility property are due on February 1 of each year. A penalty in the amount of one percent (1%) per month is levied against all delinquent ad valorem taxes. In the event the taxes are not paid by August 5, the property is sold for taxes on the last Monday in August and upon the sale of any property for failure to pay ad valorem taxes, the owner has two years from the date of sale in which to redeem the property. Ad valorem taxes for motor vehicles (license plates) are due one year from the first day of the month in which the tag is acquired. A one time late penalty in the amount of 25% of the amount of the taxes due is levied in the event the license plate is not acquired in the month in which it expires. Ad valorem receipts for motor vehicles are collected on a monthly basis.

The Governing Body, acting for and on behalf of the City, is required to annually levy a special tax upon all taxable property within the City. If any taxpayer neglects or refuses to pay his taxes on the due date thereof, the unpaid taxes will bear interest at the rate of 1% per month or fractional part thereof from the delinquent date to the date of payment of such taxes. When enforcement officers take action to collect delinquent taxes, other fees, penalties and costs may accrue. Both real and personal property are subject to public tax sale.

Section 27-41-55, Mississippi Code of 1972, as amended, and related statutes provide that after the fifteenth day of February or the fifth day of August in each year, the tax collector for each County shall advertise all lands in a City on which all taxes due and in arrears have not been paid, as well as all land liable for other matured taxes, for sales on the first Monday in April or the last Monday of August following, as the case may be. Hinds County conducts its tax sales during the month of August.

Ten Largest Taxpayers

The ten taxpayers in the City having the highest assessed valuation for tax year 2004 on real and personal property, excluding motor vehicles and mobile homes, are as follows:

Taxpayer	Assessed Valuation	Taxes Collected
Entergy	\$9,222,302	\$329,605
MCI, Inc.	3,427,383	122,495
Delphi Automotive Systems	2,745,251	98,115
BellSouth	2,005,847	71,689
Reserve at Woodchase (apartments)	1,777,817	63,539
Wal-Mart Stores	1,667,357	59,591
Clinton Assisted Living	1,058,122	37,817
Leon V. Ghatti	760,482	27,180
United Artists Theatre Circuit	485,843	17,364
Gulf States Cannery	469,321	19,773

SOURCE: Office of the City Clerk, May 2006.

DEBT INFORMATION

Legal Debt Limit Statement

(as of January 31, 2007)

	15% Debt	20% Debt
Authorized Debt Limit (Last Completed Assessment for Taxation - \$_____)		
Present Debt Subject to Debt Limits		
Margin for Further Debt Under Debt Limits		

General Statutory Debt Limits Provisions

The City is subject to a general statutory debt limitation under which no municipality in the State may incur general obligation bonded indebtedness in an amount which will exceed 15 percent of the assessed value of the taxable property within such municipality according to the last completed assessment for taxation. In computing general obligation bonded indebtedness for purposes of such 15 percent limitation, there may be deducted all bonds or other evidences of indebtedness issued for school, water and sewerage systems, gas and light and power purposes and for the construction of special improvements primarily chargeable to the property benefitted, or for the purpose of paying a municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefitted.

However, in no case may a municipality contract any indebtedness payable in whole or in part from proceeds of ad valorem taxes which, when added to all of its outstanding general obligation indebtedness, both bonded and floating, exceeds 20 percent of the assessed value of the taxable property within such municipality.

In arriving at the limitations set forth above, bonds issued for school purposes, bonds payable exclusively from the revenues of any municipally-owned utility, general obligation industrial bonds issued under the provisions of Sections 57-1-1 to 57-1-51, Mississippi Code of 1972, as amended, and special assessment improvement bonds issued under the provisions of Sections 21-41-1 to 21-41-53, Mississippi Code of 1972, as amended, are not included. Also excluded from both limitations are contract obligations subject to annual appropriations.

Outstanding General Obligation Bonded Debt Paid By Ad Valorem Taxes
(as of January 31, 2007)

Issue	Date of Issue	Original Principal	Outstanding Principal
Street Improvement	7/1/96	\$3,100,000	
Public Improvement	7/1/06	3,870,000	3,870,000
Total		\$6,270,000	

Outstanding General Obligation Debt paid by Revenue from Operations*
(as of January 31, 2007)

Issue	Date of Issue	Original Principal	Outstanding Principal
Water Improvement	3/1/95	\$1,000,000	
Water & Sewer System	3/1/98	1,600,000	
Total		\$2,600,000	

* Exempt from the 15% and 20% debt limits.

OTHER LONG-TERM DEBT
(As Of September 30, 2006)

The City has outstanding \$1,554,000 in tax increment limited obligation bonds, secured solely by the tax revenue received from the redevelopment projects, which are not subject to the 15 or 20 percent debt limitations, pursuant to Section 21-45-9, Mississippi Code of 1972.

The City borrowed \$7,750,000 from the Mississippi Development Bank on November 1, 2004 to fund a portion of the cost of municipal buildings and recreation facilities within the City. This loan is payable from legally available revenues of the City, including tax monies, backed by an agreement which provides for the intercept of local taxes from the State Tax Commission, and further secured by a Financial Guaranty Insurance Policy and a Surety Bond. It is exempt from the 15% and the 20% debt limitations.

Other obligations include \$885,000 in revenue bonds secured solely by revenues received by an enterprise fund; \$1,156,696 in capital lease purchase agreements which are subject to annual appropriations; notes payable under agreements with the Mississippi Department of Environmental Quality in the amount of \$11,194,578, with the Mississippi Development Authority in the amount of \$1,861,173, and with the Mississippi Department of Health in the amount of \$1,076,238, none of which is subject to the statutory debt limitations.

SOURCE: Office of the City Clerk, October 2006 and January 2007.

AUDIT, LEGAL AND MISCELLANEOUS INFORMATION

Audit Statements and Financial Information

Audited financial information of the City for the fiscal year ending September 30, 2005 and for prior years is available upon request. Unaudited financial information of the City is also available upon request.

No Default on Securities of City

No securities of the City have been in default as to principal or interest payments or in any other material respects at any time in the last 30 years.

Bond Proceeds for Current Operating Expenses

No proceeds from the sale of securities (except tax anticipation notes issued against revenues of a current fiscal year) have been used for current operating expenses at any time in at least the last 30 years.

Pension Plan

The City has no pension or retirement plan for employees. City employees are members of and contribute to the Mississippi Public Employees' Retirement System.

Reappraisal of Property and Limitation on Ad Valorem Levies

Senate Bill No. 2672, General Laws of Mississippi, Regular Session 1980, provides that all real and personal property in the State shall be appraised at true value and assessed in proportion to true value. To insure that property taxes do not increase dramatically as the counties complete reappraisals, said Senate Bill No. 2672 provides for the limit on increase in tax revenues discussed below.

The aforesaid Senate Bill No. 2672 limits ad valorem tax levies by the City subsequent to November 1, 1980, to a rate which will result in an increase in total receipts of not greater than ten percent (10%) over the previous year's receipts, excluding revenue from ad valorem taxes on any newly constructed properties, any existing properties added to the tax rolls or any properties previously exempt which were not assessed in the next preceding year. This limitation does not apply to levies for the payment of principal of and the interest on general obligation bonds issued by the City or to certain other specified levies. This limitation may be increased only if the proposed increase is approved by a majority of those voting in an election held on such question.

Legal Proceedings

There are no pending legal proceedings which might be expected to affect the City's ability to perform its obligations to the holders of the Bonds being offered for sale.

Validation

The Bonds shall be submitted to validation before the Chancery Court of Hinds County as provided by Sections 31-13-1 through 31-13-11, Mississippi Code of 1972, as amended.

Approval of Legal Proceedings

All legal matters in connection with the authorization and issuance of the Bonds are subject to the unqualified approving opinion of Harris Jernigan & Geno, PLLC. Copies of such opinion will be available at the time of delivery of the Bonds. No representation is made to the holders of the Bonds that such Bond Counsel has verified the accuracy, completeness or fairness of the statements in the Preliminary Official Statement, and Bond Counsel assumes no responsibility to the holders of the Bonds except for the matters set forth in such opinion.

Tax Exemption

In the opinion of Bond Counsel, interest on the Bonds will be excluded from gross income for federal income tax purposes under existing statutes, regulations, rulings and court decisions, except as set forth hereinbelow. In the opinion of Bond Counsel, interest on the Bonds will be exempt from income taxation by the State of Mississippi under existing statutes.

Prospective purchasers of the Bonds should be aware of the provision included in the Internal Revenue Code of 1986 (the "Code") which will require that interest on the Bonds received by a corporation (as defined for federal income tax purposes) is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. Also, the interest on the Bonds will be subject to the environmental tax imposed on corporations and, in the case of United States branches of foreign corporations, the branch profits tax imposed by the Code. Prospective purchasers of the Bonds should also be aware of the provision included in the Code which requires property and casualty insurance companies owning Bonds to reduce their loss reserve deduction by 15% of the interest received or accrued on the Bonds.

Furthermore, prospective purchasers of the Bonds should recognize that interest on the Bonds may become subject to federal income taxation from the date of issuance in the event that the City fails to satisfy certain requirements imposed by the Code respecting (i) limitations on the use of proceeds from the sale of the Bonds in the trade or business of, or to make or finance loans to, persons other than governmental units, (ii) restrictions on investment earnings on proceeds of the Bonds, and (iii) the rebate to the federal government of certain arbitrage profits. The City has covenanted that it will not take, or omit to take, any action lawful and within its power to take, if such action or omission would cause interest in any Bond to become subject to federal income taxes in addition to those federal income taxes to which interest on such Bond is subject on the date of original issuance thereof.

Although interest on the Bonds will be exempt from federal income taxation as discussed in the preceding paragraphs, the Social Security Amendments of 1983 provide that for tax years after 1983, under certain circumstances, receipt of such tax-exempt interest could subject to federal income taxation a portion of Social Security or railroad retirement benefits that would not otherwise be taxable. A prospective purchaser of the Bonds should consult his personal tax adviser in this regard in connection with his decision to purchase any of the Bonds.

Qualified Tax Exempt Obligations

The Bonds are designated as qualified tax-exempt obligations as such term is described in Section 265(b)(3) of the Internal Revenue Code of 1986, and the City will not issue in excess of \$10,000,000 in tax-exempt obligations during calendar year 2007.

Arbitrage Covenant

The Governing Body, acting for and on behalf of the City, has covenanted and certified to and for the benefit of the owners of the Bonds that the City will neither take any action nor omit to take any action, nor make any investment or use of the proceeds from the issue and sale of the Bonds, including amounts treated as proceeds, if any, which will cause the Bonds to be classified as arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, supplemented or superseded, and any regulations that may be applicable to the Bonds, at the time of such action, investment or use.

Continuing Reporting under Rule 15c2-12

The City has agreed in the Bond Resolution for the benefit of the holders and beneficial owners of the Bonds for so long as it remains obligated to advance funds to pay the Bonds, that it will provide certain updated financial information and operating data annually, and timely notice of specified material events, to certain information vendors as hereinafter set forth. This information will be available to securities brokers and others who subscribe to receive the information from the vendors. Compliance with Rule 15c2-12 will be effected through the delivery by the City of a Continuing Disclosure Certificate, the provisions of which are hereinafter generally described.

The City will provide certain updated financial information and operating data to certain information vendors annually. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in this Preliminary Official Statement used in connection with marketing the Bonds under the headings "ECONOMIC AND DEMOGRAPHIC INFORMATION," "TAX INFORMATION," and "DEBT INFORMATION," as well as a copy of the most recent City audit. The City will update and provide this information within six (6) months after the end of each fiscal year of the City ending in or after 2007. The City will provide the updated information to each nationally recognized municipal securities information repository ("NRMSIR") and to any state information depository ("SID") that is designated by the State of Mississippi and approved by the staff of the United States Securities and Exchange Commission (the "SEC").

The City may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12. The updated information will include audited financial statements, if the City's audit is completed by the required time. If audited financial statements are not available by the required time, the City will provide unaudited financial statements by such time and audited financial statements when the audit report becomes available. Any such financial statements will be prepared in accordance with the accounting principles promulgated by the State of Mississippi or such other accounting principles as the City may be required to employ from time to time pursuant to law or regulation.

The City's current fiscal year end is September 30. Accordingly, it must provide updated information by April 1 in each year, unless the City changes its fiscal year. If the City changes its fiscal year, it will notify each NRMSIR and any SID of the change.

Anyone requesting information under the continuing disclosure requirements of Rule 15c2-12, as amended, should contact the City Clerk, City Hall, 300 Jefferson Street (39056), P. O. Box 156, Clinton, Mississippi 39060-0156, Telephone: (601) 924-5462.

The City will also provide timely notices of certain events to certain information vendors.

The City will provide notice of any of the following events with respect to the Bonds, if such event is material to a decision to purchase or sell Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (7) modifications to rights of holders of the Bonds; (8) Bond calls; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds; and (11) rating changes affecting the Bonds. In addition, the City will provide timely notice of any failure by the City to provide information, data, or financial statements in accordance with its agreement described above under the second, third and fourth paragraphs of this Section. The City will provide each notice described in this paragraph to any SID and to either each NRMSIR or the Municipal Securities Rulemaking Board ("MSRB").

The City has agreed to provide the foregoing information to NRMSIRs, MSRB and any SID. The information will be available to holders of Bonds only if the holders comply with the procedures and pay the charges established by such information vendors or obtain the information through securities brokers who do so.

The City has agreed to update information and to provide notices of material events only as described in this Section. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described herein. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders or beneficial owners of Bonds may seek a writ of mandamus to compel the City to comply with its agreement.

The City may amend its continuing disclosure agreement only if (1) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature, or status of the City, (2) the agreement, as amended, would have complied with SEC Rule 15c2-12 at the date of sale of the Bonds, taking into account any amendments or interpretations of the Rule as well as any change in circumstance, and (3) the City receives an opinion of nationally recognized bond counsel to the effect that the amendment does not materially impair the interests of the holders and beneficial owners of the Bonds. If any such amendment is made, the City will include in its next annual update an explanation in narrative form of the reasons for the change and its impact on the type of operating data or financial information being provided.

Financial Advisor

The City has retained the firm of Government Consultants, Inc., Jackson, Mississippi, as independent financial advisor (the "Financial Advisor") to the City in connection with the issuance of the Bonds. In such capacity the Financial Advisor has provided recommendations and other financial guidance to the City with respect to the preparation of documents, the preparation for the sale of the Bonds and of the time of the sale, tax-exempt bond market conditions and other factors related to the sale of said Bonds.

Although the Financial Advisor performed an active role in drafting of the Official Statement, it has not independently verified any of the information set forth herein. The information contained in this Official Statement has been obtained primarily from municipal records and from other

sources which are believed to be reliable, including financial records of the City and other entities which may be subject to interpretation. No guarantee is made as to the accuracy or completeness of any information obtained from sources other than the City. Any summaries or excerpts of statutes, ordinances, resolutions or other documents do not purport to be complete statements of same and reference is made to such original sources in all respects.

Underwriter

The Bonds have been purchased initially by Duncan-Williams, Inc., located in Memphis, Tennessee. _____.

Rebate

The Bonds are exempt from "rebate" as such term is described in Section 148 of the Internal Revenue Code of 1986 pursuant to the small issuer exception set forth therein and the City will not issue in excess of \$5,000,000 in tax-exempt debt obligations during calendar year 2007.

Miscellaneous

The reference, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights and obligations of the holders thereof.

The information contained in this Preliminary Official Statement has been taken from sources considered reliable, but is not guaranteed. To the best of our knowledge, information in this Statement does not include any untrue statement of material fact; nor does the information omit the statement of any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Additional financial information concerning the annual audit of the City, budgets, operating statements of the City may be obtained from Russell Wall at the address below.

[Remainder of this page intentionally left blank.]

Additional copies of this Preliminary Official Statement may be obtained from:

Russell Wall
City Clerk, City Hall
300 Jefferson Street (39056)
Post Office Box 156
Clinton, Mississippi 39060
Telephone: (601) 924- 5462

Harris Jernigan & Geno, PLLC
Post Office Box 3380
Ridgeland, Mississippi 39158-3380
Attention: W. Larry Harris
Duell Smith
Kay Valentine
Telephone: (601) 427-0048

THE CITY OF CLINTON, MISSISSIPPI

BY: /s/
MAYOR

/s/
CITY CLERK

APPENDIX A Assessment Certificate of Tax Assessor of Hinds County, Mississippi
APPENDIX B Diversion Certificate of the Mississippi State Tax Commission