

**RECESSED MEETING OF THE MAYOR AND BOARD OF ALDERMEN
TUESDAY, JANUARY 20, 1998
MUNICIPAL COURTROOM - 305 MONROE STREET**

The Mayor and Board of Aldermen of the City of Clinton met in Recessed Meeting at 7 p.m. in the Municipal Courtroom, 305 Monroe Street, pursuant to a Recess Order adopted by said Mayor and Board of Aldermen at their meeting of January 6, 1998, as found on pages 232 of this Minute Book Z.

WELCOME AND CALL TO ORDER - Mayor Rosemary Aultman

INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG- The invocation was led by Alderman Touchton followed by the Pledge of Allegiance to the flag led by Alderman Lott.

ROLL CALL- City Clerk Nelson Byrd

Present Jehu Brabham - Alderman-At-Large
 Tony Hisaw - Alderman Ward 1
 Rodney DePriest - Alderman Ward 2
 Clint Brantley - Alderman Ward 3
 Herb Touchton - Alderman Ward 5
 Sharbert Lott - Alderman Ward 6

 City Attorney - Ken Dreher
 City Clerk - Nelson Byrd

Absent Phil Fisher - Alderman Ward 4

APPROVAL OF CONSENT AGENDA ITEMS A-P:

MOTION made by Alderman Brantley and **SECONDED** by Alderman Lott to approve Consent Agenda Items A-P as listed on page 271 of this Minute Book Z. Quotes listed in Item I may be found in the office of the City Clerk. **MOTION CARRIED UNANIMOUSLY**

APPROVAL OF RESOLUTION TO ISSUE \$1,600,000 OF GENERAL OBLIGATION WATER AND SEWER BONDS

Upon the recommendation of Bond Counsel Adams and Reese, LLP and Financial Advisor Demery Grubbs, **MOTION** made by Alderman Brabham and **SECONDED** by Alderman Hisaw to adopt that Resolution with Preliminary official statement authorizing the issuance of 20 year General Obligation Bonds of the City of Clinton for \$1,600,000 for the water and sewer system found on pages 273-329 of this Minute Book Z. Proof of Publication of the required notices of said Resolution can be found on pages 330 of this Minute Book Z. **MOTION CARRIED UNANIMOUSLY**

APPROVAL OF CHANGE ORDER TO SUPERIOR ASPHALT FOR 1997 STREET IMPROVEMENTS PROGRAM

Upon recommendation of City Engineer Richard Broome, **MOTION** made by Alderman Touchton and **SECONDED** by Alderman Lott to approve a change order addition for \$8,235.00 to Superior Asphalt, Inc. for 1997 Street Improvements Program for overlaying of asphalt as requested by letter found on page 331 of this Minute Book Z. **MOTION CARRIED UNANIMOUSLY**

ADJOURNMENT 7:20 P.M.

There being no further business to discuss, **MOTION** made by Alderman Brantley and **SECONDED** by Alderman Lott to adjourn. **MOTION CARRIED UNANIMOUSLY**

Copy of Agenda may be found on Pages 271-272 of this Minute Book Z.

APPROVED: Rosemary G. Aultman January 23, 1998
Rosemary G. Aultman, Mayor Date

ATTEST: Nelson Byrd January 23, 1998
Nelson Byrd, City Clerk Date

There came on for consideration by the Board of Aldermen of the City of Clinton, Mississippi, the matter of the issuance of general obligation bonds of the City of Clinton in the principal amount of One Million Six Hundred Thousand and No/100 Dollars (\$1,600,000). After a discussion of the subject, Alderman JEHU BRABHAM offered and moved the adoption of the following resolution:

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF CLINTON IN THE PRINCIPAL AMOUNT OF ONE MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,600,000) TO BORROW MONEY FOR THE PURPOSE OF PAYING THE COSTS OF CONSTRUCTING, IMPROVING, ENLARGING, RENOVATING, REPLACING AND EQUIPPING THE MUNICIPALITY'S WATER AND SEWER SYSTEM, AND PAYING THE COST OF SUCH BORROWING, AT AN APPROXIMATE COST OF \$1,600,000; PRESCRIBING THE FORM AND INCIDENTS OF SAID BONDS; MAKING PROVISION FOR THE SECURITY AND PAYMENT THEREOF; PROVIDING FOR THE SALE OF SAID BONDS; AND MAKING PROVISIONS FOR MAINTAINING THE TAX-EXEMPT STATUS OF THE BONDS.

WHEREAS, the Board of Aldermen (the "Board") of the City of Clinton (the "City"), acting for and on behalf of the City does hereby find, determine, adjudicate and declare 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 21-33-301 through 21-33-329, Mississippi Code of 1972, as amended.

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

"Bond" or "Bonds" shall mean the General Obligation Bonds, Series 1998, of the City authorized and directed to be issued in this resolution.

"Bond Counsel" shall mean the law firm of Adams and Reese, LLP, Jackson, Mississippi.

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

"Bond Resolution" shall mean this resolution.

"Clerk" shall mean the City Clerk of the City.

"Code" shall mean the Internal Revenue Code of 1986, as amended, supplemented or superseded.

"Construction Fund" shall mean the construction fund of the City provided for in Section 13 hereof.

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

"Notice" shall mean the Notice of Bond Sale set out in Section 18 hereof.

"Paying Agent" shall mean any bank, trust company or other institution hereafter designated by the Board to make payments of the principal and interest on the Bonds, and to serve as registrar and transfer agent for the registration of owners of the Bonds, and for the performance of other duties as may be herein or hereafter specified by the Board.

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

"President" shall mean the President of the Board.

"Project" shall mean constructing, improving, enlarging, renovating, replacing and equipping the municipality's water and sewer system, including, but not limited to, wastewater system plants, wastewater collection systems, and related facilities within the Municipality, and paying the costs of such borrowing, and performing all other work necessary to complete the Project, and paying the costs of such borrowing.

"Purchaser" shall mean the successful bidder for the Bonds, to be hereafter designated by the Board.

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

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

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

(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 of such words and terms.

2. Heretofore, on the 21st day of October, 1997, the Board adopted a resolution declaring its intention to issue bonds in the maximum principal amount of \$1,600,000 to pay the costs of the Project and setting 5:00 p.m. on November 18, 1997, as the date and time by which qualified electors of the City were required to file petitions calling for a referendum on whether the bonds should be issued.

3. On or prior to the hour of 5:00 p.m. on November 18, 1997, no petitions requesting an election on the question of incurring such indebtedness had been filed or presented by qualified electors of the City; and the Board has determined that the City should now proceed to issue its bonds and that the Board is now fully authorized pursuant to the Act to issue bonds of the City in the amount and for the purposes hereinafter set forth and is authorized to issue bonds registered as to principal and interest in the form and manner hereinafter provided for by Sections 31-21-1 through 31-21-7, Mississippi Code of 1972.

4. The Bonds are not private activity bonds as such term is defined in Section 141 of the Code, and the Board does not reasonably anticipate that the City, or any other subordinate entities thereof will issue more than \$10,000,000 of qualified tax-exempt obligations (other than private activity bonds) in calendar year 1998. It is necessary and in the best interest of the City to designate the Bonds as qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code.

5. The Code provides that noncompliance with the provisions thereof may cause interest on obligations to become taxable retroactive to the initial date of issuance, and provides that the tax-exempt status of interest on obligations such as the Bonds is contingent on a number of future actions by the City. It is necessary and in the best interest of the City to make certain covenants pertaining to the exemption of the interest on the Bonds from federal income taxes since such exemption may depend, in part, upon continuing compliance by the City with certain requirements of the Code.

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

NOW, THEREFORE, BE IT RESOLVED by the Board, acting for and on behalf of the City, as follows:

SECTION 1. Resolution a Contract. In consideration of the purchase and acceptance of any and all of the Bonds by the Registered Owners thereof, this Bond Resolution shall constitute a contract between the City and the Registered Owners 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 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. Bonds Authorized. The Bonds are hereby authorized and ordered to be prepared and issued in the principal amount of One Million Six Hundred Thousand and No/100 Dollars (\$1,600,000) to provide funds for the Project, as authorized by the Act.

SECTION 3. Details of Bonds.

(a) Payments of interest on the Bonds shall be made to the Record Date Registered Owner, and payments of principal shall be made upon presentation and surrender thereof at the principal office of the Paying Agent to the Record Date Registered Owner in lawful money of the United States of America.

(b) The Bonds shall be registered as to both principal and interest; shall be dated March 1, 1998; shall be issued in the denomination of \$5,000.00 each, or integral multiples thereof up to the amount of a single maturity; shall be numbered from one upward in the order of issuance; shall bear interest from the date thereof at the rate or rates specified by further order of the Board, payable on March 1, 1999, and semiannually thereafter on March 1 and September 1 of each year; and shall mature and become due and payable, with option of prior payment as specified herein, on March 1, in the years and in the principal amounts as follows:

MATURITY SCHEDULE

<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>
1999	\$ 45,000	2009	\$ 80,000
2000	50,000	2010	85,000
2001	50,000	2011	85,000
2002	55,000	2012	90,000
2003	55,000	2013	95,000
2004	65,000	2014	105,000
2005	65,000	2015	110,000
2006	65,000	2016	115,000
2007	70,000	2017	120,000
2008	75,000	2018	120,000

(c) The Bonds maturing on March 1, 2008, and thereafter, shall be subject to redemption prior to their maturity at the option of the City on and after March 1, 2007, upon not less than thirty (30) days' notice, in whole at any time, or in part on any interest payment date, in inverse order of maturity, at the par value of the Bonds to be redeemed together with accrued interest to the date fixed for redemption.

If less than all of the Bonds of like maturity are to be redeemed, the particular bonds to be redeemed shall be selected by the Paying Agent at random in such manner as the Paying Agent, in its discretion, may deem fair and appropriate.

(d) In the event that any Bond is to be called for redemption as aforesaid, notice of such redemption, setting forth the place or places of payment, shall be given by mailing a copy of the redemption notice by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books.

(e) On the specified redemption date, all Bonds so called for redemption shall cease to bear interest and shall no longer be secured by the pledge and covenants of the Bond Resolution, provided monies for their redemption are on deposit at the place of payment at that time.

SECTION 4. Registration, Execution, Authentication and Delivery of Bonds.

(a) When the Bonds shall have been executed as herein provided, they shall be registered as an obligation of the City in the office of the Clerk in a book maintained for that purpose, and the Clerk shall cause to be imprinted upon the reverse side of each of the Bonds, over his facsimile signature and a facsimile seal, his certificate in substantially the form set out in Section 6.

(b) 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 facsimile seal of the City imprinted or affixed thereto; provided, however, all signatures and seals appearing on the Bonds, other than the signature of an authorized officer of the Paying Agent hereinafter provided for, may be facsimile and shall have the same force and effect as if manually signed or impressed. In case any official of the City whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such official before the delivery or reissuance thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or reissuance.

(c) The Bonds shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of their sale and award, 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, which opinion shall be imprinted on the reverse of each of the Bonds.

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

(i) a copy, certified by the Clerk, of the transcript of proceedings of the Board in connection with the authorization, issuance, and sale of the Bonds;

(ii) an authorization to the Paying Agent, signed by the Mayor, to authenticate and deliver the Bonds to the Purchaser.

(e) The Paying 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 on the Bonds, shall be printed and delivered to the Paying Agent in generally-accepted format, and held by the Paying Agent until needed for transfer or reissuance, whereupon the Paying 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 Paying Agent is hereby authorized upon the approval of the Board 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 Board as of the date of original issue of the Bonds.

SECTION 5. Paying Agent.

(a) A Paying Agent for the Bonds, which shall serve as paying agent, registrar and transfer agent, shall be designated by further order of the Board, upon the recommendation of the initial purchaser of the Bonds.

(b) So long as any of the Bonds shall remain outstanding, the City shall maintain with the Paying Agent records for the registration and transfer of the Bonds. The Paying Agent is hereby appointed registrar for the Bonds, in which capacity the Paying 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 Paying Agent 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 paying agents, transfer agents and bond registrars, subject to agreement between the City and the Paying Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the negligence, misconduct or willful default of the Paying 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 Board.

(d) (i) A Paying Agent may at any time resign and be discharged of its duties and obligations of Paying Agent by giving at least sixty (60) days' written notice to the City, and may be removed as Paying Agent at any time by resolution of the Board delivered to the Paying Agent. The resolution shall specify the date on which such removal shall take effect and the name and address of the successor Paying Agent, and shall be transmitted to the Paying Agent being removed within a reasonable time prior to the effective date thereof. Provided, however, that no resignation or removal of a Paying Agent shall become effective until a successor Paying Agent has been appointed pursuant to the Bond Resolution.

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

(iii) In the event of a change of Paying Agents, the predecessor Paying Agent shall cease to be custodian of any funds held pursuant to this Bond Resolution in connection with its role as such Paying Agent, and the successor Paying 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 Paying Agent shall be fully paid. Every predecessor Paying Agent shall deliver to its successor Paying Agent all books of account, registration records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Paying Agent.

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

(vi) Should any transfer, assignment or instrument in writing be required by any successor Paying Agent from the City to more fully and certainly vest in such successor Paying Agent the estates, rights, powers and duties hereby vested or intended

to be vested in the predecessor Paying Agent, any such transfer, assignment and written instruments shall, on request, be executed, acknowledged and delivered by the City.

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

(viii) All duties and obligations imposed hereby on a Paying Agent or successor Paying 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 a Paying 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 Paying Agent hereunder and vested with all the powers, discretion, 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 Paying Agent, anything herein to the contrary notwithstanding, provided only that such successor Paying Agent shall be satisfactory to the City and eligible under the provisions of Section 5(d)(v) hereof.

SECTION 6. Form of Bonds. 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 or by further action of the Board:

UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF CLINTON
GENERAL OBLIGATION WATER AND SEWER BOND
SERIES 1998

NO. _____

\$ _____

Rate of
Interest

Maturity
Date

Date of
Original Issue

CUSIP

March 1, 1998

Registered Owner:

Principal Amount:

The City of Clinton, Mississippi (the "City"), a body politic existing under the Constitution and laws of the State of Mississippi, acknowledges itself to owe and for value received, promises to pay 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 _____, or its successor, as paying agent (the "Paying Agent") for the General Obligation Bonds, Series 1998, of the City (the "Bonds"), on the maturity date 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 the Paying Agent, which will also serve as registrar and transfer agent for the Bonds, as of the fifteenth 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, 1999, and semiannually thereafter on March 1 and September 1 of each year, until said principal sum is paid, to the registered owner hereof who shall appear in the registration records of the City maintained by the Paying Agent as of the fifteenth day of the calendar month preceding the applicable interest payment date.

The Bonds maturing on March 1, 2008, and thereafter, shall be subject to redemption prior to their maturity at the option of the City on and after March 1, 2007, upon not less than thirty (30) days' notice, in whole at any time, or in part on any interest payment date, in inverse order of maturity, at the par value of the Bonds to be redeemed together with accrued interest to the date fixed for redemption.

If less than all of the Bonds of like maturity are to be redeemed, the particular bonds to be redeemed shall be selected by the Paying Agent at random in such manner as the Paying Agent, in its discretion, may deem fair and appropriate.

In the event that any Bond is to be called for redemption as aforesaid, notice of such redemption, setting forth the place or places of payment, shall be given by mailing a copy of the redemption notice by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books.

On the specified redemption date, all Bonds so called for redemption shall cease to bear interest and shall no longer be secured by the pledge and covenants of the Bond Resolution, provided monies for their redemption are on deposit at the place of payment at that time.

Payments of principal and 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. The registered owner hereof may change such address by written notice to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the fifteenth 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 amount of One Million Six Hundred Thousand and No/100 Dollars (\$1,600,000) to raise money for the purpose of paying the costs of constructing, improving, enlarging, renovating and equipping the City's Water and Sewer System, and performing all other work necessary to complete the Project in the City of Clinton.

This Bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including Section 21-33-301, Mississippi Code of 1972, and by the further authority of proceedings duly had by the Board of Aldermen of the City, including a resolution adopted on January 20, 1998, authorizing the issuance of the Bonds (the "Bond Resolution").

The Bonds are registered as to both principal and interest. The Bonds are to be issued or reissued in the denomination of \$5,000.00 each, or integral multiples thereof up to the amount of a single maturity.

This Bond may be transferred or exchanged by the registered owner hereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent, 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 or bonds of like aggregate principal amount in authorized denominations of the same maturity will be issued.

The City and the 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.

The Bonds are 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 tax to be levied annually without limitation as to time, rate or amount upon all the taxable property within the geographical limits of the City, and revenues to be received by the City from its Water and Sewer System. The Board of Aldermen of the City will levy annually a special tax upon all taxable property within the geographical limits of the City adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same falls due.

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 Paying 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 general 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. For the performance in apt time and manner of every official act herein required, and for the prompt payment of this Bond, both principal and interest, the full faith and credit of the City are hereby irrevocably pledged.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor under the facsimile seal of the City, and attested to by the manual or facsimile signature of its City Clerk, which said facsimile signatures said officials adopt as and for their own proper signatures, all as of the first day of March, 1998.

CITY OF CLINTON, MISSISSIPPI

By: _____
Mayor of the City of Clinton

COUNTERSIGNED:

City Clerk of the City of Clinton

(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 one of the Bonds described in the within mentioned Bond Resolution and is one of the General Obligation Bonds, Series 1998, of the City of Clinton, Mississippi.

as Paying Agent

By: _____

Authorized Officer

Date of Registration
and Authentication: _____

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

REGISTRATION AND VALIDATION CERTIFICATE

STATE OF MISSISSIPPI
COUNTY OF HINDS

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 an obligation of the City of Clinton, Mississippi, pursuant to law in a book kept in my office for that purpose, and has been validated and confirmed by Decree of the Chancery Court of Hinds County, Mississippi, rendered on the _____ day of _____, 1998.

(Facsimile Seal)

(Facsimile Signature)

Clerk, Board of Aldermen,
Clinton, Mississippi

ASSIGNMENT

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

(Name and address of Assignee)

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

Signature guaranteed:

(Bank, Trust Company or Paying Agent)

By:

Authorized Officer

=====

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.

=====

Date of Assignment: _____

Social Security Number
or Tax Identification

Number of Assignee: _____

SECTION 7. Mutilated, Destroyed, Lost or Stolen Bonds. In case any Bond shall become mutilated, destroyed, lost or stolen, the City shall, if not then prohibited by law, 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 destroyed, lost or stolen, upon the Registered Owner's paying the reasonable expenses and charges of the City in connection therewith, and in case of a bond destroyed, lost or stolen, his filing with the City or Paying Agent evidence satisfactory to it or them that such bond was destroyed, lost or stolen, and of his ownership thereof, and furnishing the City or Paying Agent with such security or indemnity as may be required by law and by them to save each of them harmless from all risks, however remote.

SECTION 8. Security for Bonds. For the purpose of effectuating and providing for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue, there shall be levied by the Board of Aldermen of the City, pursuant to the requirements of Miss. Code Ann. § 21-33-313, a direct, continuing tax upon all of the taxable property within the geographical limits of the City, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and the interest on the Bonds. Said tax shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the City are collected, and the rate of the tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to time, rate or amount. The avails of said tax are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue. Should there be a failure in any year to comply with the requirements of this section, such failure shall not impair the right of the Registered Owners of any of the Bonds in any subsequent year to have adequate taxes levied and collected to meet the obligations of the Bonds, both as to principal and interest. In addition to the foregoing tax, the City also pledges a sufficient portion of the Water and Sewer System revenue necessary to pay principal of and interest on the Bonds.

SECTION 9. Certificate of Registration and Authentication. Only such of the Bonds as shall have been endorsed thereon a certificate of registration and authentication in substantially the form hereinabove set forth, duly executed by the Paying 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 Paying Agent, which executed certificate shall be conclusive evidence of registration, authentication and delivery under this Bond Resolution. The Paying Agent's certificate of registration and authentication on any Bond shall be deemed to have been duly executed if manually signed by an authorized officer of the Paying 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. Registered Owner.

(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 thirty (30) 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 Purchaser until the initial Registered Owner has made timely payment and, upon request of the Purchaser within a reasonable time of the initial delivery of the Bonds, the Paying Agent shall re-register any such Bond upon its records in the name of the Registered Owner to be designated by the Purchaser in the event timely payment has not been made by the initial Registered Owner.

(b) Except as hereinabove provided, the person in whose name any Bond shall

be registered in the records of the City maintained by the Paying 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. Transfer of Bonds.

(a) Each Bond shall be transferable only in the records of the City, upon surrender thereof at the office of the Paying Agent, together with a written instrument of transfer satisfactory to the Paying Agent duly authorized in writing. Upon the transfer of any Bond, the City, acting through its Paying 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.

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

SECTION 12. Bond Fund.

(a) The City shall maintain with a qualified depository of the City a fund in the name of the City for the payment of the principal of and interest on the Bonds and the payment of Paying Agents' fees in connection therewith (the "Bond Fund"). There shall be deposited into the Bond Fund as and when received:

(i) the accrued interest and premium, if any, received upon delivery of the Bonds;

(ii) the avails of any of the ad valorem taxes levied and collected pursuant to Section 8 hereof;

(iii) any income received from the investment of monies in the Bond Fund; and

(iv) 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 may be directed to be deposited into the Bond Fund, including any balance of Bond proceeds remaining in the Construction Fund after the purpose for which such bonds were issued shall have been accomplished.

(b) As long as any principal of and interest on the Bonds remains outstanding,

the City shall withdraw from the Bond Fund sufficient monies to make the payments herein provided for and transfer same to the account of the Paying Agent in time to reach said Paying Agent at least five (5) days prior to the date on which said interest or principal and interest shall become due.

SECTION 13. Application of Proceeds of Bonds. From the principal proceeds received upon the sale of the Bonds 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. The remaining principal proceeds received upon the sale of the Bonds shall be deposited with a qualified depository of the City in a special fund, hereby created, in the name of the City designated the "Construction Fund", and shall be held and disbursed for the Project, as authorized by the Act.

SECTION 14. Payment of Principal and Interest.

(a) Payment of principal on the Bonds shall be made, upon presentation and surrender of the Bonds at the principal office of the Paying Agent, to the Record Date Registered Owner thereof whose name shall appear in the registration records of the City maintained by the Paying Agent as of the Record Date.

(b) Payment of each installment of interest on the Bonds shall be made to the Record Date Registered Owner thereof. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Bond subsequent to the Record Date and prior to the due date of the interest.

(c) Principal of and interest on the Bonds shall be paid by check or draft mailed to Registered Owners at the addresses appearing in the registration records of the Paying Agent. Any such address may be changed by written notice from the Registered Owner to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the fifteenth day of the calendar month preceding the applicable principal or interest payment date to be effective as of such date.

SECTION 15. Validation. The Bonds shall be submitted to validation as provided by Chapter 13, Title 31, Mississippi Code of 1972, and to that end the Clerk is hereby directed to make up a transcript of all legal papers and proceedings relating to the Bonds and to certify and forward the same to the State's Bond Attorney for the institution of validation proceedings.

SECTION 16. Contest. It is specifically provided, notwithstanding the dates set out in this Bond Resolution for the date of the Bonds and the payment dates for principal and interest, that if the delivery of the Bonds is delayed by a contest of the validation of the Bonds or otherwise and the initial Purchaser shall decline to take delivery of the Bonds, then the Bonds may be reoffered for sale. In such event, all principal maturities may be adjusted so that such

maturities will fall due in the same amounts and intervals as herein provided, but beginning one (1) year from the actual date of the Bonds as provided by the subsequent resolution directing the offer for sale thereof, and continuing through the twentieth (20) year from such actual date of the Bonds. The interest payments may also be adjusted accordingly, with interest payments due semiannually, commencing one (1) year from such actual date of the Bonds. After the validation of the Bonds, no amendment, revision or supplement contemplated by this section shall be cause for the resubmission of the proceedings for the issuance of the Bonds, as amended, revised or supplemented, to any further validation proceedings, it being the intent of this Bond Resolution that any such amendments, revisions or supplements be covered by the initial validation proceeding.

SECTION 17. Public Sale. The Bonds shall be offered for sale on sealed bids at a meeting of the Board to be held at the place, and on the date and at the hour specified and upon the terms and conditions set out in the notice in Section 18 hereof. On or before said date and hour, such sealed bids must be filed with the Clerk at the place specified in the notice. The Board reserves the right to reject any and all bids submitted, and if all bids are rejected, to sell the Bonds at a private sale at any time within sixty (60) days after the date advertised for the receipt of bids, at a price not less than the highest bid which shall have been received at the advertised sale.

In no event shall the Bonds be issued at a rate of interest in excess of that allowed in the notice and the Bonds shall in all other respects comply with the requirements of the Act.

SECTION 18. Notice of Bond Sale. As required by Section 31-19-25, Mississippi Code of 1972, the Clerk is hereby authorized and directed to give the notice by publishing an advertisement at least two (2) times in The Clarion-Ledger, a newspaper having general circulation in the City, the first publication thereof to be made at least ten (10) days preceding the date fixed herein for the receipt of bids. The notice shall be in substantially the following form:

NOTICE OF BOND SALE

\$1,600,000
CITY OF CLINTON, MISSISSIPPI
GENERAL OBLIGATION BONDS
SERIES 1998

NOTICE IS HEREBY GIVEN that the Board of Aldermen (the "Board") of the City of Clinton, Mississippi (the "City") acting for and on behalf of the City, will receive sealed bids in its regular meeting place in the Municipal Courtroom, 305 Monroe Street, Clinton, Mississippi, until the hour of 7:00 p.m. (local time) on February 17, 1998, at which time said bids will be publicly opened and read for the purchase in its entirety, at not less than par and accrued interest to the date of delivery thereof, of an issue of One Million Six Hundred Thousand and No/100 Dollars (\$1,600,000) General Obligation Bonds, Series 1998, of the City (the "Bonds").

THE BONDS: The Bonds will be dated and bear interest from March 1, 1998, will be delivered in definitive form as registered bonds; will be in the denomination of \$5,000.00 each, or integral multiples thereof up to the amount of a single issuance; will be payable as to principal at a bank or trust company to be named by the Board in the manner hereinafter provided; and will bear interest, payable on March 1, 1999, and semiannually thereafter on March and September 1 of each year, at the rate or rates offered by the successful bidder in its bid in accordance with this Notice of Bond Sale.

The Bonds have been designated as qualified tax exempt obligations of the City for purposes of Section 265 (b)(3) of the Internal Revenue Code of 1986, as amended.

MATURITIES: The Bonds will mature serially, with option of prior payment as set forth below, on March 1 in each of the years and amounts as follows:

MATURITY SCHEDULE

<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>
1999	\$ 45,000	2009	\$ 80,000
2000	50,000	2010	85,000
2001	50,000	2011	85,000
2002	55,000	2012	90,000
2003	55,000	2013	95,000
2004	65,000	2014	105,000
2005	65,000	2015	110,000
2006	65,000	2016	115,000
2007	70,000	2017	120,000
2008	75,000	2018	120,000

The Bonds maturing on March 1, 2008, and thereafter, shall be subject to redemption prior to their maturity at the option of the City on and after March 1, 2007, upon not less than thirty (30) days' notice, in whole at any time, or in part on any interest payment date, in inverse order of maturity, at the par value of the Bonds to be redeemed together with accrued interest to the date fixed for redemption.

If less than all of the Bonds of like maturity are to be redeemed, the particular bonds to be redeemed shall be selected by the Paying Agent at random in such manner as the Paying Agent, in its discretion, may deem fair and appropriate.

In the event that any Bond is to be called for redemption as aforesaid, notice of such redemption, setting forth the place or places of payment, shall be given by mailing a copy of the redemption notice by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books.

On the specified redemption date, all Bonds so called for redemption shall cease to bear interest and shall no longer be secured by the pledge and covenants of the Bond Resolution, provided monies for their redemption are on deposit at the place of payment at that time.

AUTHORITY AND SECURITY: The Bonds will be issued pursuant to the provisions of Sections 21-33-301 et seq. of the Mississippi Code of 1972 (the "Act"), and shall be general obligations of the City payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct, unlimited and continuing tax to be levied annually, without limitation as to time, rate or amount upon the taxable property within the geographical limits of the City and revenues the City will receive from its Water and Sewer System. The Board of Aldermen of Clinton will levy annually the special tax upon all taxable property within the geographical limits of the City in an amount adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same fall due.

PURPOSE: The Bonds are being issued to provide funds for the purpose of paying the costs of constructing, improving, enlarging, renovating and equipping the City's Water and Sewer System and performing all other work necessary to complete the Project, as further described in a resolution adopted by the Board on January 20, 1998.

FORM OF BIDS: Bids should be addressed to the Board of Aldermen of the City of Clinton and delivered to the Board of Aldermen at its aforementioned regular meeting place, should be plainly marked "Bid for General Obligation Bonds, Series 1998, of the City of Clinton", and should be filed with the Clerk of the Board of Aldermen of the City on or prior to the date and hour hereinabove named. All bids should be submitted substantially in the form prepared by the City, copies of which may be obtained from the Clerk of the Board of Aldermen of the City at the address shown below.

INTEREST RATE AND BID RESTRICTIONS: The Bonds shall not bear a greater overall maximum interest rate to maturity than eleven percent (11 %) per annum, nor shall the interest rate for any one maturity exceed eleven percent (11 %) per annum. 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 specified in the bid; all Bonds of the same maturity shall bear the same rate of interest from date to maturity; and the lowest interest rate specified shall not be less than seventy percent (70%) of the highest interest rate specified. Each interest rate specified in any bid must be a multiple of one-eighth of one percent (1/8 of 1 %) or one-tenth of one percent (1/10 of 1 %) and a zero rate of interest cannot be named.

GOOD FAITH DEPOSIT: Each bid must be accompanied by a cashier's check, certified check, or exchange, issued or certified by a bank located in the State of Mississippi, payable to the Board of Aldermen of the City of Clinton in the amount of Thirty-Two Thousand and No/100 Dollars (\$32,000.00) as a guaranty that the bidder will carry out its contract and purchase the Bonds if its bid be accepted. All checks of unsuccessful bidders will be returned immediately on award of the Bonds. The amount of the good faith check submitted by the successful bidder shall be deposited by the City and applied against the purchase price of the Bonds. If the successful bidder fails to purchase the Bonds pursuant to its bid and contract, then the amount of such good faith check shall be retained by the City as liquidated damages for such failure. No interest will be allowed to the successful bidder on the amount of the good faith deposit.

AWARD OF BONDS: The award, if any, will be made to the bidder complying with the terms of sale and offering to purchase the Bonds at the lowest net interest cost to the City, which shall be determined by computing the aggregate interest on the Bonds over the life of the issue at the rate or rates of interest specified by the bidder, less premium offered, if any. It is requested that each bid be accompanied by a statement of the net interest cost (computed to six decimal places), but such statement will not be considered a part of the bid. All bids shall remain firm for four (4) hours after the time specified for the opening of bids, and an award of the Bonds, or rejection of bids, will be made by the Board within said period of time.

RIGHT OF REJECTION, CANCELLATION: The Board reserves the right to reject any or all bids submitted, as well as to waive any irregularity or informality in any bid. The successful bidder shall have the right, at its option, to cancel its agreement to purchase the Bonds if the Bonds are not tendered for delivery within sixty (60) days from the date of sale thereof, and in such event the Board shall return to said bidder its good faith deposit. The Board shall have the right, at its option, to cancel its agreement to sell the Bonds if within five (5) days after the tender of the Bonds for delivery the successful bidder shall not have accepted delivery of and paid for the Bonds, and in such event the Board shall retain the successful bidder's good faith deposit as liquidated damages as hereinabove provided.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The successful bidder for the Bonds will be allowed to designate a bank or trust company located within the State of Mississippi to serve as paying agent (the "Paying Agent") for the Bonds, subject to approval by

the City. The Paying Agent shall be subject to change by order of the Board under the conditions and in the manner provided in the Bond Resolution under which the Bonds are issued. Both principal of and interest on the Bonds will be payable by check or draft mailed to registered owners of the Bonds as of the fifteenth day of the month preceding the maturity date for such principal or interest payment at the addresses appearing in the registration records of the City maintained by the Paying Agent. The Bonds will be transferable only upon the books of the Paying Agent, and payment of principal at maturity shall be conditioned on the proper presentation and surrender of the Bonds to the Paying Agent.

DELIVERY: The successful bidder must designate within twenty (20) days of the date of sale, or at such other later date as may be designated by the Board, the names and addresses of the registered owners of the Bonds and the denominations in which the Bonds of each maturity are to be issued. If the successful bidder fails to submit such information within the required time, one bond may be issued for each maturity in the full amount maturing on that date registered in the name of the successful bidder. The Bonds will be delivered at a place to be designated by the Purchaser and without cost to the Purchaser, and payment therefor shall be made in immediately available funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Bonds unless specifically declined by the Purchaser, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid by the City; the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the Purchaser.

LEGAL OPINION; CLOSING DOCUMENTS: The Bonds are offered subject to the unqualified approval of the legality thereof by Adams and Reese, LLP, Jackson, Mississippi, Bond Counsel. In the opinion of Adams and Reese, LLP, interest on the Bonds is not includable in gross income for federal income tax purposes and is exempt from Mississippi income taxes under existing laws, regulations, rulings and judicial decisions with such exceptions as shall be required by the Internal Revenue Code of 1986. The Bonds have been designated as "qualified tax-exempt obligations" of the City within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. A copy of the opinion of Bond Counsel, which will be printed on the back of each Bond, together with the usual closing documents, including a non-litigation certificate dated the date of delivery of the Bonds, evidencing that no litigation is pending in any way affecting the legality of the Bonds or the taxes to be levied for the payment of the principal thereof and interest thereon, and a transcript of the proceedings relating to the Bonds will be delivered to the successful bidder without charge. The City will pay for all legal fees and will pay for the printing and validation of the Bonds.

INFORMATION FROM PURCHASER: The purchaser must certify to the City the initial offering price to the public (excluding bond houses, brokers and other intermediaries) of each maturity of the Bonds at which a substantial amount of Bonds of that maturity were sold, to enable the City to compute the yield on the Bonds for federal arbitrage law purposes.

FURTHER INFORMATION: The City has prepared a Preliminary Official Statement which it deems for the purposes of S.E.C. Rule 15c2-12, to be final and complete as of this date except for the omission of the offering prices, interest rates, and any other terms of the Bonds depending on such matters, and the identity of the underwriters, subject to revision, amendment and completion in a final Official Statement. The City will publish an Official Statement in substantially the same form as the Preliminary Official Statement subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. The City will furnish up to 100 copies of the Official Statement to the successful bidder of the Bonds without charge within seven (7) business days after the award of the bid. The successful bidder must notify the City Clerk of the City in writing within four (4) business days of the award if the bidder requires additional copies of the Official Statement to comply with applicable regulations. The Cost for such additional copies will be paid by the successful bidder requesting such copies. The successful bidder shall be required to supply to the City the necessary pricing information and any underwriter identification determined by the City to be necessary for the Official Statement within forty-eight (48) hours after the award of the Bonds.

Further information with respect to the Bonds may be obtained from the Office of the City Clerk of the City of Clinton, P. O. Box 156, Clinton, Mississippi 39060.

By order of the Board of Aldermen of the City of Clinton, Mississippi, on the 20th day of January, 1998.

/s/Nelson Byrd
City Clerk, City of Clinton

SECTION 19. Publisher's Affidavit. The Clerk shall obtain from the publisher of the aforesaid newspaper the customary publisher's affidavit proving publication of the notice for the time and in the manner required by law, and such proof of publication shall be filed in the Clerk's office and exhibited before the Board at the hour and date aforesaid.

SECTION 20. Approval of Preliminary Official Statement. The Preliminary Official Statement ("POS") attached hereto is approved as to form and content subject to any revisions authorized by the Mayor. The POS is hereby deemed to be final for purposes of S.E.C. Rule 15c2-12(b)(1), and its distribution to prospective bond purchasers is authorized and directed.

SECTION 21. Bonds Not Arbitrage Bonds. The Board covenants and certifies to and for the benefit of the owners of the Bonds that it 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 Code, and any regulations thereunder as such may be applicable to the Bonds, at the time of such action, investment or use.

SECTION 22. Tax-Exempt Status. The Board covenants that it will take such action as is necessary and within its power to maintain the tax-exempt status of interest on the Bonds under the provisions of the Code and any regulations as such may be applicable to the Bonds.

SECTION 23. Designation of Bonds. The Bonds are hereby designated as a portion of the maximum of \$10,000,000 of qualified tax-exempt obligations to be issued by the City during the 1998 calendar year, within the meaning and for the purposes of Section 265(b)(3) of the Code.

SECTION 24. Rebate. The City expects to issue less than \$5,000,000 in tax exempt debt during calendar year 1998, and therefore, expects to be exempt from arbitrage rebate requirements as a small issuer. However, if a rebate exemption is not available, the City shall make or cause to be made any calculations with respect to any rebates payable to the United States required by the Code or any successor thereto and shall support such calculations with a letter from independent certified public accountants verifying the accuracy of such calculations. If, pursuant to such calculations, any amount is to be set aside for potential rebate to the United States, the City will establish a Rebate Fund and within said fund a Rebate Income Account and Rebate Principal Account in accordance with the Code or any successor thereto and any income earned on investments of amounts in the Rebate Fund will be deposited immediately upon receipt thereof in the Rebate Income Account.

SECTION 25. Calculation of Rebate. Subject to Section 24, on or before the first day of each Bond Year, the City shall make or cause to be made the computation of the Rebate Deposit. The Rebate Deposit is hereby defined as the excess of (a) the aggregate amount earned for the period from the date of issue of the Bonds to the computation date on all obligations in which any moneys in the funds and accounts are invested (the "Nonpurpose Obligations"), over (b) the amount that would have been earned for such period if the yield on the Nonpurpose Obligations had been equal to the yield on the Bonds. If a deposit to the Rebate Principal Account is required as a result of such computation, the City shall make such deposit. If a withdrawal from the Rebate Principal Account is permitted as a result of such computation, the municipality shall withdraw such amount and deposit the same in the Bond Fund for the benefit of the City. Records of the determinations required by this Section must be retained until six (6) years after the Bonds are no longer outstanding. As used herein the term Bond Year shall mean the one (1) year period beginning after the expiration of the preceding bond year of such issue. The first Bond Year of an issue begins on the date of the issue and ends one (1) year later.

SECTION 26. Remittal of Rebate. Subject to Section 24, not later than thirty (30) days after the end of the fifth year after the date of issuance of the Bonds and every five (5) years

thereafter, the City shall pay to the United States ninety percent (90%) of the amount required to be on deposit in the Rebate Principal Account as of such payment date and ninety percent (90%) of the amount on deposit in the Rebate Income Account as of such payment date. Not later than thirty (30) days after the final retirement of the Bonds, the City shall pay to the United States one hundred percent (100%) of the balance remaining in the Rebate Fund. Each payment required to be paid to the United States pursuant to this Section shall be filed with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255, or otherwise as required by the Code or regulations promulgated thereunder. The City shall provide with such payment a copy of the information reporting form originally filed with respect to the Bonds and a statement summarizing the determination of the amount to be paid to the United States.

SECTION 27. Continuing Disclosure Covenant. The City hereby finds and determines that under the terms of Rule 15c2-12, as amended, of the Securities and Exchange Commission (the "Rule"), the City constitutes a "small issuer" for purposes of the small issuer exemption stated in Rule 15c2-12(d)(2) in regard to the Bonds, since the City, as the sole "obligated person" with respect to the Bonds, has and will have at the time of initial delivery of the Bonds, less than \$10,000,000 in outstanding municipal securities (including the Bonds). Pursuant to this resolution and the notice of sale for the Bonds, which are intended to serve as a contract for the benefit of the holders of the Bonds, the City hereby undertakes and covenants to deliver or cause to be delivered, commencing with the fiscal year of the City ending after January 1, 1998, (i) to each person requesting same, publicly available financial information relating to the City which is customarily prepared by the City, including the City's audited financial statements, budget, and similar public financial materials and (ii) to the "nationally recognized municipal securities information repositories," within the meaning of Rule 15c2-12, and certain other entities described in Rule 15c2-12 (said repositories and other entities are collectively referred to as the "Repositories"), notice of any material events relating to the Bonds and the City, if the City deems such events to be material as set forth under Rule 15c2-12, as amended. Anyone requesting information under the continuing disclosure requirements of Rule 15c2-12, as amended, should contact the Mayor of the City for such information.

The Board agrees and covenants that its undertaking hereunder pursuant to the Rule is intended to be for the benefit of the holders of the Bonds, and shall be enforceable by any holder of the Bonds, provided that the right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the City's obligations hereunder and any failure by the City to comply with the provisions of this undertaking shall not constitute a default with respect to the Bonds.

SECTION 28. Conflicting Proceedings Repealed. All orders, resolutions or proceedings of this Board 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.

Board Member Tony Hisaw seconded the motion to adopt the foregoing resolution and, the question being put to a roll call vote, the result was as follows:

Alderman Tony Hisaw	Voted: <u>AYE</u>
Alderman Rodney W. DePriest	Voted: <u>AYE</u>
Alderman Clint Brantley	Voted: <u>AYE</u>
Alderman Phil Fisher	Voted: <u>ABSENT</u>
Alderman Herb Touchton	Voted: <u>AYE</u>
Alderman Sharbert K. Lott	Voted: <u>AYE</u>
Alderman Jehu W. Brabham	Voted: <u>AYE</u>

The motion having received the affirmative vote of a majority of the members present, the Mayor of the City of Clinton, Mississippi, declared the motion carried and the resolution adopted on this the 20th day of January, 1998.

Rosemary J. Aultman
Mayor of the City of Clinton

ATTEST:

Nelson Byrd
City Clerk of the City of Clinton

DRAFT

NEW ISSUE

In the opinion of Adams and Reese, LLP, Bond Counsel, under existing law, interest on the Bonds is not includable in Federal gross income pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not a specific item of tax preference under Section 57 of the Code for purposes of calculating alternative minimum tax. In the case of corporate owners of the Bonds, interest on the Bonds will be included in the calculation of federal income tax liability under certain federal income taxes not solely based on items includable in gross income, including the calculation of the alternative minimum tax and the environmental tax as a result of the inclusion of interest on the Bonds in "adjusted current earnings." In addition, certain corporations or other investors may be subject to collateral federal tax ramifications. The Bonds have been designated as "bank qualified" obligations for purposes of Section 265(b)(3) of the Code. Prospective investors are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any State or other taxing jurisdiction. Bond Counsel is of the further opinion that interest on the Bonds is exempt from Mississippi State income taxation under existing laws. See "TAX EXEMPTION" herein.

\$1,600,000.00
CITY OF CLINTON, MISSISSIPPI
GENERAL OBLIGATION WATER AND SEWER SYSTEM BONDS
SERIES 1998

DATED: March 1, 1998

DUE: March 1, as shown below

Interest on the General Obligation Bonds, Series 1998 (the "Bonds") is payable from the date thereof, commencing March 1, 1999 and semiannually thereafter on March 1 and September 1 of each year until the payment of principal. The Bonds will be issued only as full registered bonds in the denomination of \$5,000 each, or integral multiples thereof. Principal of the Bonds will be payable at the principal corporate trust office of the Paying Agent/Registrar to be designated by the Board of Aldermen. Interest on the Bonds will be payable by check dated as of the interest payment date and mailed by the Paying Agent/Registrar to Registered Owners. Registered Owners are those shown on the records of the Paying Agent/Registrar at the close of business on the 15th calendar day of the month next preceding each interest payment date.

The Bonds are secured by the full faith and credit of the City and the avails of an unlimited, continuing, direct, special annual ad valorem tax levied on taxable property within the City. The Bonds will be issued under and in conformity with the Constitution and Laws of the State of Mississippi and pursuant to a resolution adopted by the Board of Aldermen of the City of Clinton on May 21, 1996 (the "Bond Resolution"). The Bonds will mature, subject to redemption prior to maturity, as set forth herein, in the years and the principal amounts shown below:

MATURITY SCHEDULE

<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>INTEREST</u> <u>RATE</u>	<u>YIELD</u>	<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>INTEREST</u> <u>RATE</u>	<u>YIELD</u>
1999	\$ 45,000			2009	\$ 80,000		
2000	50,000			2010	85,000		
2001	50,000			2011	85,000		
2002	55,000			2012	90,000		
2003	55,000			2013	95,000		
2004	65,000			2014	105,000		
2005	65,000			2015	110,000		
2006	65,000			2016	115,000		
2007	70,000			2017	120,000		
2008	75,000			2018	120,000		

The Bonds are being offered for sale in accordance with the Official Notice of Bond Sale dated January 20, 1998. The Bonds are offered subject to the final approval of the legality thereof by Adams and Reese, LLP, Jackson, Mississippi, Bond Counsel. It is expected that the Bonds will be available for delivery on or about March __, 1998.

Official Statement Dated: _____, 1998.

NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED BY THE CITY TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED HEREIN, IN CONNECTION WITH THE OFFERING OF THE BONDS, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CITY. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF ANY OF THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE. CERTAIN INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT HAS BEEN FURNISHED BY THE CITY AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE, BUT SUCH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY AND IS NOT TO BE CONSTRUED AS A REPRESENTATION BY BOND COUNSEL. THE INFORMATION AND EXPRESSIONS OF OPINION CONTAINED HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS 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.

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APPENDICES

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SUMMARY STATEMENT

The following material is qualified by the more complete information and financial statements appearing elsewhere in this Official Statement.

The Bonds

The Issuer	The City of Clinton, a political subdivision incorporated under the laws of the State of Mississippi.
The Bonds	\$1,600,000 General Obligation Bonds, dated March 1, 1998, and maturing as set forth herein, with option of prior payment, in varying amounts in each of the years 1999 through 2018.
Interest Payment Dates	Beginning March 1, 1999, and each March 1 and September 1 thereafter until maturity.
Authority for Issuance	The Bonds will be issued under and in conformity with the Constitution and Laws of the State of Mississippi, including Sections 21-33-301 through 21-33-329 Mississippi Code of 1972, as amended, and pursuant to a Bond Resolution adopted by the Board of Aldermen of the City of Clinton.
Security	The Bonds are secured by the full faith and credit of the City and the avails of an unlimited, continuing, and direct special tax to be levied annually by the Board of Aldermen on taxable property within the City of Clinton and revenues to be received by the City's Water and Sewer System.
Use of Proceeds	The proceeds of the Bonds will be used to construct, improve, enlarge, renovate and equip the City's Water and Sewer System, and performing all other work necessary to complete the Project, and pay the costs of issuance.

Payment Record	The City of Clinton has not defaulted on any notes, bonds or other long-term obligations at any time in at least the last 25 years.
Bond Counsel	Adams and Reese, LLP, Jackson, Mississippi, Bond Counsel.
Expected Sale	_____, 1998.
Expected Delivery	March __, 1998.

Selected Financial Information

Area of the City	Approximately 23 square miles located in Hinds County, Mississippi.
1995 Estimated City Population	24,723
Net Assessed Valuation of the City ¹	\$ 103,742,507
Gross General Obligation Bond Debt After Offering:	
Outstanding Bonds ²	\$ 3,600,000
The Bonds	<u>1,600,000</u>
Total	\$ 5,200,000

¹ Excludes assessed value losses for "over 65 and disabled amounting to \$7,093,744; total assessed value as of September 30, 1997 was \$110,836,251.

² As of September 30, 1997. Includes only obligations subject to the fifteen percent debt limitation prescribed by Miss. Code Ann. § 21-33-303, Mississippi Code of 1972, as amended. Does not include general obligation water improvement bonds in the outstanding principal amount of \$790,000 which, under Miss. Code Ann. § 21-33-303, are excluded from the fifteen percent debt limitation but are included in the twenty percent debt limitation. See, "Debt Information" herein. Does not include outstanding revenue bonds or amounts owed under capital leases. Pursuant to Miss. Code Ann. § 21-33-303, the City's combined bonded and floating indebtedness may not exceed \$20,748,501. After this issuance, the combined and floating debt of the City will be \$9,436,335, leaving a margin of \$11,312,166 under the combined debt limit. For a detailed discussion of the City's debt limitations, see "Debt Information - Debt Limit".

Ratio of Direct Bond Debt after this issuance to Net Assessed Valuation ³	5.01%
Total Direct Bond Debt Per Capita ⁴	\$ 201.43
Net Assessed Valuation Per Capita	\$ 4,196.19
Legal Bonded Debt Limit (15% of Net Assessed Value of Taxable Property in the City)	\$ 15,561,376
Outstanding Direct Bonded Debt of the City After this Issuance	\$ 5,200,000
Margin for Further Debt After This Issuance	\$ 10,361,376

³ Includes only the Bonds and outstanding City general obligation debt subject to the 15% debt limitation of Miss. Code Ann. § 21-33-301. Does not include general obligation water improvement bonds in the outstanding principal balance of \$790,000. See, "Debt Information" herein.

⁴ See Footnote 3, above.

OFFICIAL STATEMENT

\$1,600,000.00
CITY OF CLINTON, MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 1998

I. INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the sale of the General Obligation Water and Sewer Bonds, Series 1998, dated March 1, 1998 (the "Bonds"), of the City of Clinton, Mississippi (the "City"). The City is a local political subdivision incorporated under the laws of the State of Mississippi.

Reference is made to the Constitution and Laws of the State of Mississippi, including Sections 21-33-301 through 21-33-329 of the Mississippi Code of 1972, (the "Act"), the Bond Resolution, as hereinafter defined, and any and all modifications and amendments thereof for a description of the authority of the City to issue the Bonds, the nature and extent of the security of, the principal of and interest on the Bonds, and the terms and conditions under which the Bonds are issued.

II. THE BONDS

A. Purposes and Authorization

The Bonds are being issued to provide funds for constructing, improving, enlarging, renovating and equipping the City's water and sewer system, and paying the cost of such borrowing, and performing all other work necessary to complete the Project.

As required by the Act, the Board of Aldermen adopted a resolution on October 21, 1997, stating the City's intention to issue the Bonds unless petitions containing the names of the lesser of 10% or 1,500 registered City voters were filed calling for an election on whether the Bonds should be issued. On November 18, 1997, the Board of Aldermen found that no petition requesting an election on the question of incurring such indebtedness or other objection of any kind or character against the issuance of the bonds had been filed or presented by qualified electors of the City and finding that the City is authorized to proceed with the issuance of the Bonds.

The Bonds will be issued pursuant to the provisions of the Act and a Bond Resolution adopted by the Board of Aldermen of the City (the "Board of Aldermen") on January 20, 1998 (the "Bond Resolution").

B. Security

The Bonds are general obligations of the City, secured by the full faith and credit of the City and the avails of an unlimited, continuing and direct special tax to be levied annually by the Board of Aldermen on taxable property within the City of Clinton and revenue from the City's Water and Sewer System, which shall be adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same become due with full allowance being made for delinquencies and costs of collection. (See "Procedure For Tax Collections").

Enforcement of Bondholders' rights may be limited by and subject to the provisions of federal bankruptcy laws, as now or hereafter enacted, or by other laws or equitable principles which may affect the enforcement of creditors' rights.

See the section herein entitled "Recent Constitutional Amendment" for a summary of a recent amendment to the Mississippi Constitution purportedly restricting a court's authority to require a political subdivision to levy taxes.

C. Bond Insurance

[TO BE COMPLETED IF APPLICABLE]

D. Redemption

The Bonds maturing on March 1, 2008, and thereafter, shall be subject to redemption prior to their maturity at the option of the District on and after March 1, 2007, upon not less than thirty (30) days' notice, in whole at any time, or in part on any interest payment date, in inverse order of maturity, at the par value of the Bonds to be redeemed together with accrued interest to the date fixed for redemption.

If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by the Paying Agent at random in such manner as the Paying Agent, in its discretion, may deem fair and appropriate.

In the event that any Bond is to be called for redemption as aforesaid, notice of such redemption, setting forth the place or places of payment, shall be given by mailing a copy of the redemption notice by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books.

On the specified redemption date, all Bonds so called for redemption shall cease to bear interest and shall no longer be secured by the pledge and covenants of the Bond Resolution, provided monies for their redemption are on deposit at the place of payment at that time.

E. Registration, Transfer and Exchange

The Bond Resolution provides for the registration, transfer and exchange of the Bonds upon presentation and surrender at the principal corporate trust office of the Paying Agent/Registrar. Every Bond presented or surrendered for transfer or exchange shall be duly endorsed, or be accompanied by other evidence of transfer acceptable to the Paying Agent/Registrar. No service charge shall be made to the registered owner for any registration, transfer, or exchange for a different denomination of Bonds, but the City or the Paying Agent/Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Bond. The City shall not be obligated to issue, exchange or transfer any bond during the fifteen (15) day period next preceding any interest payment date.

F. Special Funds

The City will establish a special fund or account, to be designated the "City of Clinton, Mississippi, General Obligation Water and Sewer Bonds, Series 1998, Bond and Interest Fund" (the "Bond Fund"), said fund or account to be maintained at a qualified depository of the City. Money on deposit in or required to be deposited to the Bond Fund shall be used solely for the purpose of paying the interest on and the principal of the Bonds when due and payable in accordance with their terms and the Bond Resolution. Accrued interest through the date of delivery of the Bonds shall be deposited in the Bond Fund.

As required by the Bond Resolution, the City will establish with a qualified municipal depository of the City a special fund or account, to be designated the "City of Clinton Proceeds Fund" (the "Proceeds Fund"). The principal proceeds from the sale of the Bonds shall be deposited in the Proceeds Fund and shall be disbursed in accordance with the Act and the Bond Resolution for the payment of the costs of the Project. The balance, if any, remaining upon completion of the Project shall be transferred and deposited into the Bond Fund.

G. Application of Bond Proceeds

The following is a summary of the proceeds of the Bonds and the expected application thereof:

1. Amount of Proceeds and Accrued Interest

Proceeds of the Bonds \$ 1,600,000

Accrued Interest on the Bonds

Through Delivery _____

Construction Period Investment

Earnings _____

TOTAL \$ _____

2. Use of Proceeds and Accrued Interest

Payments for Public Improvements
Described in Bond Resolution \$ _____

Cost of Issuance _____

Accrued Interest to be Deposited
in Bond Fund _____

TOTAL USE OF FUNDS \$ _____

III. TAX INFORMATION

A. Assessed Valuation of The City

<u>Assess- ment Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Public Utility Property</u>	<u>Total</u>
1996-97				\$103,742,507
1995-96	56,117,236	30,435,934	7,649,109	94,202,279
1994-95	56,189,566	28,195,706	7,186,650	91,571,922
1993-94	55,515,021	27,472,505	7,178,595	90,166,121
1992-93	54,843,125	28,572,245	7,178,595	90,593,965
1991-92	54,340,204	24,575,036	7,306,752	86,221,992

SOURCE: City of Clinton, Mississippi, Audited Financial Statements for fiscal years ending September 30, 1992, through September 30, 199_.

The above assessed valuations were based upon the following assessment ratios:

Single Family, owner occupied, residential real property, 10 percent of true value;

Real Property (excluding property assessed at 10 percent of true value) and personal property (excluding motor vehicles), 15 percent of true value;

Motor vehicles and public utility property, 30 percent of true value.

B. Procedure for Property Assessments

Real and personal property valuations for city and county property other than motor vehicles and property owned by public utilities are determined by the county tax assessor. The value of motor vehicles and public utilities is assessed each year by the Mississippi State Tax Commission. All taxable real property situated in the City is assessed each year and taxes thereon paid for the ensuing year. Assessment rolls of such property subject to taxation are prepared by the county tax assessor and are delivered to the City.

As required by Miss. Code Ann. §§ 21-33-9 and 21-33-10, the Board of Aldermen annually adopts the Hinds County assessment roll for the City's assessment purposes. The City may not correct or revise the County assessment roll except to conform the City assessment roll to corrections or revisions made by the Hinds County board of supervisors to the County assessment roll. All objections to the City assessment roll are heard by the Hinds County Board of Supervisors rather than by the Board of Aldermen. The Board of Supervisors hears objections to the City's assessment roll at the same time and in the same manner that objections to the County assessment roll are heard. After hearing objections, the Board of Supervisors notifies the Board of Aldermen and the City tax assessor of any corrections or revisions made to the County assessment roll.

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C. Property Tax Rates Per \$1,000 Valuation

	<u>For Year Ending September 30</u>				
	<u>1996-97</u>	<u>1995-96</u>	<u>1994-95</u>	<u>1993-94</u>	<u>1992-93</u>
<u>CITY RATE</u>					
General Fund	—.—	30.12	27.15	27.65	28.04
Parks & Recreation					
Bond & Interest	—.—	1.24	1.24	1.24	1.35
Parks & Recreation					
Bond & Interest	—.—	0.00	0.00	0.00	0.00
Fire & Police					
Retirement	—.—	<u>1.26</u>	<u>1.26</u>	<u>0.76</u>	<u>0.26</u>
TOTAL CITY LEVY	—.—	<u>32.62</u>	<u>29.65</u>	<u>29.65</u>	<u>29.65</u>
<u>SCHOOL RATE</u>					
District Maintenance	—.—	43.00	43.00	43.00	43.05
CPSD Bond & Interest					
(1986)	—.—	4.62	4.62	4.50	5.79
Debt Service (1988)	—.—	1.18	1.18	1.27	1.31
Minimum Education					
Program	—.—	0.00	0.00	0.00	0.00
Debt Service (1994)	—.—	<u>8.14</u>	<u>8.14</u>	<u>0.00</u>	<u>0.00</u>
TOTAL SCHOOL LEVY:	—.—	<u>56.94</u>	<u>56.94</u>	<u>48.77</u>	<u>50.15</u>
TOTAL LEVY:	—.—	<u>89.56</u>	<u>86.59</u>	<u>78.42</u>	<u>79.80</u>

SOURCE: City Clerk, _____.

D. Ad Valorem Tax Levies and Collections of the City

CITY OF CLINTON
PROPERTY TAX LEVIES AND COLLECTIONS

<u>Fiscal Year</u>	<u>Total Tax Levy (1)</u>	<u>Tax Collections (2)</u>	<u>Percent Collected</u>
1996	\$	\$	%
1995	8,903,634	8,891,580	99.9
1994	7,672,438	7,664,524	99.9
1993	7,787,758	7,824,829	100.4
1992	7,667,273	7,722,416	100.7
1991	6,971,473	7,023,010	100.7
1990	6,843,711	6,658,039	97.2
1989	6,221,072	6,095,768	97.9

SOURCE: City of Clinton, Audited Financial Statements.

- NOTE: (1) Includes taxes for City and school district purposes.
- (2) Includes delinquent taxes and penalties for previous years.

E. Procedure for Tax Collections

The Board of Aldermen annually levies taxes upon all taxable property within the geographical limits of the City. Any taxes not paid by the due date bear interest at the rate of 1 percent per month or fractional part thereof from the delinquent date to the date of payment of such taxes. If enforcement officers take action to collect delinquent taxes, other fees, penalties and costs may accrue. Both real property and personal property are subject to public tax sale.

Section 21-33-53 of the Mississippi Code of 1972 states that municipal tax collectors are to collect city taxes in the same manner and at the same time that county and state taxes are collected. Ad valorem taxes on personal property are payable at the same time and in the same manner as on real property. Section 21-33-63, Mississippi Code of 1972, and related statutes provide that upon failure of a taxpayer to make timely payment, the city tax collector is authorized to sell any personal property or real property of the delinquent taxpayer liable for unpaid taxes.

F. Largest Taxpayers
[TO BE REVISED FOR 1996]

The ten largest taxpayers in the City of Clinton for fiscal year 1995 were as follows:

<u>Name of Taxpayer</u>	<u>Assessed Value</u>	<u>Taxes for 1994¹</u>
GM/Packard	\$ 5,935,675	\$ 168,861
Mississippi Power & Light Company (Entergy)	5,801,209	168,681
Bell South Telecomm Inc.	1,418,575	41,783
Gulf States Cannery Inc.	1,337,315	33,691
Wal-Mart/Madison Clinton LTD	1,118,477	31,788
Riverwood/Manville	700,375	20,765
AKZO/Noble Coating Inc.	745,161	17,348
Clinton Investors LTD	423,855	12,438
Leon Ghetti V	408,863	12,123
Stonegate LTD	372,128	11,034

SOURCE: Hinds County Tax Collector's Office, March 1996.

¹ School taxes not included.

IV. DEBT INFORMATION

A. Outstanding General Obligation Bonded Debt of the City as of 06/10/97

<u>Date of Issue</u>	<u>Description of Issue</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding Principal Balance 6/10/97</u>	<u>Final Maturity Date</u>
12/01/85	General Obligation Water Improvement Bonds	Variable from 6.75 to 9.5%	\$2,300,000	\$ 790,000	12/01/00
06/01/91	Park Improvement Bonds	Variable from 5.4 to 7.5%	850,000	410,000	06/01/01
07/01/92	Public Improvement Police/Court Facility	Variable from 4.8% to 6.0%	400,000	230,000	07/01/02
03/01/95	General Obligation Water Improvement Bonds	Variable from 5.30% to 7.25%	1,000,000	915,000	03/01/10
07/01/96	General Obligation Street Improvement Bonds	Variable 4.80% to 6.5%	3,100,000	2,960,000	03/01/11
	TOTAL		<u>\$ 7,650,000</u>	<u>\$ 5,305,000</u>	

B. Outstanding Revenue Bonds of the City as of 6/30/97

<u>Date of Issue</u>	<u>Description of Issue</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding Principal Balance 06/10/96</u>	<u>Final Maturity Date</u>
06/01/88	Clinton Industrial Water System	6.5%	\$1,000,000	\$ 333,340	06/01/02
12/01/95	Sewer System Revenue Refunding Bonds	Variable fm. 3.8 to 5.75	\$1,440,000	\$1,365,000	10/01/13
	TOTAL		<u>\$2,440,000</u>	<u>\$1,698,340</u>	

C. Debt City Limit Statement

Pursuant to Miss. Code Ann. § 21-33-303, the City may not issue general obligation bonds secured by a pledge of the City's full faith and credit, which, when added to the City's other general obligation bonded indebtedness, would exceed the greater of (a) 15% of the assessed value of taxable property within the City, according to the last completed assessment for taxation, or (b) 10% of the assessment upon which taxes were levied for the fiscal year ending September 30, 1984. In computing the City's general obligation bonded indebtedness for debt limitation purposes, all bonds or other evidences of indebtedness issued for school, water, sewage systems, gas and light and power purposes, and for the construction of special improvements primarily chargeable to the property benefited, or for the purpose of paying the City's proportion of any betterment program, a portion of which is primarily chargeable to the property benefited, are excluded from the computation.

In addition to the above-referenced limitation on general obligation indebtedness of the City, the City is prohibited from contracting any indebtedness which, when added to all of the outstanding general obligation indebtedness, both bonded and floating, exceeds the greater of (a) 20% of the assessed value of all taxable property within the City according to the last completed assessment for taxation, or (b) 15% of the assessment upon which taxes were levied for the fiscal year ending September 30, 1984. In calculating the limitation on the City's bonded and floating indebtedness, bonds payable exclusively from the revenues of any municipally-owned utility, industrial bonds issued pursuant to Sections 57-1-1 to 57-1-51, Mississippi Code of 1972, as amended, special assessment improvements bonds issued pursuant to Sections 21-41-1 to 21-41-53, Mississippi Code of 1972, as amended, and contract obligations subject to annual appropriations are excluded from the computation.

[Remainder of Page Intentionally Left Blank]

Legal Debt Limit Statement (As of June 10, 1996)

	15% G.O. <u>Bonded Debt Limit</u>	20% Bonded and <u>Floating Debt Limit</u>
Authorized Debt Limit (Audit Year Ending September 30, 1997 Assessed Valuation)	\$15,561,376	\$20,748,501
Present Debt Subject to Debt Limits ¹	\$ <u>3,600,000</u>	\$ <u>7,836,335</u>
Margin for Further Debt Under Debt Limits	\$11,961,376	\$12,912,166
Less: This Offering	\$ <u>1,600,000</u>	\$ <u>1,600,000</u>
Margin for Further Debt Under Debt Limits After Issuance of Series 1998 Bonds	\$ <u>10,361,376</u>	\$ <u>11,312,166</u>

V. FINANCIAL INFORMATION

A. Budgetary Process

Section 21-35-5, Mississippi Code of 1972, as amended, requires the Board of Aldermen, prior to September 15 of each year, to prepare a complete budget of the municipal revenues, expenses and working cash balances estimated for the next fiscal year and to prepare a statement showing the aggregate revenues collected during the current year for municipal purposes. The City's budget and statement of revenue and expenses must be published at least

¹ As of September 30, 1997. Includes only obligations subject to the fifteen percent debt limitation prescribed by Miss. Code Ann. § 21-33-303, Mississippi Code of 1972, as amended. Does not include general obligation water improvement bonds in the outstanding principal amount of \$790,000 which, under Miss. Code Ann. § 21-33-303, are excluded from the fifteen percent debt limitation but are included in the twenty percent debt limitation. See, "Debt Information" herein. Does not include outstanding revenue bonds or amounts owed under capital leases. Pursuant to Miss. Code Ann. § 21-33-303, the City's combined bonded and floating indebtedness may not exceed \$20,748,501. After this issuance, the combined and floating debt of the City will be \$9,436,335, leaving a margin of \$11,312,166 under the combined debt limit. For a detailed discussion of the City's debt limitations, see "Debt Information - Debt Limit".

one time in September of each year, and prior to the City's adoption of its budget, the Board of Aldermen must hold at least one public hearing to allow the general public to comment on the taxing and spending plan incorporated in the proposed budget. Pursuant to Section 21-35-25, Mississippi Code of 1972, as amended, the Board of Aldermen must revise the City's upon the occurrence of certain stated conditions and when a deficit is indicated. The City's budget for the fiscal year 1997-98 is attached as Appendix B.

The amount appropriated and authorized to pay any expense listed in the City's budget, except for capital outlay, election expenses, and payment of emergency warrants and interest thereon, may not exceed the amount estimated for such expense. Furthermore, the total expenditures authorized to be made from any fund may not exceed that fund's aggregate cash balance at the close of the proceeding fiscal year, plus the amount of estimated revenues to accrue to such fund and any amounts which may be obtained for that fund by a tax levy during the current fiscal year. Notwithstanding the foregoing, Section 21-35-15 states that its provisions do not prevent any municipality from making adequate provision at any time for the payment of principal of and interest on its outstanding bonded indebtedness.

B. Annual Audit

The City's financial statements are audited by an independent firm of certified public accountants at the end of each fiscal year. Attached as Appendix C are excerpts of the City's audited financial statements for the fiscal year ending September 30, 1996.

VI. MISCELLANEOUS AND LEGAL INFORMATION

A. No Default on Securities

No securities of the City have been in default as to principal or interest payments or in any other material respect at any time in at least the last 25 years. No principal or interest on any obligation of the City is past due.

B. No 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 10 years.

C. Homestead Exemption

The Mississippi Homestead Exemption Law of 1946 § 27-33-1, et seq., Miss. Code of 1972, as amended, reduces the local tax burden on homes qualifying by law, and substitutes revenues from other sources of taxation on the State level as a reimbursement to the local taxing

units for such tax loss. 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 for the payment of the Bonds, except as hereinafter noted.

Those homeowners who qualify for the homestead exemption and who have reached the age of 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 service 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 \$7,500 of assessed value thereof.

The tax loss resulting to local taxing units from properly qualified homestead exemptions is reimbursed by the State Tax Commission. No taxing unit shall be reimbursed an amount in excess of 106 percent of the total net reimbursement made to such taxing unit in the next preceding year.

D. Financial Advisor

The City has retained the firm of Holley, Grubbs, Mitcham & Phillips, 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.

E. Legal Proceedings
[TO BE REVISED]

The City is a defendant in several lawsuits in which personal injuries, property damage, wrongful deaths and violations of civil rights laws are alleged. Alleged damages in such lawsuits are approximately \$30 Million. The City has not established a reserve fund from which it could pay any judgments rendered against it in these cases. The City has a liability insurance policy; however, the amount for which the City is insured under such policy is significantly less than the total amount of damages alleged against the City in the pending suits. The City intends to defend

itself vigorously in these lawsuits; however, no prediction of the final outcome of these suits can be made at this time .

F. Recent Constitutional Amendment

The qualified electors of the State of Mississippi voted in a general election held on November 7, 1995, to amend the Mississippi Constitution of 1890 (the "Constitution") to add the following new Section 172A (the "Amendment"):

SECTION 172A. Neither the Supreme Court nor any inferior court of this state shall have the power to instruct or order the state or any political subdivision thereof, or an official of the state or any political subdivision, to levy or increase taxes.

The Amendment does not affect the underlying obligation to pay the principal of and interest on the Bonds as they mature and become due nor does it affect the obligation to levy a tax sufficient to accomplish that purpose. However, even though it appears that the Amendment was not intended to affect Bondholders' remedies in the event of a payment default, it potentially prevents Bondholders from obtaining a writ of mandamus to compel the levying of taxes to pay the principal of and interest on the Bonds in a Court of the State of Mississippi. It is not certain whether the Amendment would affect the right of a Federal Court to direct the levy of a tax to satisfy a contractual obligation. Other effective remedies are available to the Bondholders in the event of a payment default with respect to the Bonds. For example, Bondholders can seek a writ of mandamus to compel the City to use any legally available moneys to pay the debt service on the Bonds, and if such writ of mandamus is issued and public officials fail to comply with such writ, then such public officials may be held in contempt of court. In addition, pursuant to the Mississippi Constitution § 175, all public officers who are guilty of willful neglect of duty may be removed from office.

G. Validation

The Bonds will be validated by the Chancery Court of Hinds County as provided by Sections 31-13-1 to 31-13-11, Mississippi Code of 1972. The validation decree is final and binding.

H. Approval of Legal Proceedings

All legal matters in connection with the authorization and issuance of the Bonds are subject to the final approval of the legality thereof by Bond Counsel, Adams and Reese, LLP, Jackson, Mississippi. Copies of such opinion will be available at the time of delivery of the Bonds. No representation is made to the registered owners of the Bonds that Bond Counsel has verified the accuracy, completeness or fairness of the statements in the Official Statement, and

Bond Counsel assumes no responsibility to the registered owners of the Bonds except for the matters set forth in such opinion.

I. Tax Exemption

The Internal Revenue Code of 1986, as amended (the "Code") includes requirements which must continue to be met after the issuance of the Bonds in order that interest on the Bonds not be included in gross income for federal income tax purposes. The failure to meet these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The City has covenanted to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds.

In the opinion of Bond Counsel, under existing law, applicable regulations, published rulings and court decisions, (a) the interest on the Bonds is excludable from gross income and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on corporations and taxpayers other than corporations, (b) the Bonds are not "private activity bonds" within the meaning of the Internal Revenue Code of 1986 (the "Code"), (c) interest on the Bonds is exempt from Mississippi income taxes, and (d) the Bonds have been designated by the District as qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code. Under certain other provisions of the Code, the receipt of interest on the Bonds may give rise to collateral federal income tax consequences to certain holders thereof. Exclusion of the interest on the Bonds from gross income for federal income tax purposes is dependent upon continuing compliance by the District with certain requirements of the Code throughout the term of the Bonds. Under the Code, failure to comply with such requirements may cause the interest on the Bonds to be included in gross income retroactively to their date of issuance. The District has covenanted to comply with such requirements of the Code.

The Bonds have been designated by the Board of Aldermen as qualified tax-exempt obligations for purposes of Section 265(b) of the Code. The City does not expect to issue more than \$10,000,000 in tax-exempt debt during the 1998 calendar year. **VERIFY THIS.**

J. Tax Covenant

The Board of Aldermen, acting for and on behalf of the City, has covenanted with the holders from time to time of the Bonds, that so long as any Bonds shall be outstanding, the City shall comply with all applicable provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986 and all applicable regulations of the Internal Revenue Service proposed and promulgated thereunder.

K. Authorization of and Certification Concerning Official Statement; Description of Subsequent Disclosure Obligation

This Official Statement has been authorized and prepared by the City. The Issuer has authorized and directed the delivery of this Official Statement to the Underwriter for use in connection with the public offering of the Bonds. Concurrently with the delivery of the Bonds, officials of the City will furnish a certificate to the effect that, to the best of their knowledge, this Official Statement did not as of its date, and does not as of the date of delivery of the Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which this Official Statement is to be used, or which is necessary in order to make the statements contained herein, in the light of the circumstances in which they were made, not misleading.

The City has covenanted in its Bond Resolution that under the terms of Rule 15c2-12, as amended, of the Securities and Exchange Commission the City constitutes a "small issuer" for purposes of the small issuer exemption stated in Rule 15c2-12(d)(2) in regard to the Bonds, since the City, as the sole "obligated person" with respect to the Bonds, has and will have at the time of initial delivery of the Bonds, substantially less than \$10,000,000 in outstanding municipal securities (including the Bonds). Pursuant to the Bond Resolution, which serves as a contract for the benefit of the holders of the Bonds, the City has undertaken to deliver or cause to be delivered, commencing with the fiscal year of the City ending after January 1, 1996, (i) to each person requesting same, publicly available financial information relating to the City which is customarily prepared by the City, including the City's audited financial statements, and (ii) to the "nationally recognized municipal securities information repositories," within the meaning of Rule 15c2-12, and certain other entities described in Rule 15c2-12 (said repositories and other entities are collectively referred to as the "Repositories"), notice of any material events relating to the Bonds and the City, if the City deems such events to be material as set forth under Rule 15c2-12, as amended. Anyone requesting information under the continuing disclosure requirements of Rule 15c2-12, as amended, should contact the City Clerk of the City, P. O. Box 156, Clinton, MS 39060; telephone (601)924-5462.

L. Miscellaneous

The references, 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 registered owners thereof.

CITY OF CLINTON, MISSISSIPPI

By: _____
Rosemary Aultman, Mayor

APPENDIX A

ECONOMIC, POLITICAL AND DEMOGRAPHIC INFORMATION

CITY GENERAL INFORMATION

General Description of the Area

The City of Clinton was incorporated on February 12, 1830, as the Town of Clinton. Clinton is located in eastern Hinds County seven miles from the state capital of Jackson, Mississippi, and approximately five miles from the county seat of Raymond, Mississippi. The City, located in the central area of the state, consists of approximately 23 square miles.

Population

The current estimated population for the City is 24,723. The following chart reflects the population trend of the City of Clinton:

Population and Percent of Increase

<u>Year</u>	<u>Population</u>	<u>Percent Increase</u>
1990	21,850	6.6
1988	19,130	2.9
1986	18,590	2.8
1984	18,069	6.8
1980	16,917	132.1
1970	7,289	112.0
1960	3,438	52.5
1950	2,255	-

SOURCE: Clinton Chamber of Commerce, _____.

Government

The City operates under the Mayor-Alderman form of government with a full-time Mayor elected from the City at large and seven part-time Aldermen elected from districts or wards. The current Mayor and members of the Board of Aldermen are:

TO BE UPDATED

<u>Name</u>	<u>Occupation</u>	<u>Position Held Since</u>
Mayor Rosemary Aultman	Full Time Mayor	July 1994 - July 1998
Tony Hisaw	_____	_____
Rodney W. DePriest Alderman	Building Contractor	July 1994 - July 1998
Clint Brantley	_____	_____
Phil Fisher Alderman	Sales Repr. Proctor & Gamble	July 1994 - July 1998
Herb Touchton Alderman	Retired	July 1994 - July 1998
Herb Touchton	_____	_____
Sharbert K. Lott Alderman	Specialist, South Central Bell	July 1994 - July 1998
Jehu W. Brabham Alderman at Large	Church Administrator	July 1994 - July 1998

Transportation

Airports

Jackson International Airport (the "Airport") is located approximately 21 miles from the City in Jackson, Mississippi. The Airport, which has been designated as a general purpose Foreign Trade Zone, maintains two 8,500-foot runways. American Eagle, Delta Air Lines, ASA, Continental Express, USAir, Northwest Airlinck and Northwest Airlines offer non-stop flights to hubs of Atlanta, Cincinnati, Dallas, Memphis, Nashville and New Orleans, with direct service

available to almost every major city in the United States. Two commuter airlines also provide service from the Airport.

The former municipal airport, Hawkins Field, approximately 7 miles from the City, is the City's main private aircraft base and maintains facilities for both jet and other private aircraft. Hawkins Field operates a tower with full FAA facilities. Two other smaller fields with hard surface runways are also located in the area.

Charter aircraft for package freight is provided by Airborne Airfreight, Emery and Federal Express. Parcel service is available through United Parcel Service, Air Freight, Federal Express, Purolator, Emery Air, Burlington Northern and Film Transit.

Highways

Three major highways serve the City: Interstate 20, U.S. Highway 80 and Mississippi Highway 18.

Railroads

Midsouth Railroad provides rail service to and from Clinton on three different lines that radiate in all directions from the City. The company offers approximately 20 schedules per day. The local Illinois Central Railway yards have a capacity for approximately 3,300 cars. Amtrak runs daily north-south passenger service from Jackson, Mississippi to New Orleans and Chicago, utilizing Illinois Central rails.

Bus Lines

The bus line, Greyhound/Trailways, provides intercity bus service with 19 inbound and 19 outbound buses daily.

Truck Lines

Numerous 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 lower Mississippi River Valley. Some of the major freight carriers servicing the area include ABF System, Bowman Transportation, Brown Transport, Carolina Freight Carriers, Consolidated Freightways, Freeman Truck Line, G-F-A Transportation, Jones Truck Lines, and KLLM.

Medical Facilities

Several general hospitals, specialty hospitals and the University Medical Center Complex are located in nearby Jackson, Mississippi. Major hospitals in the surrounding area are Mississippi Baptist Medical Center (624 beds), University (577 beds), Veterans Administration (455 beds), St. Dominic-Jackson Memorial (571 beds), Methodist Medical Center (473 beds),

River Oaks Hospital (106 beds), Rankin General (90 beds), East River Oaks Woman's Pavilion (111 beds), Mississippi Methodist Rehabilitation (124 beds), Charter Behavioral Health Systems of Mississippi, Inc. (111 beds), and Madison General (67 beds).

The Mississippi State Hospital at Whitfield, a state facility located in nearby Rankin County, provides treatment for mental and related diseases (1,526 beds). Mississippi State Hospital at Whitfield also operates Whitfield Medical/Surgical Hospital with 43 beds. A new 27,000 square foot community mental health treatment facility, the Jackson Mental Health Center, is operated as a community resource by St. Dominic's Hospital. In addition, Jackson Recovery Center has a 40-bed capacity and Baptist Medical Center Restorative Care has a 25-bed capacity.

The University of Mississippi Medical Center in Jackson, is home for the Schools of Medicine, Dentistry, Nursing, Health Related Professions and graduate programs in the health sciences.

Per Capita Income

The City and the Jackson Metropolitan Statistical Area ("MSA") are two of the highest personal income producing areas in the state in terms of per capita and per household income.

The following represents per capita income annually from 1988 to 1993 for the MSA, Hinds County, Mississippi, and the United States:

<u>Year</u>	<u>MSA*</u>	<u>Hinds County</u>	<u>Mississippi</u>	<u>United States</u>	<u>% of U.S.</u>
1988	\$13,677	\$13,957	\$11,181	\$16,610	82%
1989	14,698	15,051	11,915	17,690	83
1990	15,357	15,701	12,571	18,666	82
1991	16,133	16,480	13,214	19,201	84
1992	17,029	17,479	14,070	20,137	85
1993	17,904	18,550	14,745	20,800	85
1994	19,355	19,572	15,915	22,044	88
1995	20,646	20,865	16,716	23,196	89

* Includes parts of Hinds, Madison and Rankin Counties.

SOURCE: Mississippi Employment Security Commission, Population - Personal Income Data, 1988-1993 (June 1995), as updated by Population - Personal Income Data, 1990-1995, (November 1997).

Employment Statistics (City of Clinton)

TO BE UPDATED FOR CITY

	<u>Residence Based Employment</u>					
	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Labor Force	8,490	8,180	8,170	8,090	8,350	8,610
Unemployed	230	260	260	220	200	170
Percent of Unemployment Employed (total)	2.7	3.2	3.2	2.7	2.4	2.0
	8,260	7,920	7,910	7,870	8,150	8,440

SOURCE: Mississippi Employment Security Commission, Labor Market Data
(January Ed. 1991-1996)

Employment Statistics (Hinds County)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
<u>RESIDENCE BASED EMPLOYMENT</u>					
I. Civilian Labor Force	126,380	128,820	128,450	128,400	131,460
II. Unemployed (total)					
% of Civilian Labor Force	7,910	6,760	6,480	5,610	5,190
III. Employed (total)	118,470	122,060	121,970	122,790	126,270
<u>ESTABLISHMENT BASED EMPLOYMENT</u>					
	138,830	142,160	149,190	145,580	151,120
I. Manufacturing (total)	13,570	13,110	13,020	13,370	12,660
II. Nonmanufacturing (total)	125,260	129,050	136,170	132,200	138,450
A. Mining	390	420	440	360	370
B. Construction	5,170	5,640	6,490	5,530	6,200
C. Transportation and Public Utilities	8,380	8,470	8,880	8,260	9,180
D. Wholesale and Retail Trade	31,730	32,900	34,420	33,400	34,490
E. Finance, Insurance and Real Estate	11,170	11,230	11,460	11,080	11,290
F. Service and Misc.	37,350	38,610	41,690	41,390	43,920
G. Government	31,060	31,780	32,780	32,190	33,010

NOTE: Totals may not add due to rounding

SOURCE: Mississippi Employment Security Commission, Annual Averages, 1987-1996, April 1997.

Retail Sales (City)

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>Amount</u>
1996	\$138,194,224
1995	127,419,537
1994	125,186,269
1993	115,202,236
1992	108,728,118
1991	85,423,019
1990	86,727,684

SOURCE: Mississippi State Tax Commission, Annual Report for respective years.

Major Employers

The following is a partial listing of the City's major employers (private sector only), their products or services and their approximate number of employees:

TO BE UPDATED

<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>
Packard Electric	Division of General Motors Corp. - builds components for the wiring systems of all GM vehicles	Over 1,000
Gulf States Cannery	Manufactures canned soft drinks for Coca-Cola	100-199
Riverwood International	Cartons	200 - 250
AKZO Nobel Codings, Inc.	Manufactures industrial coating, furniture finish, etc.	100 - 130
Wal-Mart	Retail Store	200 - 300
Mississippi College	Private College	490
Clinton Public Schools	Public Education System	575
City of Clinton	Municipal Government	160

SOURCE: City of Clinton Chamber of Commerce.

APPENDIX B
THE CITY'S BUDGET FOR 1997-98

APPENDIX C
EXCERPTS OF THE CITY'S
AUDITED FINANCIAL STATEMENT
FOR THE YEAR ENDING SEPTEMBER 30, 1996

APPENDIX D
BOND COUNSEL'S OPINION

329 330 POP

Proof of Pub

8

SUPERIOR ASPHALT, INC.



RECEIVED

January 14, 1997

Mr. Richard L. Broome, P.E.
City of Clinton
Engineering Department
P.O. Box 156
Clinton, MS 39060

CITY OF CLINTON
ENGINEER DEPARTMENT

Reference: City of Clinton Contract with Superior Asphalt, Inc.
1997 Street Improvements Program

Dear Mr. Broome:

We request a change order be issued in the amount of \$8,235.00 for the overrun of asphalt installed on the above referenced project as detailed below.

285.74 Tons @ \$28.82 \$8,235.00

Thank you for your attention regarding this matter, and if further information is needed, please notify our office.

Sincerely,
SUPERIOR ASPHALT, INC.


David Denson
General Manager

DD:lw

CC: 91713 Cont File

RECEIVED

331

P. O. Box 720099 • 6000 I-55 South • Jackson, Mississippi 39272 • (601) 372-1400