

TOWN OF WALNUT GROVE MINUTES OF MAYOR AND
BOARD OF ALDERMEN HELD ON SEPTEMBER 6, 2005

BE IT REMEMBERED and it is hereby certified to that the Mayor and Board of Aldermen met in regular session Tuesday, September 6, 2005, at 6:00 p.m., in the City Hall, this being the time and place said meeting. The meeting was called to order by the Mayor, Grady Sims.

There were present:

Grady Sims	Mayor
W. C. Croft, Jr.	Aldermen
Marcus Ellis, Jr	Aldermen
Jerry Darby	Aldermen
David Dumas	Aldermen
Ricky Chamblee	Aldermen
Jeff Webb	Attorney
Willie Jones	Marshal
Brent King	City Manager
Ada Chamblee	Town Clerk

After prayer by Mayor Grady Sims, the following business was transacted to-wit:

Johnny Glover met with Mayor and Board of Aldermen requesting the gas line on his property to be lowered as he is going to build a new shop on his land. The matter is tabled til September 20, 2005, at 6:00p.m., to find out estimated costs and feasibility of such a project.

Attorney Jeff Webb was given authority to see if the Town could make a donation for the South Leake Football Team a new piece of equipment for part or all of the funds needed to finish paying for the equipment. The matter is tabled until September 20, 2005 recessed meeting.

The following rate 12.15% millage rate for Town Land and Personal Taxes was adopted on motion by Aldermen Ellis, seconded by Aldermen Croft and an "AYE" vote by all the Board of Aldermen.

The run-downwd condition of the building Leon Bright owns on Main Street was discussed by the Mayor and Board of Aldermen. A letter is to be sent Leon Bright asking him to clean up his property on Main Street under motion made by Aldermen Ellis seconded by Aldermen Dumas and an "AYE" vote by all the Board of Aldermen.

The following bills were presented and ordered paid on motion made by Aldermen Croft, seconded by Aldermen Darby and unanimously approved by all the Board of Aldermen.

The following bill was presented and ordered paid from

Street Tax Funds:

MS Power Company	Street Lights	549.87
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The following bills were presented and ordered paid from

General Town Funds:

MS Municipal Worker's Comp	Insurance	8,002.00
Trustmark	Garbage Truck Note	2,035.49
AuL	Employees Insurance	189.62
Starmark	Employees Insurance	1,139.48
Express Police Supply	Law Enforcement	19.96
Frontier Ford	Patrol Car	191.01
First Continental Leasing	Patrol Car Lease	891.71
Lawrence Printing Co.	Law Enforcement	560.77
Express Police Supply	Law Enforcement	560.77
Leake Co. Correctional	Jail Cost	225.00
MS Power Company	Power	1,155.78
The Carthaginian	Publication	178.54
Carthage Small Engine	Lawn Mower Expense	299.00
Waste Management	Trash Cost	470.13
Central Electric Power	Ballpark	6.75
Bellsouth	Library Maintenance	124.86
Gold Strike Casino	Convention Expense	194.70
Grady Sims	Travel	51.75
Grady Sims	Travel - FEMA	172.50
Brent King	Public Works - FEMA	214.32
Jerry Millsaps	Public Works - FEMA	184.68
Mark Trippe	Public Works - FEMA	182.76
James Earl Johnson	Public Works - FEMA	105.00
David Dumas	Public Works - FEMA	80.00
James Stuart	Public Works - FEMA	80.00
Stacy Waller	Public Works - FEMA	80.00
Carlton Oil Co.	Maintenance	1,742.13
Firerock Design & Web	Website	3,121.80

The following bills were presented and ordered paid from

Gas System Operation Funds:

Ada Chamblee	Office Salry	1,987.50
Starmark	Employees Insurance	4,112.44
A U L	Employee Insurance	393.52
Midstate Tire Service	Maintenance	265.07
Leake Co. Co-Op	Maintenance	734.40
Magnolia Supply & Sales	Maintenance	291.95
Thomas Drilling	Maintenance	263.54
McGivney Hardware	Maintenance	165.78
Dixie Wholesale	Maintenance	61.68
Consolidated Pipe	Maintenance	1,140.00
MS Power Company	Power	1,047.12
Postmaster	Office Supplies	37.00
Stamp Fulfillment Services	Office Supplies	210.85
Viking Office Products	Office Supplies	141.02
Central MS Office Supply	Office Machine Repair	65.27
Dement Printing	Office Supplies	164.28
Teletouch	Phones	76.93
MS State Tax Commission	Sale Tax	216.00
MS State Tax Commission	State Wh Tax	437.00
Cingular Wireless	Phones	230.73
A T & T	Phones	185.91
Bellsouth	Phones	387.61
C & C Discount	Maintenance	744.54
Sistrunk's Texaco	Maintenance	906.03
Brent King	Travel	569.47
General Town	Insurance	4,001.00
Advantage Energy	Gas Purchased	13,165.30
Postmaster	Postage	109.88

The following bills were presented and ordered paid from

Water & Sewer Operation Funds:

Ada Chamblee	Office Salary	112.50
MS Power Company	Power	2,102.98
MS Power Company	Sewer Lift Power	1,101.52
Grainger	Maintenance	230.40
Bellsouth	Phones	442.98
MS Development Authority	Cap Loan Payment	2,826.45
Central Electric Power	Sewer Lift Power	28.48
Magnolia Supply & Sales	Maintenance	524.95
Postmaster	Postage	45.00

Officer's Salaries:

Grady Sims	Mayor	1,000.00
W. C. Croft, Jr	Aldermen	200.00
Jerry Darby	Aldermen	200.00
David Dumas	Aldermen	200.00
Marcus Ellis, Jr.	Aldermen	200.00
Ricky Chamblee	Aldermen	200.00
Jeff Webb	Attorney	250.00
Ada Chamblee	Town Clerk	100.00
Carolyn Wilcher Thomas	Municipal Judge	450.00

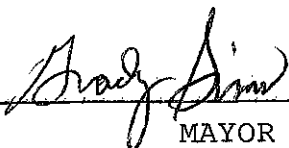
The following salaries were also paid:

Brent King	City Manager	2,900.00
Jerry Millsaps	Maintenance	2,500.00
Mark Trippe	Maintenance	2,475.00
James Earl Johnson	Maintenance	1,610.00
Willie Jones	Marshal	2,700.00
Keith Brown	Deputy	2,266.64
Stan Phillips	Deputy	2,000.00
James Miller	Deputy	441.60
Aaron Charles Griffin	Deputy	220.80
Jimmie Lewis	Deputy	662.40

Balance on hand, August 31, 2005:

General Town Funds	7,647.99
Street Tax Funds	14,766.42
Fire Protection Funds	8,694.74
Gas System Revenue Funds	25,252.29
Gas System Operation Funds	33,713.91
Gas System Meter Deposits	18,976.00
Water & Sewer Revenue Funds	3,088.88
Water & Sewer Operations Fund	14,082.93
Water System Meter Deposits	5,094.31

There being no further business, on motion duly made and seconded. The meeting was RECESSED, until Tuesday, September 20, 2005, at 6:00p.m. at which time the Mayor and Board of Aldermen will open bids on borrowing \$75,000.00 for water tank repair and maintenance and to any and all business pertaining to the Town of Walnut Grove, Mississippi.


MAYOR

ATTEST:


TOWN CLERK

TOWN OF WALNUT GROVE RECESSED MINUTES
 OF MAYOR AND BOARD OF ALDERMEN HELD
 ON SEPTEMBER 20, 2005

BE IT REMEMBERED and it is here by certified that the Mayor and Board of Aldermen met in recessed session pursuant to its regular September meeting on Tuesday, September 20, 2005, at 6:00 p.m., this being the time and place said meeting. The meeting was called to order by the Mayor Grady Sims.

There were present:

Grady Sims	Mayor
W. C. Croft, Jr	Aldermen
Jerry Darby	Aldermen
Marcus Ellis, Jr.	Aldermen
Ricky Chamblee	Aldermen
Ada Chamblee	Town Clerk

The following was absent:

David Dumas	Aldermen
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The following business was transacted to-wit:

The following budget was adopted on motion made by Aldermen Ellis, seconded by Aldermen Croft and unanimously approved by all the Board of Aldermen present.

Two bids were received on the water tank upkeep and maintenance of \$75,000.00 to borrow:
 Bank of Walnut Grove interest rate of 4½% on loan
 Trustmark interest rate of 4.07% on loan
 The bids were tabled to allow Attorney Jeff Webb to look at bids and make sure the Town stayed within the law requirements on municipalities.

The Mayor reported to the Board of Aldermen the cost of lowering the gas line on Johnny Glover's property would be an estimated \$4,750.00, No action taken.

The Mayor informed the Aldermen that he had learned that FEMA will reimburse the Town of Walnut Grove for the expenses hurricane Katrina had cost the town including reimbursement for extra hours worked because of the storm. Aldermen Ellis made the motion to pay employees and firemen who worked extra hours because of Katrina this motion was seconded by Aldermen Croft and unanimously approved by all the Board of Aldermen. This motion also includes mileage by officials during the storm.

On motion made by Aldermen Ellis, seconded by Aldermen Chamblee and unanimously approved by all the Aldermen present to pay Carlton Oil Company, Grady Sims - Travel, and Brian Gomillion for the Town's website.

There being no further business on motion duly made and seconded. The meeting was RECESSED until Monday, September 26, 2005, at 6:00 p.m., at which time the Mayor and Board will either accept or readvertise for bids on water tank upkeep and repairs loan and to any and all business pertaining to the Town of Walnut Grove, Mississippi.


 MAYOR

ATTEST:


 TOWN CLERK

TOWN OF WALNUT GROVE BUDGET FOR FISCAL
YEAR ENDING SEPTEMBER 30, 2006

ANTICIPATED RECEIPTS:

	GENERAL TOWN	STREET TAX	FIRE PROTECTION
Correctional Facility	120,000.00		
Trash Fees	18,000.00		
Sale Tax	45,000.00		
Property Tax	22,000.00	5,000.00	
Regular Advalorem	16,000.00		
Priviledge Tax	1,200.00		
Fines	20,000.00		
MS Power Franchise	17,000.00		
Interest	200.00	200.00	200.00
Grants	10,000.00		9,000.00
Factory Building Rent	12,000.00		
ANTICIPATED RECEIPTS	281,400.00	5,200.00	9,200.00

ANTICIPATED DISBURSEMENTS:

Appraisals & Surveys	500.00		
Ballpark	1,500.00		
Court Cost	5,500.00		
Convention Expense	10,000.00		
Fees & Dues	4,000.00		
Equipment Purchased	5,000.00		
Garbage Truck	1,000.00		
Insurance	20,000.00		
Legal & Audit	6,000.00		
Library Maintenance	33,000.00		
Law Enforcement	5,000.00		
Lawn Mower Expense	1,500.00		
Factory Building Repairs	500.00		
Miscellaneous	4,000.00		
Office Expense	2,000.00		
Publication	2,000.00		
Payroll Taxes	9,000.00		
Patrol Car	4,000.00		
Retirement	18,000.00		
Salaries	35,000.00		
Salaries-Police	120,000.00		
Street Repairs	2,000.00	500.00	
Travel	2,000.00		
Garbage Truck Note	26,000.00		
Triangle Upkeep	5,000.00		
Utilities	6,000.00	6,000.00	
Walnut Grove Day	2,500.00		
City Hall Repairs	750.00		
Jail Cost	8,000.00		
Fire Protection			9,000.00
TOTAL DISBURSEMENTS	339,750.00	6,500.00	9,000.00

The Mayor and the Board of Aldermen of the Town of Walnut Grove again took up the matter of the issuance of a negotiable note in the principal amount of Seventy-Five Thousand Dollars (\$75,000.00). After a discussion of the subject, a motion was made for the adoption of the following resolution.

RESOLUTION DIRECTING THE SALE AND AWARD OF A NEGOTIABLE NOTE OF THE TOWN OF WALNUT GROVE, IN THE PRINCIPAL AMOUNT OF SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00)

WHEREAS, the Mayor and Board of Aldermen of the Town of Walnut Grove (the "Governing Body") acting for and on behalf of the Town of Walnut Grove (the "Issuer"), does hereby find, determine, adjudicate and declare as follows:

1. That on August 11, 2005, the Governing Body adopted a resolution that a negotiable note of the Issuer be offered for sale in the principal amount of Seventy-Five Thousand Dollars (\$75,000.00) (the "Note") to raise money for the purpose of erecting or purchasing water works, gas, electric and other public utility plans for distribution systems or franchises, and repairing, improving and extending same pursuant to the provisions and authority of Sections 17-21-51, 17-21-53, 17-21-55, and 21-33-301(p), Mississippi Code of 1972, as amended.
2. That the Note was to be offered at public sale at a meeting of the Governing Body to be held at its usual meeting place in the City Hall of the Town of Walnut Grove, Mississippi, at the hour of 6:00 o'clock P.M. on Tuesday, September 20, 2005, upon the terms and conditions set out therein.
3. That as directed by the aforesaid resolution the Clerk of the Governing Body gave notice of the sale of the Note by publishing a notice at least one (1) time in *The Carthaginian*, a newspaper published in Leake County, Mississippi, and having a general circulation in the Issuer, the publication thereof having been made not less than ten (10) days preceding September 20, 2005, 2005, as shown by the following proof of publication.
4. That the Governing Body did meet at the City Hall of the Town of Walnut Grove, Mississippi, at 6:00 o'clock P.M. on Tuesday, September 20, 2005.
5. That following said time and at said place the Note was offered for public sale to the bidder offering the lowest rate of interest or whose bid represented the lowest net cost to the Issuer.
6. Two bids were received, being the bid of The Bank of Walnut Grove with a rate

of interest of 4.50% and the bid of Trustmark National Bank with a rate of interest of 4.07%. Therefore, the lowest and best bid for said Note was made by Trustmark National Bank.

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

SECTION 1. The negotiable note of the Issuer in the principal amount of Seventy-Five Thousand Dollars (\$75,000.00), bearing date of September 20, 2005, or thereafter, (the "Note"), shall be and the said Note is hereby awarded and sold to Trustmark National Bank in accordance with the bid this day submitted to the Governing Body at the rate set forth above.

SECTION 2. The Note shall be and the same hereby is authorized and directed to be issued to provide funds for the purpose of paying erecting or purchasing water works, gas, electric and other public utility plans for distribution systems or franchises, and repairing, improving and extending same pursuant to the provisions and authority of Sections 17-21-51, 17-21-53, 17-21-55, and 19-9-1(e), Mississippi Code of 1972, as amended.

SECTION 3. The Note shall provide for monthly payments rather than annual payments, and shall bear the date of September 20, 2005, or thereafter, and shall be in substantially the form as the Note attached hereto as Exhibit "A" with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution.

SECTION 4. There is hereby created and ordered to be established and maintained within the books of the Issuer a 2005-1 Water Tank Note Fund, and the Issuer covenants and agrees that so long as any of the Note installments secured by this resolution are outstanding, it will at all times deposit, or cause to be deposited, in said fund sufficient sums to promptly meet and pay the principal of and interest on the note, as the same becomes due and payable. These funds shall be used solely for the payment of the principal and interest on the Note. The Issuer hereby irrevocably authorizes and directs its Clerk to withdraw from said fund sufficient monies to make the installments provided for in the Note on or before the due dates thereof.

SECTION 5. In order to provide security for the payment of the principal and interest on the Note as the same becomes due, there shall be and is hereby levied a direct continuing tax upon all of the taxable property within the geographical limits of the Issuer, 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 and interest on the Note. Such tax shall be levied annually without limitation as to time, rate or amount, but to the extent that other revenues may be sufficient to provide for the payment of the principal and interest on

the Note, the tax to be levied under the provisions of this Section may be correspondingly reduced or eliminated.

SECTION 6. The Note shall be registered in the office of the clerk of the Issuer in a book to be kept for that purpose, and thereupon the clerk shall endorse upon the Note her certificate.

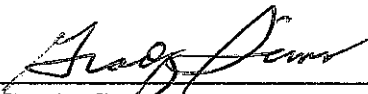
SECTION 7. When the Note has been registered, it shall be delivered to the purchaser, upon payment by the purchaser of the Seventy-Five Thousand Dollars (\$75,000.00) represented thereby, together with a complete, certified transcript of the proceeding had and done in the matter of the authorization, issuance and sale of the note, and the legal opinion of Jeffrey T. Webb, Webb Law Firm, PLLC, Post Office Box 452, Carthage, Mississippi 39051.

SECTION 8: All orders, resolutions and proceedings of this Governing Body in conflict with the provisions of this resolution shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict. For cause, this resolution shall become effective immediately upon the adoption hereof.

Following the reading of the foregoing resolution, the motion for its adoption was seconded. The Mayor put the question to a roll call vote, and the result was as follows:

Alderman W. C. Croft, Jr. voted "Aye",
Alderman Jerry Darby voted "Aye",
Alderman Ricky Chamblee voted "Aye",
Alderman Marcus Ellis, Jr. voted "Aye", and
Alderman David Dumas voted "Aye"

The motion having received the affirmative vote of all Aldermen present, the Mayor declared the motion carried and the resolution adopted, this the 20th day of September, 2005.



Grady Sims, Mayor

ATTEST:



Ada Chamblee, Clerk

TOWN OF WALNUT GROVE WATER AND SEWER
 BUDGET FOR THE FISCAL YEAR ENDING
 SEPTEMBER 30, 2006

ANTICIPATED RECEIPTS:

	REVENUE	OPERATIONS & MAINTENANCE
Water Revenue	95,000.00	
Sewer Revenue	70,000.00	
Interest	100.00	100.00
Transfers		165,000.00
TOTAL RECEIPTS	<u><u>165,100.00</u></u>	<u><u>165,100.00</u></u>

ANTICIPATED DISBURSEMENTS:

Transfer From Revenue	165,000.00	
Billing		100.00
Chemicals		25,000.00
Electric Power		20,000.00
Fees & Dues		1,500.00
Insurance		1,000.00
Legal & Audit		1,000.00
Miscellaneous		1,000.00
Office Expense		1,000.00
Payroll Taxes		4,000.00
Maintenance		15,000.00
Salaries		45,000.00
Sewer Line Improvement		500.00
Sewer Test		1,000.00
Telephone Service		3,000.00
Travel		1,000.00
Water Line Extensions		500.00
TOTAL DISBURSEMENTS	<u><u>165,000.00</u></u>	<u><u>120,600.00</u></u>

TOWN OF WALNUT GROVE NATURAL GAS SYSTEM BUDGET
 FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2006

ANTICIPATED RECEIPTS:

GAS SALES 650,000.00
 SALE TAX 7,000.00
 INTEREST

REVENUE

TRANSFERS

658,000.00

650,000.00
 650,000.00

OPERATIONS & MAINTENANCE

ANTICIPATED DISBURSEMENTS:

TRANSFERS TO OPERATION

650,000.00

Billing Cost 400.00
 Chemicals 8,000.00
 Fees & Dues 2,500.00
 Gas Purchased 550,000.00
 Gas & Oil 13,000.00
 Gas Line Equipment Inspection 3,000.00
 Insurance 40,000.00
 Legal & Audit 2,000.00
 Textile Repairs 500.00
 Maintenance 30,000.00
 Miscellaneous 4,000.00
 Office Expense 5,000.00
 Payroll Taxes 7,000.00
 Purchase of Equipment 5,000.00
 Retirement 8,000.00
 Salaries 120,000.00
 Sale Tax 14,000.00
 Travel 1,500.00
 Unemployment Taxes 2,000.00
 Utilities 15,000.00

TOTAL DISBURSEMENTS

650,000.00

830,900.00

TOWN OF WALNUT GROVE RECESSED MINUTES
OF MAYOR AND BOARD OF ALDERMEN HELD
ON SEPTEMBER 26, 2005

BE IT REMEMBERED and it is hereby certified to that the Mayor and Board of Aldermen met in recess session pursuant to its regular meeting in September on Monday, September 26, 2005, at 6:00 p.m., in the City Hall, this being the time and place said meeting. The meeting was called to order by the Mayor, Grady Sims.

There were present:

Grady Sims	Mayor
W. C. Croft, Jr.	Aldermen
Jerry Darby	Aldermen
Ricky Chamblee	Aldermen
Marcus Ellis, Jr.	Aldermen
David Dumas	Aldermen
Ada Chamblee	Town Clerk

The following business was transacted to-wit:

Of the two bids on borrowing \$75,000.00 for water tank improvements Trustmark was found to be the lowest and best bid on motion by Aldermen Ellis, seconded by Aldermen Chamblee and unanimously approved by all the Board of Aldermen. Trustmark's bid was 4.07% and Bank of Walnut Grove was 4½% bid.

The rate at which travel is reimbursed was raised to the state's level of .485 per mile on motion made by Aldermen Ellis, seconded by Aldermen Dumas and an "AYE" vote by all the Board of Aldermen.

The ere being no further business, on motion duly made and seconded. The meeting was ADJOURNED.


So ordered in a recessed meeting the 26th day of September, 2005.

MINUTES READ AND APPROVED.



Mayor

Attest:



Town Clerk

The Mayor and Board of Aldermen of the Town of Walnut Grove took up the matter of the issuance of a negotiable note in the principal amount of Seventy-Five Thousand Dollars (\$75,000.00). After a discussion of the subject, a motion was made for the adoption of the following resolution:

RESOLUTION AUTHORIZING AND DIRECTING THAT A NEGOTIABLE NOTE OF THE TOWN OF WALNUT GROVE IN THE PRINCIPAL AMOUNT OF SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00) BE OFFERED FOR SALE.

WHEREAS, the Mayor and Board of Aldermen of the Town of Walnut Grove (the "Governing Body") acting for and on behalf of the Town of Walnut Grove (the "Issuer"), does hereby find, determine, adjudicate and declare as follows:

Section 17-21-51 of the Mississippi Code of 1972, as amended, authorizes the Mayor and Board of Aldermen of any municipality to borrow money to accomplish any purpose for which said Board is authorized by law to issue bonds, notes, or certificates of indebtedness; that Section 21-33-301(b) of the Mississippi Code of 1972, authorizes the issuance of bonds to raise money for "erecting or purchasing water works, gas, electric and other public utility plans for distribution systems or franchises, and repairing, improving and extending the same;" that the Town is in need of raising money for a water tank project; and that issuance of a negotiable note in the principal amount of Seventy-Five Thousand Dollars (\$75,000.00) for said purpose is necessary and is in the best interest of the Town.

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

SECTION 1. That a negotiable note of the Issuer shall be and is hereby authorized to be offered for sale in the principal amount of Seventy-Five Thousand Dollars (\$75,000.00) (the "Note") to raise money for a water tank project.

SECTION 2. That the Note shall be offered at public sale at a meeting of the Governing Body to be held at its usual meeting place in the City Hall of the Town of Walnut Grove, Mississippi, at the hour of 6:00 o'clock P.M. on Tuesday, September 20, 2005, upon the terms and conditions set forth in the Notice of Sale provided for in Section 3 and attached hereto as Exhibit "A"; that the Governing Body reserves the right to reject any and all bids submitted, and if all bids are rejected, to again give notice and sale said note at some future meeting.

SECTION 3. That the Clerk of the Governing Body shall be and is hereby authorized and directed to give notice of the sale of the Note by publishing a notice at least one (1) time in

The Carthaginian, a newspaper published in Leake County, Mississippi, and having general circulation in County of the Issuer, the publication thereof to be made not less than ten (10) days preceding the date fixed herein for the receipt of bids; and that such notice shall be in substantially the form shown as Exhibit "A" hereto.

SECTION 4. That the Note issued be in substantially the same form as that attached hereto as Exhibit "B" and made a part hereof.

SECTION 5. That Jeffrey T. Webb, Attorney at Law, Carthage, Mississippi, be employed in the matter of the issuance of the Note and the drafting of Orders and Resolutions in connection therewith, as provided for by Section 21-15-25, Miss. Code of 1972, as amended.

SECTION 6. That the issuance of the Note does not exceed the statutory limitation upon the indebtedness which may be incurred by the Issuer.

Following the reading of the foregoing Resolution, the motion for its adoption was seconded. The Mayor put the question to a roll call vote, and the result was as follows:

Alderman W. C. Croft, Jr. voted "Aye",
Alderman Jerry Darby voted "Aye",
Alderman Ricky Chamblee voted "Aye",
Alderman Marcus Ellis, Jr. voted "Aye", and
Alderman David Dumas voted "Aye",

The motion having received the affirmative vote of the Board, the Mayor declared the motion carried and the Resolution adopted, this the 11th day of August, 2005.

Mayor

ATTEST:

Clerk

NOTICE OF SALE OF NEGOTIABLE NOTE

Pursuant to Sections 17-21-51, 17-21-53, and 17-21-55, Miss. Code of 1972, as amended, and Resolution of the Mayor and Board of Aldermen of the Town of Walnut Grove, Mississippi, notice hereby is given that the said Board of Aldermen will offer a negotiable note of the Town of Walnut Grove, Mississippi, in the principal amount of Seventy-Five Thousand Dollars (\$75,000.00) to the bidder offering the lowest rate of interest or whose bid represents the lowest net cost to the Town, at public sale, at a meeting of the Mayor and Board of Aldermen to be held at its usual meeting place in the City Hall of the Town of Walnut Grove, Mississippi at the hour of 6:00 o'clock P.M. on Tuesday, September 20, 2005.

The note shall be dated September 20, 2005, and shall bear interest at the rate bid by the successful bidder. The note shall mature and be due in five (5) approximately equal installments of principal and interest. The note will allow for, and provide no penalty for, early retirement.

For prompt payment of the note at maturity of each installment, both principal and interest, the full faith, credit, and resources of the issuing entity, the Town of Walnut Grove, Mississippi, will be pledged.

The Board reserves the right to reject any and all bids offered, and if all bids are rejected, to again give notice and sell said note at some future meeting.

By Order of the Mayor and Board of Aldermen of the Town of Walnut Grove, Mississippi, this the 11th day of August, 2005.

Clerk

Publish one time – August 25, 2005

Ex. "A"

NEGOTIABLE NOTE

TOWN OF WALNUT GROVE, MISSISSIPPI, NOTE 2005-1

THE TOWN OF WALNUT GROVE in Leake County, Mississippi (the "Issuer") acknowledges itself indebted and, for value received, hereby promises to pay to _____, _____, or order, the sum of Seventy-Five Thousand Dollars (\$75,000.00) in thirty-six (36) equal monthly installments of principal and interest, the first being due _____, 2005, in the sum of \$ _____ and a like installment on the _____ day of each month for thirty-five months thereafter, with the final installment due _____, 20____. Said installments include interest thereon from the date hereof at the annual rate of _____% payable monthly on the date of each installment with payment first to be applied to the interest due and the balance of each payment to be applied to the unpaid principal of this note.

Both principal of and interest on this note are payable in lawful money of the United States of America at _____, _____, Mississippi _____.

This note is the only one of this issue and is issued to raise money for the purpose of a water tank project and is issued under the authority of Sections 17-21-51, 17-21-53, 17-21-55, and 21-33-301(p) of the Miss. Code of 1972, as amended, and by further authority of the proceedings duly had by the Mayor and Board of Aldermen of the Town of Walnut Grove, County of Leake, State of Mississippi.

The Issuer covenants and agrees that it will apply the proceeds of this note to the purpose set forth above, and for the prompt payment of this note and the installments herein at maturity, both principal and interest, the full faith, credit and resources of the Issuer are hereby irrevocably pledged. The Issuer covenants and agrees that if it does not have available funds in an amount sufficient to pay the principal and interest on this note as the same fall due, the Issuer shall levy annually a tax upon all its taxable property at a rate, the avails of which, will be sufficient to pay such principal and interest as the same fall due.

Ex. "B"

Nothing contained in this note shall affect or impair the negotiability of this note and this note shall be deemed to be a negotiable instrument under the laws of the State of Mississippi. This note is issued with the intent that the laws of the State of Mississippi will govern its construction.

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 this note, in order to make the same a legal and binding general obligation of the Issuer according to the terms hereof, do exist, have happened, and have been performed in regular and due time, form and manner as required by law.

IN WITNESS WHEREOF, the Issuer has caused this note to be issued by causing it to be signed by the Mayor of the Town of Walnut Grove, and countersigned by the Clerk thereof, thereunto duly authorized, and its seal to be affixed, all as of the _____ day of _____, 2005.

**TOWN OF WALNUT GROVE,
MISSISSIPPI**

By: _____
Grady Sims, Mayor

ATTEST:

Clerk

(SEAL)

NOTICE OF SALE OF NEGOTIABLE NOTE

Pursuant to Sections 17-21-51, 17-21-53, and 17-21-55, Miss. Code of 1972, as amended, and Resolution of the Mayor and Board of Aldermen of the Town of Walnut Grove, Mississippi, notice hereby is given that the said Board of Aldermen will offer a negotiable note of the Town of Walnut Grove, Mississippi, in the principal amount of Seventy-Five Thousand Dollars (\$75,000.00) to the bidder offering the lowest rate of interest or whose bid represents the lowest net cost to the Town, at public sale, at a meeting of the Mayor and Board of Aldermen to be held at its usual meeting place in the City Hall of the Town of Walnut Grove, Mississippi at the hour of 6:00 o'clock P.M. on Tuesday, September 20, 2005.

The note shall be dated September 20, 2005, and shall bear interest at the rate bid by the successful bidder. The note shall mature and be due in five (5) approximately equal installments of principal and interest. The note will allow for, and provide no penalty for, early retirement.

For prompt payment of the note at maturity of each installment, both principal and interest, the full faith, credit, and resources of the issuing entity, the Town of Walnut Grove, Mississippi, will be pledged.

The Board reserves the right to reject any and all bids offered, and if all bids are rejected, to again give notice and sell said note at some future meeting.

By Order of the Mayor and Board of Aldermen of the Town of Walnut Grove, Mississippi, this the 11th day of August, 2005.

Clerk

Publish one time - August 25, 2005

Trustmark National Bank
Post Office Box 291
Jackson, Mississippi 39205-0291
601 208-5111

September 20, 2005



Trustmark

Town of Walnut Grove
Attn: Ada Chamblee
139 Main St.
Walnut Grove, MS 39189

To Whom It May Concern:

Thank you for the opportunity to provide a bond financing quote to the Town of Walnut Grove. For the requested financing of the **\$75,000 Negotiable Note, Series 2005**, Trustmark is pleased to offer the following tax-exempt, bank qualified interest rate:

<u>Term</u>	<u>Interest Rate</u>
5 years	4.07%

The offer is subject to the following general terms and conditions:

- AUTHORITY:** The note will be authorized and entered into in accordance with State law. An opinion of counsel regarding the legality of the transaction will be required. Further, this transaction must be designated by a resolution or order of the Board as a "qualified tax exempt obligation" pursuant to Section 265 of the Internal Revenue Code.
- DOCUMENTATION:** The Town agrees to provide to Trustmark other customary documentation for this type transaction including, but not limited to, an opinion of counsel to the effect that the interest payments are exempt from all federal and state taxation. The Town, through its Board of Alderman (the "Board") agrees to enter into such documentation, pending the Board attorney's approval. The Town will also complete an IRS Form 8038-G/GC in a timely manner and provide a copy to Trustmark.
- EXPIRATION of RATE and NOTICE of FUNDING:** The aforementioned quote will expire at midnight, October 21, 2005 unless funded prior to then by the Town or extended by mutual agreement between Trustmark and the Town.

We hope the above information is to your satisfaction. If you have any questions, please call me at (601) 208-2343 or 1-800-844-2000, Ext. - 2343.

TRUSTMARK NATIONAL BANK

By: 
Zack Nordan
Public Services Officer

Amortization

Borrower name**Address****Loan number**

Date		Amount	Payment	Principal	Interest	Remaining Balance
09-20-2005	Fixed Rate	4.500				
09-20-2005	Funding	75,000.00				75,000.00
2005 Totals:			0.00	0.00	0.00	
09-20-2006	Regular Pmt		17,085.53	13,710.53	3,375.00	61,289.47
2006 Totals:			17,085.53	13,710.53	3,375.00	
09-20-2007	Regular Pmt		17,085.53	14,327.50	2,758.03	46,961.97
2007 Totals:			17,085.53	14,327.50	2,758.03	
09-20-2008	Regular Pmt		17,085.53	14,966.45	2,119.08	31,995.52
2008 Totals:			17,085.53	14,966.45	2,119.08	
09-20-2009	Regular Pmt		17,085.53	15,645.73	1,439.80	16,349.79
2009 Totals:			17,085.53	15,645.73	1,439.80	
09-20-2010	Regular Pmt		17,085.53	16,349.79	735.74	0.00
2010 Totals:			17,085.53	16,349.79	735.74	
Loan Totals:			85,427.65	75,000.00	10,427.65	

Printed on: 09-20-2005

Bank of Walnut Grove

We don't want all the business...just yours.

101 Chadwick Avenue

P.O. Box 189

Walnut Grove, Mississippi 39189

Phone 601-253-2411

Fax 601-253-9317

September 20, 2005

Town of Walnut Grove
P. O. Box 236
Walnut Grove, MS 39189

Gentlemen:

The Bank of Walnut Grove wishes to submit a bid of 4.50% on the \$ 75,000.00 Town of Walnut Grove note dated September 20, 2005. This note will be payable in five equal annual payments of \$ 17,085.53 with the first payment due September 20, 2006. We understand there will be no penalty for early payment of this note.

Sincerely,



Carl Ware
Vice President

CW/me

Enclosure

TOWN OF WALNUT GROVE GAS SYSTEM REVISED BUDGET
 FOR FISCAL YEAR ENDING SEPTEMBER 30, 2005

ANTICIPATED RECEIPTS:

	REVENUE
Gas Sales	450,000.00
Sale Tax	7,000.00
Interest	1,000.00
Rent On Buildings	
Transfers	
TOTAL RECEIPTS	458,000.00

OPERATIONS & MAINTENANCE

	9,600.00
	450,000.00
TOTAL DISBURSEMENTS	459,600.00

ANTICIPATED DISBURSEMENTS:

	OPERATIONS & MAINTENANCE
TRANSFERS TO OPERATION	450,000.00
Billing Cost	400.00
Chemicals	8,000.00
Fees & Dues	2,500.00
Gas Purchased	450,000.00
Gas & Oil	13,000.00
Gas Line Equipment Inspection	3,000.00
Insurance	40,000.00
Legal & Audit	2,000.00
Marco Building Repairs	500.00
Maintenance	30,000.00
Miscellaneous	6,000.00
Office Expense	7,000.00
Payroll Taxes	7,000.00
Purchase of Equipment	7,000.00
Retirement	7,000.00
Salaries	8,000.00
Sale Tax	100,000.00
Travel	114,000.00
Unemployment Taxes	2,000.00
Utilities	2,000.00
TOTAL DISBURSEMENTS	714,400.00

450,000.00

714,400.00

TOWN OF WALNUT GROVE REVISED BUDGET FOR
THE FISCAL YEAR ENDING SEPTEMBER 30, 2005

ANTICIPATED RECEIPTS:

	GENERAL TOWN	STREET TAX	FIRE PROTECTION
Correctional Facility	120,000.00		
Trash Fees	25,000.00		
Sale Tax	45,000.00		
Property Tax	45,000.00	5,000.00	
Regular Advalorem	16,000.00		
Priviledge Tax	1,500.00		
Fines	23,000.00		
MS Power Franchise	13,000.00		
Interest	200.00	200.00	200.00
Grants	10,000.00		9,000.00
Transfers		+---+1,000.00	
TOTAL RECEIPTS	298,700.00	6,200.00	9,200.00
	=====	=====	=====

ANTICIPATED DISBURSEMENT:

Appraisals & Surveys	1,000.00		
Ballpark	2,500.00		
Court Cost	5,500.00		
Convention Expense	10,000.00		
Fees & Dues	4,000.00		
Equipment Purchased	15,000.00		
Garbage Truck	1,500.00		
Insurance	20,000.00		
Legal & Audit	10,000.00		
Library Maintenance	30,000.00		
Law Enforcement	7,000.00		
Lawn Mower Expense	1,500.00		
Marco Repairs	500.00		
Miscellanous	5,000.00		
Office Expense	2,000.00		
Publication	2,000.00		
Payroll Taxes	11,000.00		
Patrol Car	6,000.00		
Retirement	22,000.00		
Salaries	35,000.00		
Salaries - Police	120,000.00		
Street Repairs	2,500.00	500.00	
Transfers To Street	250.00		
Travel	3,500.00		
Garbage Truck Note	26,000.00		
Triangle Upkeep	9,000.00		
Utilities	5,000.00	6,000.00	
Walnut Grove Day	2,500.00		
City Hall Repairs	1,000.00		
Jail Cost	8,000.00		
Fire Protection			8,000.00
TOTAL DISBURSEMENTS	3369,250.00	6,500.00	8,000.00
	=====	=====	=====

TOWN OF WALNUT GROVE WATER & SEWER-REVISED
 BUDGET FOR THE FISCAL YEAR ENDING
 SEPTEMBER 30, 2005

ANTICIPATED RECEIPTS:

	REVENUE	OPERATIONS & MAINTENANCE
Water Revenue	60,000.00	
Sewer Revenue	50,000.00	
Interest	100.00	100.00
Transfers		110,100.00
TOTATAL RECEIPTS	<u>110,100.00</u>	<u>110,200.00</u>

ANTICIPATED DISBURSEMENTS:

Transfer From Revenue	110,000.00	
Billing		100.00
Chemicals		27,000.00
Electric Power		20,000.00
Fees & Dues		1,000.00
Insurance		1,000.00
Legal & Audit		1,000.00
Miscellaneous		1,000.00
Office Expense		1,000.00
Payroll Taxes		3,000.00
Maintenance		15,000.00
Salaries		40,000.00
Sewer Line Improvement		500.00
Sewer Test		1,000.00
Telephone Service		2,500.00
Travel		1,000.00
Water-Line Extension		500.00
TOTAL DISBURSEMENTS	<u>110,000.00</u>	<u>115,600.00</u>