

BUTLER | SNOW

February 15, 2013

VIA E-MAIL AT WMCLAIN@GAUTIER-MS.GOV

Mr. Tommy L. Fortenberry, Mayor
Ms. Wendy McClain, City Clerk
3330 Highway 90
Gautier, MS 39553

Re: \$7,000,000 City of Gautier, Mississippi General Obligation Bonds Series 2010 dated: August 1, 2010 (CUSIP Number 368069 AA8); and
\$9,195,000 City of Gautier, Mississippi Combined Utility System Revenue Refunding Bonds, Series 2012 (CUSIP Number 36806P AG9)

Dear Mayor Fortenberry and Ms. McClain:

We served as Bond Counsel in connection with various bond issues of the City. This past fiscal year, the City retained our firm to prepare and submit the City's Continuing Disclosure Information Statement in connection with the Bonds. It is once again time to prepare the current year's annual disclosure.

As you may recall, pursuant to each Continuing Disclosure Agreement executed in connection with the issuance of the Bonds, the City is required to provide on an annual basis certain financial information and operating data to several nationally recognized municipal securities information repositories. This continuing disclosure requirement is set forth in Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule") and requires such updated data be filed with the repositories no later than 180 days after the end of each fiscal year. **This year's filing is due on or before March 31, 2013.** Failure to file timely and to comply with the Rule could result in an Enforcement Action by the Securities and Exchange Commission ("SEC") where the SEC may attempt to require performance and may allege penalties are owed. Additionally, the City's failure to disclose timely may adversely impact bondholders of the Bonds and could adversely affect the sale of future bonds issued by the City.

If you would like for our firm to again prepare the Continuing Disclosure Information Statement, we will charge legal fees in an amount not to exceed \$1,500.00 (which includes expenses) to compile the necessary information, with the assistance of the City, and submit the same to the repositories.

If our firm is retained to handle this matter, we will also render an opinion to the effect that you have complied with the SEC continuing disclosure requirement.

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BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC

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If you would like for us to handle this matter for you, please have this proposal and the form of the Continuing Disclosure Statement, attached hereto as **Exhibit A**, approved and return a signed copy of this letter and the Continuing Disclosure Statement to us at your earliest convenience. Alternatively, if you do not wish for us to handle this matter for you, please sign the portion of this letter indicating same, and return it to us. If you have any questions or wish to discuss this matter further, please do not hesitate to contact me.

Very truly yours,

BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC



Elizabeth L. Garner

APPROVED BY:

Name: _____

Title: _____

We do not wish to retain Butler, Snow, O'Mara, Stevens & Cannada, PLLC, to prepare and submit the Continuing Disclosure Information Statement for the City of Gautier.

Name: _____

Title: _____

Date: _____

cc: Robert G. Ramsay, Esq. (robertgramsay@bellsouth.net)

EXHIBIT A

**CONTINUING DISCLOSURE INFORMATION STATEMENT
BY THE CITY OF GAUTIER, MISSISSIPPI
(2013)**

Pursuant to the Continuing Disclosure Agreements (the "Continuing Disclosure Agreement") executed by the City of Gautier, Mississippi (the "City"), in connection with the following bond issues:

1. \$7,000,000 City of Gautier, Mississippi General Obligation Bonds Series 2010 dated: August 1, 2010 (CUSIP Number 368069 AA8); and
2. \$9,195,000 City of Gautier, Mississippi Combined Utility System Revenue Refunding Bonds, Series 2012 (CUSIP Number 36806P AG9).

the City hereby provides the information described in such Continuing Disclosure Agreement.

Section 1. Annual Report.

- A. Updated financial information and operating data of the City; attached hereto as **APPENDIX A** and information on the City combined utility system; attached hereto as **APPENDIX B**;
- B. Updated financial statements of the City¹; attached hereto as **APPENDIX C** and **APPENDIX D**; and
- C. Updated budgeted or estimated revenues and expenditures of the City; attached hereto as **APPENDIX E**.

Section 2. Event Notice.

The City certifies that none of the event notices have occurred with respect to the Bonds.

Section 3. Certification.

We, the undersigned officers of the City, hereby certify as follows:

That the information, representations and warranties of the City contained herein are true and correct in all material respects on and as of the date of this Continuing Disclosure Information Statement. Further, this Continuing Disclosure Information Statement does not contain any untrue statements of material fact or omit to state any material fact necessary in order to make the statements made herein in light of the circumstances under which they were made, not misleading.

¹ If the audited financial statement for the City is not available as of the date of this disclosure, the City will provide a copy of same when the audit report becomes available.

IN WITNESS WHEREOF, the City has caused this Continuing Disclosure Information Statement to be executed in its name by its undersigned officer, duly authorized, all as of the date first above written.

CITY OF GAUTIER, MISSISSIPPI

By: _____
MAYOR

(SEAL)

ATTESTED:

By: _____
CITY CLERK

APPENDIX A

ECONOMIC AND DEMOGRAPHIC INFORMATION

TAX INFORMATION

DEBT INFORMATION

CITY OF GAUTIER, MISSISSIPPI

APPENDIX B

THE COMBINED WATER AND SEWER SYSTEM

APPENDIX C

**AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2012**

APPENDIX D

**UNAUDITED FINANCIAL STATEMENTS FOR THE CITY FOR FISCAL YEAR
ENDED SEPTEMBER 30, 2013**

APPENDIX E
BUDGET FOR FISCAL YEAR 2013