

Minutes, City of Southaven, Southaven, Mississippi



MEETING OF THE MAYOR AND BOARD OF ALDERMEN
SOUTHAVEN, MISSISSIPPI
CITY HALL
NOVEMBER 6, 2012
6:00 p.m.
AGENDA

1. Call To Order
2. Invocation
3. Pledge Of Allegiance
4. Approval Of Minutes: October 16, 2012
5. Resolution Directing The Sale And Award Of General Obligation Bonds, Series 2012 In The Amount Of \$2,875,000; And A Resolution Approving And Authorizing The Form Of, Execution And Distribution Of An Official Statement Pertaining To Bonds
6. Resolution for Surplus Police Vehicle
7. Resolution To Clean Private Property
8. Budget Amendment
9. Emergency Repair - SPD
10. PRB Entertainment, LLC
11. Municipal Compliance Questionnaire
12. Planning Agenda: Item #1 Application by Elmer Sipps, Jr. for a conditional use permit to allow a barber shop at 1140 Church Road
Item #2 1st draft proposal for city-wide bike and pedestrian plan
13. Mayor's Report
14. Citizen's Agenda
15. Personnel Docket
16. Committee Reports
17. City Attorney's Legal Update
18. Old Business
19. Progress Reports
20. Claims Docket
21. Personnel & Litigation

Any citizen wishing to comment on the above items may do so. Items may be added to or omitted from this agenda as needed.

**MINUTES OF THE REGULAR MEETING
OF NOVEMBER 06, 2012
OF THE MAYOR AND BOARD OF ALDERMEN
OF THE CITY OF SOUTHAVEN, MISSISSIPPI**

BE IT REMEMBERED that the Mayor and Board of Aldermen of the City of Southaven, Mississippi met in Regular Session on the 6th day of November, 2012 at six o'clock (6:00) p.m. at City Hall.

Present were:

Greg Guy	Alderman at Large
Lorine Cady	Alderman, Ward 1
Ronnie Hale	Alderman, Ward 2
William Brooks	Alderman, Ward 4
Ricky Jobes	Alderman, Ward 5
Randall Huling, Jr.	Alderman, Ward 6

Alderman Payne was absent. Also present were Sheila Heath, City Clerk, Chris Wilson, City Administrator and Nick Manley, City Attorney. Approximately twenty-five (25) other people were present.

Mayor Davis called the meeting to order. Alderman Cady led in prayer, followed by the Pledge of Allegiance led by Alderman Guy. Next, a motion was made by Alderman Cady to approve the minutes of the regular meeting of October 16, 2012 with any corrections, deletions, or additions necessary. There being none the motion was seconded by Alderman Jobes. Motion was put to a vote and passed unanimously.

RESOLUTION DIRECTING THE SALE AND AWARD OF GENERAL OBLIGATION BONDS, SERIES 2012 IN THE AMOUNT OF \$2,875,000. AND A RESOLUTION APPROVING AND AUTHORIZING THE FORM OF, EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO BONDS.

RESOLUTION DIRECTING THE SALE AND AWARD OF GENERAL OBLIGATION BONDS, SERIES 2012 (THE "BONDS") OF THE CITY OF SOUTHAVEN, MISSISSIPPI, DATED NOVEMBER 1, 2012, IN THE PRINCIPAL AMOUNT OF TWO MILLION EIGHT HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$2,875,000); AND A RESOLUTION APPROVING AND AUTHORIZING THE FORM OF, EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO BONDS.

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

1. The Mayor and Board of Aldermen on October 16, 2012, did adopt a resolution directing that General Obligation Bonds, Series 2012 (the "Bonds"), of the City in the principal amount of Two Million Eight Hundred Seventy-Five Thousand Dollars (\$2,875,000) be offered for sale on sealed bids to be received up until the hour of 3:00 o'clock p.m. on the 6th day of November, 2012 by the City Clerk of the City in her office in the City Hall for subsequent presentation to the Mayor and Board of Aldermen of the City, in its meeting place in the City Hall of the City at a meeting scheduled for 6:00 o'clock p.m. on November 6, 2012.

2. As directed by the aforesaid resolution, notice of sale of the Bonds was duly published in the *DeSoto County Tribune*, a newspaper published in and

having a circulation in the City and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended, said notice having been published in said newspaper on October 23 and 30, 2012, the first publication having been made at least ten (10) days preceding November 6, 2012, all as shown by the proof of publication of said notice filed in the office of the Clerk and attached hereto as **EXHIBIT B**.

3. The Mayor and Board of Aldermen did meet at their meeting place in the City Hall in the City of Southaven, Mississippi, at 6:00 o'clock P.M. on November 6, 2012.

4. At said time and place six (6) sealed proposals for the purchase of the Bonds were examined and considered by the Mayor and Board of Aldermen, said bids having heretofore been presented by and being on file with the Clerk.

5. The Mayor and Board of Aldermen does now find, determine and adjudicate that the highest and best bid made and offered for the Bonds on the basis of the lowest net interest cost over the life of the issue was made by Raymond James & Associates, Inc., Memphis, Tennessee, and said bid was accompanied by a cashier's check, certified check or exchange payable to the City of Southaven, Mississippi, in the amount of Fifty Seven Thousand Five Hundred Dollars (\$57,500.00), issued or certified by a bank located in the State of Mississippi, as a guarantee that said bidder would carry out its contract and purchase the Bonds if its bid be accepted.

6. The Mayor and Board of Aldermen finds it necessary to approve the form of, execution and distribution of an Official Statement for the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN AS FOLLOWS:

SECTION 1. The Bonds are hereby awarded and sold to Raymond James & Associates, Inc., Memphis, Tennessee, in accordance with the offer submitted to the Mayor and Board of Aldermen in words and figures as follows:

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INSERT COPY OF WINNING BID

SECTION 2. The Mayor and Clerk are hereby authorized and directed to endorse upon a copy or duplicate of the aforesaid offer a suitable notation as evidence of the acceptance thereof, for and on behalf of the City.

SECTION 3. The good faith checks filed by all unsuccessful bidders shall forthwith be returned to them upon their respective receipts therefor, and the good faith check filed by the successful bidder shall be retained by the Mayor and Board of Aldermen as a guarantee that said bidder shall carry out its contract and purchase the Bonds. If said successful bidder fails to purchase the Bonds pursuant to its bid and contract, the amount of such good faith check shall be retained by the City as liquidated damages for such failure.

SECTION 4. The Bonds shall be in fully registered form; shall be dated November 1, 2012; shall be of the denomination of \$5,000 each or integral multiples thereof up to the amount of a single maturity; shall be numbered from one (1) upward in order of issuance; shall be payable, both as to principal and interest, in lawful money of the United States of America at First Security Bank, Batesville, Mississippi, said bank to act as paying agent, registrar and transfer agent for said Bonds; shall bear interest from the date thereof at the rates hereinafter set forth, payable semiannually on May 1 and November 1 in each year (each an "Interest Payment Date"), commencing November 1, 2013; and shall mature and become due and payable serially, on November 1 in the years and principal amounts as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>	<u>YEAR</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>
2013	\$260,000	1.250%	2018	\$290,000	1.250%
2014	270,000	1.250	2019	295,000	1.250
2015	275,000	1.250	2020	300,000	1.375
2016	280,000	1.250	2021	305,000	1.500
2017	285,000	1.250	2022	315,000	1.700

Bonds maturing on November 1, 2020 and thereafter, are subject to redemption prior to their stated dates of maturity at par, plus accrued interest to the date of redemption, either in whole on any date on or after November 1, 2019, or in part, in inverse order of maturity and by lot within a maturity on November 1, 2019, or on any Interest Payment Date thereafter.

SECTION 5. The Mayor and Board of Aldermen of the City of Southaven, Mississippi, hereby approves and adopts the Official Statement in the form attached hereto as **EXHIBIT A**, and hereby authorizes the Mayor and Clerk to sign and distribute an Official Statement, in substantially the same form, for and on behalf of said Mayor and Board of Aldermen.

SECTION 6. All orders, resolutions or proceedings of the Mayor and Board of Aldermen in conflict with the provisions of this resolution shall be and are hereby repealed, rescinded and set aside, but only to the extent of such conflict.

SECTION 7. For cause, this resolution shall become effective immediately upon the adoption thereof.

Motion was made by Alderman Guy and seconded by Alderman Cady, for the adoption of the above and foregoing Resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Greg Guy	voted: YEA
Alderman Lorine Cady	voted: YEA
Alderman Ronnie Hale	voted: YEA
Alderman George Payne	voted: ABSENT
Alderman William Brooks	voted: YEA
Alderman Ricky Jobes	voted: YEA
Alderman Dr. Randy Huling	voted: ABSENT

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted, on this the 6th day of November, 2012.

MAYOR

ATTEST:

CITY CLERK

(SEAL)

)

EXHIBIT A
FORM OF OFFICIAL STATEMENT

EXHIBIT B
PROOF OF PUBLICATION

ButlerSnow 14394528v1

RATINGS: Standard & Poor's: "AA-"
(See "RATING" herein)

NEW ISSUE-BOOK ENTRY

In the opinion of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, assuming continuing compliance by the City with the tax covenants and representations described herein, under existing law, interest on the Bonds is excludable from 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; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. 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.

\$2,875,000
GENERAL OBLIGATION BONDS
SERIES 2012
OF THE
CITY OF SOUTHAVEN, MISSISSIPPI

DATED: November 1, 2012

DUE: November 1, as shown below

Interest is payable semiannually on May 1 and November 1 of each year (each an "Interest Payment Date"), commencing November 1, 2013. The Bonds, in registered form and in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity, will mature on November 1, with option of prior payment, in the years and principal amounts as follows:

<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>YIELD</u>	<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>YIELD</u>
2013	\$260,000	1.250%	0.350%	2018	\$290,000	1.250%	0.950%
2014	270,000	1.250	0.450	2019	295,000	1.250	1.200
2015	275,000	1.250	0.600	2020	300,000	1.375	1.400
2016	280,000	1.250	0.650	2021	305,000	1.500	1.550
2017	285,000	1.250	0.800	2022	315,000	1.700	1.700

Bonds maturing on November 1, 2020 and thereafter, are subject to redemption prior to their stated dates of maturity at par, plus accrued interest to the date of redemption, either in whole on any date on or after November 1, 2019, or in part, in inverse order of maturity and by lot within a maturity on November 1, 2019, or on any Interest Payment Date thereafter.

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

The Bonds are offered subject to the final approval of the legality thereof by Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, Bond Counsel. It is expected that the Bonds will be available for delivery on or about November 29, 2012.

RAYMOND JAMES & ASSOCIATES, INC.

The date of this Official Statement is November 6, 2012.

No dealer, broker, salesman or other person has been authorized to make any representations with respect to the Bonds other than is contained in this Official Statement, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion contained herein are subject to changes without notice, and while all information has been secured from sources which are believed to be reliable, all parties preparing and distributing the Official Statement make no guaranty or warranty relating thereto. All opinions, estimates or assumptions, whether or not expressly identified, are intended as such and not as representations of fact. Neither the delivery of this Official Statement shall, nor any sale made hereunder, 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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THE CITY OF SOUTHAVEN, MISSISSIPPI

Mayor
Charles G. Davis

Board of Aldermen

Lorine Cady
Ronnie Hale
George Payne
William Brooks
Ricky Jobs
Dr. Randy Huling
Greg Guy

City Clerk
Sheila Heath

City Attorney
Butler, Snow, O’Mara, Stevens & Cannada, PLLC
Ridgeland, Mississippi

Financial Advisor
Government Consultants, Inc.
Jackson, Mississippi

Bond Counsel
Butler, Snow, O’Mara, Stevens & Cannada, PLLC
Ridgeland, Mississippi
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OFFICIAL STATEMENT

\$2,875,000

GENERAL OBLIGATION BONDS

SERIES 2012

OF THE

CITY OF SOUTHAVEN, MISSISSIPPI

INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the sale of the \$2,875,000 General Obligation Bonds, Series 2012, dated November 1, 2012 (the "Bonds"), of the City of Southaven, Mississippi (the "City").

Reference is made to the Act as hereinafter defined, the Bond Resolution as hereinafter defined and any and all modifications and amendments thereof for a description of the nature and extent of the security of the Bonds, the pledge of tax revenues for the payment of the principal of and interest on the Bonds, the nature and extent of said pledge and the terms and conditions under which the Bonds are issued.

THE BONDS

Purpose and Authorization

The Bonds are being issued for the purpose of providing funds for erecting municipal buildings, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; and paying for the costs of issuance of the Bonds.

The Bonds will be issued pursuant to the provisions of Sections 21-33-301 et seq., Mississippi Code of 1972, as amended (the "Act"), and a Bond Resolution adopted by the Mayor and Board of Aldermen of the City (the "Governing Body") on October 16, 2012 (the "Bond Resolution").

In order to issue the Bonds, the Governing Body adopted a resolution declaring its intention to issue the Bonds and gave notice of such intention by publication of said resolution in a newspaper published in the City. If ten percent (10%), or fifteen hundred (1,500), whichever had been less, of the qualified electors of the City had filed a written protest against the issuance of the Bonds on or before the date specified in said resolution, an election on the question of the issuance of the Bonds would have been held. February 21, 2012, was set by the Governing Body as the date on or before which written protest was required to have been filed. No written protest having been received on or before said date, the Governing Body is now authorized and empowered by the Act to issue the Bonds without the necessity of calling and holding an election on the question of the issuance thereof.

Security

The Bonds will 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 and continuing tax to be levied annually without limitation as to rate or amount upon the taxable property within the geographical limits of the City; provided, however, that such tax levy for any year shall be abated pro tanto to the extent the City on or prior to September 1 of that year has transferred money to the 2012 Bond Fund of the Bonds, or has made other provisions for funds, to be applied toward payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the City. The City, when necessary, 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 principal of and the interest on the Bonds as the same falls due.

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 officials who are guilty of willful neglect of duty may be removed from office.

Certain information relating to the City is set forth in "APPENDIX A - INFORMATION ON THE CITY" and certain financial information on the City is included in "APPENDIX C - BUDGETS" and in "APPENDIX D - AUDIT."

Form of the Bonds

The Bonds shall be dated November 1, 2012, shall be delivered in the denomination of Five Thousand Dollars (\$5,000) 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 be issued in fully registered form, and shall bear interest from the date thereof at the rate or rates specified herein, commencing November 1, 2013, and semiannually thereafter on May 1 and November 1 of each year.

Redemption Provisions

Bonds maturing on November 1, 2020, and thereafter, are subject to redemption prior to their stated dates of maturity at par, plus accrued interest to the date of redemption, either in whole, at any time, commencing November 1, 2019, or in part, in inverse order of maturity and by lot within a maturity on November 1, 2019, or on any Interest Payment Date thereafter.

Notice of redemption identifying the numbers of Bonds or portions thereof to be redeemed shall be given to the Registered Owners thereof by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption. Failure to mail or receive any such notice, or any defect therein or in the mailing thereof, shall not affect the validity of any proceedings for the redemption of Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been given, irrespective of whether received. If such written notice of redemption is made and if due provision for payment of the redemption price is made, all as provided above, the Bonds which are to be redeemed thereby automatically shall be deemed to have been redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the owner to receive the redemption price out of the funds provided for such payment. If at the time of mailing of any notice of redemption, there shall not be on deposit with the paying agent (the "Paying Agent") sufficient moneys to redeem all of the Bonds called for redemption, such notice shall state that it is subject to the deposit of moneys with the Paying Agent not later than on the redemption date and shall be of no effect unless such moneys are deposited.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be initially issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by the authorized representative of DTC. One fully-registered Bond certificate will be issued for the Bonds in the aggregate principal amount of the issue and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will

not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts the Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices are to be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and divided payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the City or Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

So long as Cede & Co. is the registered holder of the Bonds as nominee of DTC, references herein to the Holders, holders, or registered owners of the Bonds mean Cede & Co. and not the Beneficial Owners of the Bonds.

THE CITY AND THE PAYING AGENT CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (I) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE BONDS; (II) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN BONDS; OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE CITY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (3) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS; (4) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO BONDHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

RATING

Moody's Investors Services has assigned its municipal bond rating of "AA-" to the Bonds. Information on the rating may be obtained from the City Clerk. Such rating reflects only the views of such organization, and an explanation of the significance of the rating may be obtained only from said rating agency. The rating may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. Any downward revision, suspension or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

FINANCIAL ADVISOR

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

Although the Financial Advisor performed an active role in drafting of the Official Statement, it has not independently verified any of the information set forth herein. The information contained in this Official Statement has been obtained primarily from municipal records and from other sources which are believed to be reliable, including financial records of the City and other entities which may be subject to interpretation. No guarantee is made as to the accuracy or completeness of any information obtained from sources other than the City. Any summaries or excerpts of statutes, ordinances,

resolutions or other documents do not purport to be complete statements of same and reference is made to such original sources in all respects.

TAX EXEMPTION

General

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met subsequent to delivery of the Bonds in order that the interest on the Bonds not be included in gross income of the registered owners for federal income tax purposes under Section 103 of the Code. The certificate as to non-arbitrage and other tax matters of the City, which will be delivered concurrently with the delivery of the Bonds, will contain provisions and procedures relating to compliance with such requirements of the Code. The City agrees, covenants and represents in the Bond Resolution that it will not make any use of the gross proceeds of the Bonds or amount that may be treated as proceeds of the Bonds or do or take or omit to take any other action that would cause: (i) the Bonds to be "arbitrage bonds" as such term is defined in Section 148(a) of the Code, and the Regulations promulgated thereunder; (ii) the interest on the Bonds to be included in the gross income of the registered owners for federal income taxation purposes; or (iii) the interest on the Bonds to be treated as an item of tax preference under Section 57(a)(5) of the Code.

Except as expressly stated in the following two paragraphs of this section, Bond Counsel will express no opinion as to any federal or state consequences of the ownership of, receipt of interest on, or disposition of the Bonds.

In the opinions of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, the Bond Counsel, under existing law, interest on the Bonds is not included in gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code and interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax that may be imposed on individuals and corporations. Such interest, however, is includable in the "adjusted current earnings" of certain corporations for purposes of computing the alternative minimum tax (see "Certain Federal Tax Information – Alternative Minimum Tax"). In rendering the foregoing opinion, Bond Counsel has assumed the compliance by the City with the tax covenants and representations in the Bond Resolution and the representations in the certificate as to non-arbitrage and other tax matters. These requirements relate to, *inter alia*, the use and investment of the gross proceeds of the Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds have resulted in a failure of the City to comply with its covenants. Failure of the City to comply with such covenants could result in the interest on the Bonds becoming subject to federal income tax from the date of issue. For federal tax information, see "Certain Federal Tax Information" herein.

Under existing law, Bond Counsel is of the opinion that, interest on the Bonds is exempt from all present taxes imposed by the State of Mississippi and any county, municipality or other political subdivision of the State of Mississippi, except for inheritance, estate and transfer taxes.

Certain Federal Tax Information

General. The following discussion of certain federal income tax matters is a summary of possible collateral tax consequences. It does not purport to deal with all aspects of federal taxation that may be relevant to particular registered owners. Further, the following discussion should not be construed as expressing an opinion of Bond Counsel as to any such matters, not specifically addressed in their opinion. **Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences in certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel does not express**

any opinion regarding such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors regarding collateral federal income tax consequences.

Alternative Minimum Tax. The Code imposes an alternative minimum tax with respect to individuals and corporations on alternative minimum taxable income. A 20 percent alternative corporate minimum tax is imposed on corporations (other than S corporations, regulated investment companies, real estate investment trusts or real estate mortgage investment conduits, as such terms are defined in the Code). Interest on the Bonds is not treated as a preference item in calculating alternative minimum taxable income. The Code provides, however, that the corporation's alternative minimum taxable income is increased by 75 percent of the excess (if any) of (i) the "adjusted current earnings" of a corporation over (ii) its alternative minimum taxable income (determined without regard to this adjustment and the alternative tax net operating loss deduction). Interest on tax-exempt obligations, including the interest on the Bonds, would generally be included in computing a corporation's "adjusted current earnings." Accordingly, a portion of any interest on the Bonds received or accrued by a corporate registered owner will be included in computing such corporation's alternative minimum taxable income for such year.

Financial Institutions. Section 265(b)(1) of the Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their otherwise allowable interest expense allocable to tax exempt obligations acquired after August 7, 1986 (other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code).

The City has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(C) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or carry "qualified tax-exempt obligations" is deductible.

Changes in Federal and State Tax Laws

From time to time, there are legislative proposals introduced and regulatory actions proposed or announced at the federal or state level that, if enacted, could alter or amend directly or indirectly relevant federal and state tax matters, including, without limitation, those mentioned hereinabove or could adversely affect the market value of the Bonds. It cannot be predicted whether or when or in what form any such legislative or regulatory proposal might be enacted or implemented or whether if enacted or implemented it would apply to tax exempt obligations issued prior to enactment or implementation. In addition, from time to time litigation is threatened or commenced which, if concluded in a particular manner, could adversely affect relevant tax matters or the market value of the Bonds. It cannot be predicted how any particular litigation or judicial action will be resolved or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending or proposed legislation, regulatory initiatives or litigation.

TAX TREATMENT OF ORIGINAL ISSUE DISCOUNT

The Bonds maturing on November 1 in the years 2020 through 2021 (the "Discount Bonds") are being offered and sold to the public at an original issue discount ("OID") from the amounts payable at maturity thereon. OID is the excess of the stated redemption price of a bond at maturity (the face amount) over the "issue price" of such bond. The issue price is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of bonds of the same maturity are sold pursuant to that initial offering. For federal income tax purposes, OID on bond will accrue over the term of the bond, and for the Discount Bonds, the amount of accretion will be based on a single rate of interest, compounded semiannually (the "yield to maturity"). The amount of OID that accrues during each semi-annual period will do so ratably over that period on a daily basis. With respect to an initial purchaser of a Discount Bond at its issue price, the portion of OID

that accrues during the period that such purchaser owns the Discount Bond is added to such purchaser's tax basis for purposes of determining gain or loss at the maturity, redemption, sale or other disposition of that Discount Bond and thus, in practical effect, is treated as stated interest, which is excludable from gross income for federal income tax purposes.

Holders of Discount Bonds should consult their own tax advisors as to the treatment of OID and the tax consequences of the purchase of such Discount Bonds other than at the issue price during the initial public offering and as to the treatment of OID for state tax purposes.

TAX TREATMENT OF ORIGINAL ISSUE PREMIUM

The Bonds maturing on November 1 in the years 2013 through 2019 (the "Premium Bonds") have an issue price that is greater than the amount payable at maturity of such Premium Bonds. Any Premium Bonds purchased in the initial public offering at the issue price will have an "amortizable bond premium" within the meaning of Section 171 of the Code. A holder of a Premium Bond that has amortizable bond premium is not allowed any deductions for the amortizable bond premium. During each taxable year, a holder of a Premium Bond must reduce such holder's tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (e.g., upon a sale, exchange, redemption or payment at maturity) of such Premium Bond.

Holders of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to tax consequences of owning such Premium Bonds.

Holders of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

CONTINUING DISCLOSURE

In the Bond Resolution authorizing the Bonds, the City has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under this agreement, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the (i) (a) Municipal Securities Rulemaking Board (the "MSRB") through MSRB's Electronic Municipal Market Access system at www.emma.msrb.org ("EMMA"), in the electronic format then prescribed by the Securities and Exchange Commission (the "SEC") (the "Required Electronic Format") pursuant to Rule 15c2-12, as amended from time to time (the "Rule") of the SEC, together with any identifying information or other information then required to accompany the applicable filing (the "Accompanying Information"), and (b) in the future, any successor repository or repositories prescribed by the SEC for the purpose of serving as repository under the Rule (together (a) and (b) are the "National Repository"); and (ii) any public or private repository or entity designated by the State as a State repository for the purposes of the Rule (the "State Repository" and together with the National Repository, the "Repository"), together with any identifying information or other information then required to accompany the applicable filing (the "Accompanying Information"). As of the date of this Official Statement there is no State Repository. This information will be available free to securities brokers and others through EMMA.

Annual Reports

The City will provide certain updated financial information and operating data annually to each Repository, together with any Accompanying Information. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement in APPENDIX A under the headings "ECONOMIC AND DEMOGRAPHIC INFORMATION," "TAX INFORMATION" and "DEBT INFORMATION" and other financial information set forth in APPENDICES C and D. The City will update and provide this information within six months after the end of each fiscal year of the City ending in or after September 30, 2013.

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

The City's current fiscal year end is September 30. Accordingly, it must provide updated information by March 31 in each year, unless the City changes its fiscal year. If the City changes its fiscal year, it will notify each Repository, together with any Accompanying Information, of the change.

Anyone requesting information under the continuing disclosure requirements of the Rule, should contact the City Clerk, City Hall, 8710 Northwest Drive, Southaven, Mississippi 38671 Telephone Number: (662) 280-2489.

Material Event Notices

The City will also provide notice to the MSRB in the Required Electronic Format through EMMA, together with any Accompanying Information, in a timely manner not in excess of ten business days after the occurrence of certain events. The City will provide notice of any of the following events with respect to the Bonds, in a timely manner not in excess of ten business days after the occurrence of such event: (1) principal and interest payment delinquencies; (2) unscheduled draws on debt service reserves, reflecting financial difficulties; (3) unscheduled draws on credit enhancements, reflecting financial difficulties; (4) substitution of credit or liquidity providers for the Bonds; or their failure to perform; (5) adverse tax opinions, IRS notices or events affecting the tax status of the Bonds; (6) defeasances; (7) rating changes; (8) tender offers; and (9) bankruptcy, insolvency receivership, or a similar proceeding by the obligated person. The City will provide to the MSRB in the Required Electronic Format through EMMA, together with any Accompanying Information, notice of an occurrence of the following events, if such event is material to a decision to purchase or sell Bonds, in a timely manner not in excess of ten business days after the occurrence of an event: (1) non-payment related defaults; (2) modifications to the rights of bond holders; (3) bond calls or redemption; (4) release, substitution, or sale of property securing repayment of the Bonds; (5) the consummation of a merger, consolidation, acquisition involving an obligated person, other than in the ordinary course of business, or the sale of all or substantially all the assets of an obligated person, other than in the ordinary course of business, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms; and (6) appointment of a successor or additional trustee, or the change in the name of the trustee. In addition, the City will provide timely notice of any failure by the City to provide information, data, or financial statements in accordance with its agreement.

Availability of Information from Each Repository

The City has agreed to provide the foregoing information to each Repository, together with any Accompanying Information. The information will be available free to holders of Bonds through EMMA.

As of the date of this Official Statement, the State of Mississippi has not designated a State Repository.

Limitations and Amendments

The City has agreed to update information and to provide notices of material events only as described above. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in

whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders or beneficial owners of Bonds may seek a writ of mandamus to compel the City to comply with its agreement.

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

For a summary of the City's undertaking, see "APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto.

Compliance with Prior Undertaking

The City is currently in compliance with all of its undertakings. There have been some instances in the previous five years in which the City has failed to comply, in all material respects, with previous written undertakings of the City to provide continuing disclosure. The City is required by statute to cause an annual audit (the "Annual Audit") to be made by a competent accountant or accountants. Because the Annual Audit has not always been timely performed, there have been instances in the previous five years when the City's annual reports have not been filed on a timely basis as required by previous undertakings of the City.

MISCELLANEOUS AND LEGAL INFORMATION

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 obligations of the City is past due.

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.

Pension Plan

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

No-Litigation Certificate

The attorney for the Mayor and Board of Aldermen will execute and deliver to the initial purchaser(s) of the Bonds a certificate dated as of the date of delivery that no litigation has been filed or is then pending to restrain or enjoin the issuance or delivery of the Bonds, or which would affect the provisions made for the payment of the principal of and interest on the Bonds or in any manner questioning the validity of the Bonds.

Validation

The Bonds will be validated before the Chancery Court of DeSoto County, Mississippi (the "County"), as provided by Sections 31-13-1 to 31-13-11, Mississippi Code of 1972, as amended.

Approval of Legal Proceedings

All legal matters in connection with the authorization and issuance of the Bonds are subject to the final unqualified approval of the legality thereof by Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, Bond Counsel. The form of the opinion of Bond Counsel is attached hereto as APPENDIX F and will be available in final form at the time of delivery of the Bonds. No representation is made to the registered owners of the Bonds that such 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.

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.

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

The successful bidder shall file the Official Statement with the National Repository at the earliest practicable date after the date of delivery of the Bonds. The end of the underwriting period shall mean the earlier of (a) the date of the closing unless the City has been notified in writing to the contrary by the representative of the successful bidder on or prior to such date, or (b) the date on which the "end of the underwriting period" for the Bonds has occurred under SEC Rule 15c2-12. The successful bidder shall notify the City of the date which is the "end of the underwriting period" within the meaning of the SEC Rule 15c2-12.

CITY OF SOUTHAVEN, MISSISSIPPI

/s/ Charles G. Davis
MAYOR

/s/Sheila Heath
CITY CLERK

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APPENDIX A

INFORMATION ON THE CITY
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ECONOMIC AND DEMOGRAPHIC INFORMATION

General Description

Southaven, Mississippi is located in the north central part of DeSoto County (the “County”), which lies just south of the Tennessee border and east of the Mississippi River and Tunica County, Mississippi. The City is approximately five miles south of Memphis, Tennessee, and 200 miles northeast of Jackson, Mississippi, the state capital.

Southaven began as a part of Whitehaven, Tennessee, which was then an unincorporated suburb of Memphis. Whitehaven was annexed by Memphis, and the Mississippi portion of the suburb was incorporated in 1980. Since then, the City has doubled its land area, and its population has nearly tripled. It is one of the fastest growing cities in the southeast United States. Industries have been attracted to the area by the healthy economic environment and by the availability of a qualified labor force. These factors have helped make the City the business hub of DeSoto County; one of the highest grossing Wal-Mart in the entire chain is located in the City as is the nation’s largest Sam’s Wholesale Club. The nation’s largest youth baseball complex, Snowden Grove Park, was completed in 2000 and brings to the area over 200,000 players and over 500,000 spectators per year.

Population

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

1980	1990	2000	2010
16,441	17,949	28,977	48,982

¹Unincorporated

SOURCE: Censes Data information at website: www.census.gov; November, 2012.

Government

The Governing Body of the City is comprised of the Mayor and a seven-member Board of Aldermen, in whom the City’s legislative powers are vested. The Mayor has the superintending control of all offices and affairs of the City and has the duty to see that the laws and ordinances of the City are executed. The Mayor and one of the Aldermen are elected at large; the other Aldermen are each elected from one of the City’s six wards. All are elected for concurrent four year terms, and are not limited in the number of terms they may serve.

The members of the Governing Body are:

Name	Occupation	Position Held Since
Charles G. Davis	Full-time Mayor	June, 1997
Lorine Cady	Homemaker	June, 1985
Ronnie Hale	Businessman	June, 2009
George Payne	Media	June, 2009
William Brooks	Retired Military	June, 2009
Ricky Jobes	Salesman	June, 1993
Dr. Randy Huling	Physician	June, 1997
Greg Guy	Business owner	June, 1997

Transportation

Highways: Interstate Highway 55 provides a four-lane north/south corridor and is being upgraded to eight or 10 lanes from Stateline Road in the City to the City of Hernando. U.S. Highway 51 also runs north/south through the City. U.S. Highways 61 and 78 traverse other parts of the County. State Highways 301 and 302 and a number of county roads provide access to outlying areas.

Railroad: BNSF Railway and Canadian National-Illinois Central Railroad serve as the County's rail lines. All six Class I rail systems serve Memphis, Tennessee and all have intermodal yards in the metro area.

Air Service: The nearest commercial airport is Memphis International Airport, served by nine major airlines and three commuter airlines, with more than 300 daily passenger flights. Memphis is also the number one cargo hub in the world – home to the FedEx Super Hub, a major UPS hub and an RPS sort facility.

Waterways: The nearest port is the Port of Memphis, which has a channel depth of nine feet and is located 12 miles away on the Mississippi River, in Shelby County, Tennessee. It is the fourth-largest inland port in the U.S. and ranks first in the nation in foreign import tonnage. More than 30 international freight forwarders operate in Memphis.

Motor Freight Carriers: The County is home to 195 truck terminals and several companies have hubs in the area, as the City lies within the Memphis commercial delivery zone.

County Employment

	2011	2010	2009	2008	2007
RESIDENCE BASED EMPLOYMENT					
I. Civilian Labor Force	80,740	78,640	77,630	78,300	76,670
II. Unemployed	6,440	6,180	5,480	3,760	3,100
Rate	8.0	7.9	7.1	4.8	4.0
III. Employed	74,300	72,460	72,150	74,540	73,570
ESTABLISHMENT BASED EMPLOYMENT					
I. Manufacturing	3,810	3,550	4,320	5,300	5,710
II. Non-manufacturing	43,580	42,910	41,360	42,710	42,630
A. Agriculture, Forestry, Fishing & Hunting	80	90	70	80	80
B. Mining	30	30	30	30	30
C. Utilities	160	90	90	110	120
D. Construction	1,660	1,920	2,130	2,810	3,190
E. Wholesale Trade	3,510	3,290	3,220	2,970	2,730
F. Retail Trade	7,450	7,260	7,240	7,690	7,800
G. Transportation & Warehousing	5,650	5,410	4,560	4,460	4,280
H. Information	200	190	230	240	210
I. Finance & Insurance	900	960	980	1,000	1,010
J. Real Estate, Rental & Leasing	560	600	660	680	670
K. Prof., Scientific & Technical Service	860	910	910	930	1,010
L. Management of Companies & Entertainment	10	10	20	20	10
M. Administrative Support & Waste Management	3,510	3,220	2,670	3,350	3,790
N. Educational Services	200	230	170	150	130
O. Health Care & Social Assistance	5,030	4,880	4,710	4,490	4,210
P. Arts, Entertainment & Recreation	660	600	570	610	570
Q. Accommodation & Food Service	6,210	6,060	5,930	6,130	6,060
R. Other Services (except Public Administration)	900	880	850	900	910
S. Government	6,000	6,280	6,320	6,060	5,820
Education	3,490	3,720	3,760	3,640	3,550
III. Total Nonagricultural Employment	47,390	46,460	45,680	48,010	48,340

SOURCE: Mississippi Department of Employment Security: Annual Averages: Labor Force and Establishment Based Employment 2001-2010 and 2011 Forward, Labor Market Information Department at website: www.mdes.ms.gov, November, 2012.

Per Capita Income

Year	County	Mississippi	United States	County as % Of U.S.
2010	\$32,261	\$31,071	\$39,937	80%
2009	31,184	30,045	38,846	80
2008	32,613	30,945	40,947	79
2007	32,635	29,568	39,506	82
2006	31,683	27,917	37,725	83

SOURCE: Bureau of Economic Analysis: Regional Economic Accounts at website: www.bea.gov, 2006-2010; November, 2012.

Major Employers

The following is a partial listing of major employers in the County, their products or services and their approximate number of employees:

Employer	Employees	Product/Service
DeSoto County School District	3,000	Education
Baptist Memorial Hospital	1,627	Hospital
Dizzy Dean Baseball, Inc.	1,000	Sports and recreation club
Wal-Mart	500	Department store
District Transportation & Sec.	500	Transportation
Quebecor Printing	450	Printers
Associated Wholesale Grocers	350	Grocers-wholesale
Parts Distribution	350	General freight trucking
City of Southaven	300	City Government
DeSoto County Civic Center	300	Convention and meeting center
Future Electronics	300	Electronic equipment & supplies
Kawneer Co. Inc.	300	Aluminum extruded products
Landau Uniforms	300	Uniform manufacturer
Thomas & Betts Corp.	300	Lighting Fixtures-wholesale

SOURCE: Mississippi Development Authority; November, 2012.

Retail Sales for the City

State Fiscal Year Ended June 30	Amount
2011	\$957,901,876
2010	910,561,229
2009	950,312,117
2008	972,366,414
2007	954,549,860

SOURCE: Annual Reports for years indicated, Mississippi Department of Revenue website: www.dor.ms.gov; November, 2012.

Educational Facilities

The City schools are part of the DeSoto County School District, which is the largest and fastest growing school district in the State. Its Gifted Instructional Program also has the largest enrollment of any such program in the State. The School District operates 24 elementary and intermediate schools, 8 middle schools, and 8 high schools, in addition to a vocational complex and an alternative center. The County is credited with having one of the best technical preparatory programs in the State. Also, thanks to the State's Computers in the Classroom initiative, every classroom in the School District is equipped with computers and internet accessibility, as well as opportunities for distance learning. The high schools are all on block scheduling, which allows more advanced students to complete higher level courses and to earn college credits through dual enrollment and offers remediation to students who are experiencing difficulties. All schools are accredited by the Southern Association of Colleges and Schools and by the State, and about 87% of the County's high school graduates attend college. Total enrollment for the School District for the 2011-2012 scholastic year and for preceding years is as follows:

Scholastic Year	Enrollment
-----------------	------------

2011-2012	32,053
2010-2011	31,916
2009-2010	31,228
2008-2009	30,616
2007-2008	29,886

SOURCE: DeSoto County School District and Office of Research and Statistics, Mississippi Department of Education's website: <http://orsap.mde.k12.ms.us/MAARS/index.jsp>; November, 2012.

Banking Institutions

Institutions	2011 Total Assets
BancorpSouth1	\$13,362,287,000
BankPlus2	2,194,291,000
The Citizens National Bank of Meridian3	1,134,789,000
Community Bank, North Mississippi4	491,611,000
Covenant Bank5	234,993,000
Desoto County Bank6	81,115,000
First Security Bank7	523,616,000
First Tennessee Bank NA8	24,789,384,000
M&F Bank9	1,618,092,000
Regions Bank10	127,050,000
Renasant Bank1	4,253,448,000
SunTrust Bank11	176,859,000,000
Sycamore Bank12	178,908,000
Trustmark National Bank13	9,586,788,000
Wells Fargo Bank, National Association14	1,313,867,000,000

SOURCE: Mississippi Bank Directory, Mississippi Bankers Association, 2011-2012 edition;

1 Head office in Tupelo, Mississippi
2 Head office in Ridgeland, Mississippi
3 Head office in Meridian, Mississippi
4 Head office in Amory, Mississippi
5 Head office in Clarksdale, Mississippi
6 Head office in Horn Lake, Mississippi
7 Head office in Batesville, Mississippi
8 Head office in Memphis, Tennessee, assets as of 12/31/11, obtained from Bank's 2011 Annual Report.
9 Head office in Kosciusko, Mississippi
10 Head office in Birmingham, Alabama, assets as of 12/31/11, obtained from Bank's 2011 Annual Report.
11 Head office in Atlanta, Georgia, assets as of 12/31/11, obtained from Bank's 2011 Annual Report.
12 Head office in Senatobia, Mississippi
13 Head office in Jackson, Mississippi
14 Head office in Sioux Falls, South Dakota, assets as of 12/31/11, obtained from Bank's 2011 Annual Report.

TAX INFORMATION

Assessed Valuation

Assessment Year	Real Property	Personal Property ¹⁵	Public Utility Property	Total
2012	\$347,692,132	\$173,432,380	\$10,822,106	\$531,946,618
2011	347,139,528	163,571,760	9,685,865	520,397,153
2010	341,298,918	105,219,105	8,749,749	446,518,023 ¹⁶
2009	336,539,614	109,201,432	10,910,702	456,651,748
2008	308,279,210	111,291,089	9,797,484	429,367,783
2007	278,610,676	104,230,565	9,859,381	392,700,622

SOURCE: Office of the County Tax Assessor.

Procedure for Property Assessments

The Tax Assessor of DeSoto County assesses all real and personal property subject to taxation in the County, including property in the City, except motor vehicles and property owned by public service corporations, both of which are required by law to be assessed by the State Tax Commission.

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

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

Procedure for Tax Collections

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

The Mayor and Board of Aldermen, acting for and on behalf of the City, are required under the Act and the Bond Resolution to annually levy a special tax upon all taxable property within the City sufficient to provide for the payment of the principal of and the interest on the Bonds. If any taxpayer neglects or refuses to pay his taxes on the due date thereof, the unpaid taxes will bear interest at the rate of 1% per month or

¹⁵ Personal Property includes automobiles, other motor vehicles and mobile homes.

¹⁶ Decrease is the result in fewer automobile purchases and a decrease in public utility property value.

fractional part thereof from the delinquent date to the date of payment of such taxes. When enforcement officers take action to collect delinquent taxes, other fees, penalties and costs may accrue. Both real property and personal property are subject to public tax sale.

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

History of Assessed Valuation

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

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

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

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

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

Rule 6 of the Commission's Property Tax Bureau set the tax roll year 1997 as a year of developing and adopting standards and minimum requirements for maintenance of property appraisal. Each county was to prepare a base property sales file and establish an update cycle of no more than four years, during which 100% of the tax parcels would be physically observed and notated on the county's property records. The Tax Commission has statutory authority to monitor each county's progress and to assure that each county's assessment records comply with acceptable standards.

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

Homestead Exemption

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

Those homeowners who qualify for homestead exemption and who have reached the age of sixty-five (65) years on or before January 1 of the year for which the exemption is claimed, service-connected, totally disabled American veterans who were honorably discharged from military services, and those classified as disabled under the federal Social Security Act are exempt from any and all ad valorem taxes on qualifying homesteads not in excess of \$7,500 of assessed value. The tax loss resulting to the City from homestead exemptions is reimbursed by the State Tax Commission. However, in any year the City will not be reimbursed an amount in excess of one hundred six percent (106%) of the total net reimbursement made to the City in the previous year nor may any exemption exceed \$200.00 per qualified applicant.

Tax Levy per \$1000 Valuation* (Year in Which Taxes Levied)

	2012	2011	2010	2009	2008	2007
General Purpose	23.12	20.38	20.38	20.18	19.78	20.78
General Obligation Bond & Int. Sinking Fund	14.61	16.60	16.60	16.80	17.20	17.20
Library	0.00	0.75	0.75	0.75	0.75	0.75
Sanitation	6.00	6.00	6.00	6.00	6.00	6.00
Total	43.73	43.73	43.73	43.73	43.73	44.73

*Tax Levy is shown in mills.

SOURCE: Office of the City Administrator.

DEBT INFORMATION

Legal Debt Limit Statement (as of November, 2012)

	15% Debt	20% Debt
Authorized Debt Limit (Last Completed Assessment for Taxation (\$531,946,618))	\$79,791,992	\$106,389,323
Present Debt Subject to Debt Limits	40,315,000	40,315,000
Less this Offering	2,875,000	2,875,000
Margin for Further Debt Under Debt Limits		

General Statutory Debt Limits Provisions

The City is subject to a general statutory debt limitation under which no municipality in the State may incur general obligation bonded indebtedness in an amount

which will exceed 15 percent of the assessed value of the taxable property within such municipality according to the last completed assessment for taxation. In computing general obligation bonded indebtedness for purposes of such 15 percent limitation, there may be deducted all bonds or other evidences of indebtedness issued for school, water and sewerage systems, gas and light and power purposes and for the construction of special improvements primarily chargeable to the property benefitted, or for the purpose of paying a municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefitted.

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

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

Outstanding General Obligation Bonded Debt
(as of November, 2012)

Issue	Date of Issue	Original Principal	Outstanding Principal
G.O. Bonds	09/01/98	\$1,700,000	\$155,000
Public Improvement Bonds ¹⁷	12/01/04	4,500,000	610,000
Public Improvement Bonds	12/01/05	4,500,000	3,550,000
Public Improvement Bonds	07/01/07	6,000,000	4,950,000
Public Improvement Bonds	07/01/08	4,000,000	3,465,000
G.O. Notes	12/01/08	3,300,000	1,410,000
G.O. Refunding Bonds	04/16/09	6,665,000	5,675,000
G. O. Bonds	02/26/10	6,000,000	5,610,000
G.O. Refunding Bonds	04/15/10	3,595,000	2,925,000
G.O. Refunding Bonds	11/30/10	3,225,000	3,020,000
G.O. Refunding Bonds	02/17/11	3,505,000	3,195,000
G.O. Refunding Bonds	10/31/12	2,735,000	2,735,000
G.O. Refunding Bonds, 2012A	10/31/12	3,015,000	3,015,000
Total			\$40,315,000

SOURCE: Office of the City Administrator.

¹⁷A portion of these Bonds will be paid on October 31, 2012 with the City's \$3,015,000 General Obligation Refunding Bonds, Series 2012A, dated October 31, 2012 .

Additional Bonded Debt (not subject to Debt Limits)18
(as of November 1, 2012)

Issue	Date of Issue	Original Principal	Outstanding Principal
Water & Sewer	08/01/07	5,400,000	4,475,000
Total			\$4,475,000

Other Long-Term Debt
(as of November, 2012)

Issue	Date of Issue	Outstanding Principal
Mississippi Development Bank Loan19	07/01/03	\$2,645,000
Mississippi Development Bank Loan20	03/01/04	3,175,000
Mississippi Development Bank Loan21	03/01/06	7,710,000
Mississippi Development Bank Loan22	11/07/06	3,210,000
Mississippi Development Bank Loan23	02/01/09	5,675,000
Total		\$22,415,000

SOURCE: Office of the City Administrator.

Other Outstanding Debt

The City also has outstanding approximately \$2,000,000 in tax increment limited obligation bonds, secured solely by the tax revenue received from the five projects, which are subject to neither the 15 nor 20 percent debt limitations, pursuant to Section 21-45-9, Mississippi Code of 1972.

Also, the City has entered into an agreement with the Mississippi Development Authority for loans under the local government's capital improvements revolving loan program. The loan balance as of September 30, 2010 was \$1.9 million, and is subject to neither the 15 nor 20 per cent debt limitation.

The City has entered into lease purchase agreements which are subject to annual appropriations and they are subject to neither the 15 nor 20 percent debt limitation.

The City entered into a promissory note with BancorpSouth Bank on February 1, 2005 for the purposes of purchasing land for parks, improving, equipping and adorning the same, and purchasing buildings to be used as a park and recreational facility. The City anticipates issuing General Obligation Refunding Bonds to prepay the outstanding note this year.

18 The debt shown in the chart above constitutes debt incurred by revenue producing projects of the City. The current outstanding revenue producing debt was incurred in connection with the water and sewer system, and such debt is paid with revenues of the City derived from the operation of the water and sewer system. Such bonds and the interest thereon are limited obligations of the City and do not constitute nor give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers.

19 The City borrowed \$4,000,000 on July 1, 2003 from the Mississippi Development Bank (the "Bank") in order to fund a portion of the cost of recreation facilities within the City. This loan is payable from legally available revenues of the City, including tax monies, backed by agreements which provide for the intercept of local taxes from the State Tax Commission, and further secured by a Financial Guaranty Insurance Policy and a Surety Bond. The loans are exempt from the 15% and the 20% debt limitations.

20 The City borrowed \$4,500,000 on March 1, 2004 from the Mississippi Development Bank (the "Bank") in order to fund a portion of the cost of recreation facilities within the City. This loan is payable from legally available revenues of the City, including tax monies, backed by agreements which provide for the intercept of local taxes from the State Tax Commission, and further secured by a Financial Guaranty Insurance Policy and a Surety Bond. The loans are exempt from the 15% and the 20% debt limitations.

21 The City borrowed \$9,000,000 from the Bank on March 1, 2006 for improvements in the water and sewer systems. The loan is secured by revenues of the City derived from the operation of the water and sewer system. The bonds and the interest thereon are limited obligations of the City and do not constitute or give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers.

22 The City borrowed \$4,185,000 from the Bank on November 7, 2006 to refund a portion of the loan made to it by the Bank on March 1, 2000, which loan funded a portion of the cost of recreation facilities within the City. The 2006 loan is payable from legally available revenues of the City, including tax monies, backed by an agreement which provides for the intercept of local taxes from the State Tax Commission, and further secured by a Financial Guaranty Insurance Policy and a Surety Bond.

23 The City borrowed \$6,500,000 from the Bank on February 1, 2009 for improvements in the water and sewer systems. The loan is secured by revenues of the City derived from the operation of the water and sewer system. The bonds and the interest thereon are limited obligations of the City and do not constitute or give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers.

Annual Debt Service Requirements

General Obligation Bonds					
FY Ending September 30	Existing Debt			New Issue	
	Principal	Interest	Total	Principal	Interest
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
Total:					

General Obligation Bonded Debt

	Fiscal Year Ended September 30				
	2012	2011	2010	2009	2008
General Obligation Bonds (09/01/98)	\$ 155,000	\$ 300,000	\$ 440,000	\$ 575,000	\$ 710,000
General Obligation Public Improvement Bonds (04/16/04)	3,365,000	3,550,000	3,730,000	3,900,000	4,080,000
General Obligation Public Improvement Bonds (04/16/04)	3,550,000	3,730,000	3,900,000	4,060,000	4,240,000
General Obligation Public Improvement Bonds (04/16/04)	4,950,000	5,180,000	5,390,000	5,610,000	5,830,000
General Obligation Public Improvement Bonds (04/16/04)	3,465,000	3,610,000	3,745,000	3,875,000	4,010,000
General Obligation Notes (12/01/08)	1,410,000	2,070,000	2,700,000	3,300,000	3,900,000
General Obligation Refunding Bonds (04/16/09)	5,675,000	6,250,000	6,565,000	6,665,000	6,765,000
General Obligation Bonds (02/26/10)	5,610,000	5,810,000	6,000,000	-0-	-0-

24 To be refunded with the City’s General Obligation Refunding Bonds, Series 2012A.

ligation Refunding Bonds (04/15/10)	2,925,000	3,280,000	3,595,000	-0-	
ligation Refunding Bonds (11/30/10)	3,020,000	3,225,000	-0-	-0-	
ligation Refunding Bonds (02/17/11)	3,195,000	3,505,000	-0-	-0-	
	\$37,320,000	\$40,510,000	\$36,065,000	\$27,985,000	\$18

Debt Ratios		
FY Ended September 30	General Obligation Debt	General Obligation Debt to Assessed Value
2012	37,320,000	7.15%
2011	40,510,000	9.07
2010	36,065,000	7.90
2009	27,985,000	6.52
2008	18,790,000	4.78

Overlapping General Obligation Indebtedness
(as of November, 2012)

	2010 Population	Current Assessed Valuation	General Obligation Bonded Debt	General Obligation Bonded Debt Per Capita
DeSoto County	161,252	\$1,569,717,013	\$94,625,000	\$586.81

	Current Assessed Valuation	Total General Obligation Bonded Debt
DeSoto County School District	\$1,569,717,013	\$147,739,000

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APPENDIX B

NOTICE OF BOND SALE
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NOTICE OF BOND SALE
\$2,875,000
GENERAL OBLIGATION BONDS
SERIES 2012
OF THE
CITY OF SOUTHAVEN, MISSISSIPPI

Sealed proposals will be received and opened by the City Clerk of the City of Southaven, Mississippi, in her office in the City Hall until the hour of 3:00 o'clock p.m. on the 6th day of November, 2012 for subsequent presentation to the Mayor and Board of Aldermen of the City of Southaven, Mississippi (the "Governing Body" of the "City"), in its meeting place in the City Hall of the City at a meeting scheduled for 6:00 o'clock p.m. on said date, at which time said bids will be publicly 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 Two Million Eight Hundred Seventy Five Thousand Dollars (\$2,875,000) principal amount General Obligation Bonds, Series 2012, of the City (the "Bonds").

The Bonds will be dated November 1, 2012, will be delivered in the denomination of Five Thousand Dollars (\$5,000) each, or integral multiples thereof up to the amount of a single maturity, will be numbered from one upward; will be issued in fully registered form; and will

bear interest from the date thereof at the rate or rates offered by the successful bidder in its bid, payable on May 1 and November 1 in each year (each an "Interest Payment Date"), commencing November 1, 2013. The Bonds will mature serially on November 1 in each year and in the principal amounts as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
2013	\$260,000	2018	\$290,000
2014	270,000	2019	295,000
2015	275,000	2020	300,000
2016	280,000	2021	305,000
2017	285,000	2022	315,000

Bonds maturing on November 1, 2020 and thereafter, are subject to redemption prior to their stated dates of maturity at par, plus accrued interest to the date of redemption, either in whole on any date on or after November 1, 2019, or in part, in inverse order of maturity and by lot within a maturity on November 1, 2019, or on any Interest Payment Date thereafter.

The City will appoint the Paying and Transfer Agent for the Bonds after receiving the recommendation of the successful bidder. The Paying and Transfer Agent shall be a bank or trust company with a main office or branch located within the City. The Paying Agent and/or Transfer Agent shall be subject to change by order of the Governing Body under the conditions and in the manner provided in the Bond Resolution under which the Bonds are issued.

The successful bidder must deliver to the Transfer Agent within thirty (30) days of the date of sale, or at such other later date as may be designated by the City, 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 to the Transfer Agent by 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.

Both principal of and interest on the Bonds will be payable by check or draft mailed on the Interest Payment Date to Registered Owners of the Bonds as of the 15th 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 Transfer Agent. Payment of principal at maturity shall be conditioned on the presentation and surrender of the Bonds at the principal office of the Transfer Agent.

The Bonds will be transferable only upon the records of the City maintained by the Transfer Agent.

The Bonds shall not bear a greater overall maximum interest rate to maturity than eleven percent (11%) per annum, and shall mature in the amounts and on the dates hereinabove set forth; no Bond shall bear more than one (1) rate of interest; each Bond shall bear interest from its date to its stated maturity date at the interest rate or rates specified in the bid; all Bonds of the same maturity shall bear the same rate of interest from date to maturity. The lowest interest rate specified shall not be less than seventy percent (70%) of the highest interest rate specified; each interest rate specified must be an even 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 cannot be named. The interest rate for any one maturity shall not exceed eleven percent (11%) per annum.

The Bonds are being issued for the purpose of providing funds for erecting municipal buildings, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; and paying for the costs of issuance of the Bonds.

The Bonds will 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 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; provided, however, that such tax levy for any year shall be abated pro tanto to the extent the City on or prior to September 1 of that year has transferred money to the 2012 Bond Fund of the Bonds, or has made other provisions for funds, to be applied toward payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the City. The City, when necessary, 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.

The City did designate the Bonds as qualified tax-exempt obligations within the meaning and for the purposes of Section 265(b)(3) of the Code.

Proposals should be addressed to the Mayor and Board of Aldermen and should be plainly marked "Proposal for General Obligation Bonds, Series 2012, of the City of Southaven, Mississippi," and should be filed with the Clerk of the City on or prior to the date and hour hereinabove named.

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 City of Southaven, Mississippi, in the amount of Fifty Seven Thousand Five Hundred Dollars (\$57,500.00) as a guaranty that the bidder will carry out its contract and purchase the Bonds if its bid be accepted. 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 on the amount of the good faith deposit. All checks of unsuccessful bidders will be returned immediately on award of the Bonds. All proposals shall remain firm for three hours after the time specified for the opening of proposals and an award of the Bonds, or rejection of proposals, will be made by the City within said period of time.

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. The net interest cost will 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 proposal 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 proposal.

The Governing Body reserves the right to reject any and all bids submitted and to waive any irregularity or informality.

The obligation of the purchaser to purchase and pay for the Bonds is conditioned on the delivery, at the time of settlement of the Bonds, of the following: (1) the approving legal opinion of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, Bond Counsel, to the effect that the Bonds constitute valid and legally binding obligations of the City payable from 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 to the effect that the interest on the Bonds is exempt from Federal and 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; and (2) the delivery of certificates in form and tenor satisfactory to Bond Counsel evidencing the proper execution and delivery of the Bonds and receipt of payment therefor, including a statement of the City, dated as of the date of such delivery, to the effect that there is no litigation pending or, to the knowledge of the signer or signers thereof, threatened relating to the issuance, sale and delivery of the Bonds. A copy of said approving legal opinion will appear on or accompany the Bonds.

Delivery of the Bonds is expected to be made within sixty (60) days after the aforesaid date of sale of the Bonds at a place to be designated by the purchaser and without cost to the purchaser. Simultaneously with the delivery of the Bonds, the purchaser shall furnish to the City a certificate, in form acceptable to Bond Counsel, stating that: (i) it purchased the Bonds as an investment for its own account and not with a view toward distribution or resale in the capacity of a bond house, broker, or intermediary; or (ii) pursuant to a bona fide public offering of all of the Bonds, it sold a substantial amount (ten percent (10%), or more, in par amount) of each maturity of the Bonds to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at or below the initial public offering prices set forth in such certificate. The purchaser shall also furnish a certificate, in form acceptable to Bond Counsel, setting forth the yield on the Bonds and issue price thereof, calculated in accordance with the requirements of the Code.

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.

The City has covenanted in its Bond Resolution that under SEC Rule 15c2-12, the City will deliver or cause to be delivered annually, commencing with the fiscal year of the City ending on September 30, 2012, to each "nationally recognized municipal securities information repository," within the meaning of SEC Rule 15c2-12, and certain other entities described in SEC Rule 15c2-12 (said repositories and other entities are collectively referred to as the "Repositories"), (i) annual financial information and operating data relating to the City, including audited financial statements of the City and (ii) notice of certain events, if any, relating to the Bonds and the City, if the City deems such events to be material, as set forth in SEC Rule 15c2-12. Anyone requesting information under the continuing disclosure requirements of SEC Rule 15c2-12 should contact the City Clerk, City Hall, 304 Highway 51 South, Southaven, Mississippi 39157 Telephone Number: (601) 856-7113.

The Preliminary Official Statement, dated October 16, 2012, has been "deemed final" as of such date by the City with permitted omissions, subject to change without notice and to completion or

modification in a final Official Statement (the "Official Statement"). The City will make available to the successful bidder a reasonable number of Official Statements within seven (7) business days (excluding Saturdays, Sundays and national holidays) of the award of the Bonds. The successful bidder shall conform to the requirements of Securities Exchange Act 15c2-12 ("SEC Rule 15c2-12"), including an obligation, if any, to update the Official Statement and shall bear all costs relating thereto. During the period from the delivery of the Official Statement to and including the date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as described below) the City shall notify the successful bidder if any event of which it has knowledge shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The successful bidder shall file the Official Statement with a nationally recognized municipal securities information repository (a "Repository") at the earliest practicable date after the date of delivery of the Bonds. The end of the underwriting period shall mean the earlier of (a) the date of the Closing unless the City has been notified in writing to the contrary by the representative of the successful bidder on or prior to such date, or (b) the date on which the "end of the underwriting period" for the Bonds has occurred under SEC Rule 15c2-12. The successful bidder shall notify the City of the date which is the "end of the underwriting period" within the meaning of the SEC Rule 15c2-12.

By order of the Board of Aldermen of the City of Southaven, Mississippi, on October 16, 2012.

/s/ Sheila Heath

CITY CLERK

PUBLISH: October 23 and 30, 2012

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APPENDIX C

BUDGETS

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ADOPTED BUDGET FOR FISCAL YEAR 2012-2013

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APPENDIX D

AUDIT

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FINANCIAL STATEMENT FOR FISCAL YEAR

ENDED SEPTEMBER 30, 2011

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

BY CITY OF SOUTHAVEN, MISSISSIPPI

DATED AS OF NOVEMBER 1, 2012

**In Connection With the Issuance and Sale of \$2,875,000 City of Southaven,
Mississippi**

General Obligation Bonds, Series 2012, Dated November 1, 2012

WHEREAS, the City has heretofore authorized the issuance of \$2,875,000 in the aggregate principal amount of its General Obligation Bonds, Series 2012 (the "Bonds"), to be dated November 1, 2012 and to mature in the principal amounts and on the dates set forth in the City's Official Statement, dated November 6, 2012, describing the Bonds (the "Official Statement"); and

WHEREAS, the City has offered the Bonds for sale through competitive bid pursuant to its Notice of Bond Sale, dated October 16, 2012 (the "Notice of Sale"); and

WHEREAS, in the Notice of Sale the City has heretofore acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the City has undertaken in a written agreement for the benefit of the holders or beneficial

owners of the Bonds to provide certain continuing disclosure information as required by Securities and Exchange Commission (the "SEC") Rule 15c2-12(b)(5) (the "Rule"), and the City desires to assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement is to be made, executed and delivered in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the holders and beneficial owners of the Bonds, as they may be from time to time.

NOW, THEREFORE, THE CITY HEREBY REPRESENTS, COVENANTS AND AGREES AS FOLLOWS:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Accompanying Information" means any identifying information or other information then required to accompany the applicable filing pursuant to the Rule.

"Annual Report" shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 2 and 3 of this Continuing Disclosure Agreement.

"EMMA" means MSRB's Electronic Municipal Market Access system on the MSRB Website.

"Listed Events" shall mean any events listed in Section 4 of this Continuing Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established under the 1933 Securities Act, as amended, or any successor thereto.

"MSRB Website" shall mean www.emma.msrb.org.

"National Repository" means (a) MSRB's EMMA, and (b) in the future, any successor repository or repositories prescribed by the SEC for the purpose of serving as repository under the Rule.

"Repository" shall mean each National Repository and each State Repository.

"Required Electronic Format" means the electronic format then prescribed by the SEC or the MSRB pursuant to the Rule.

"State" shall mean the State of Mississippi.

"State Repository" shall mean any public or private repository or entity designated by the State as a State repository for the purposes of the Rule. As of the date of this Continuing Disclosure Agreement, there is no State Repository.

Section 2. Annual Reports.

- a. The City agrees to provide or cause to be provided to each Repository all annual financial information and operation data regarding the City, together with any Accompanying Information, commencing with information and data for the fiscal year ending September 30, 2013, as follows:
 - (i) Up-dated financial information and operating data of the type contained in the Official Statement as set forth in APPENDIX A under the headings "ECONOMIC AND DEMOGRAPHIC INFORMATION," "TAX INFORMATION," and "DEBT INFORMATION;
 - (ii) Updated financial statements, which includes information on the City's general fund, capital project funds and special revenue funds, prepared in accordance with state law which utilizes the generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time, as set forth in APPENDIX D of the Official Statement; and

- (iii) Updated budgeted or estimated revenues and expenditures of the City's general fund as set forth in APPENDIX C of the Official Statement.

If audited financial statements are not available by the required time, the City will provide unaudited financial statements by such time and audited financial statements when the audit report becomes available.

- b. The above-referenced information is expected to be provided by the filing of and cross reference to the City's comprehensive annual financial report, including audited financial statements, and the City's adopted budget. The information may be provided in whole or in part by cross-reference to other documents provided to each Repository, including official statements of the City which will be available on MSRB's EMMA.
- c. Subject to the requirements of Section 8 hereof, the City reserves the right to modify from time to time the specific types of information or data provided or the format of the presentation of such information or data, to the extent necessary or appropriate; provided that the City agrees that any such modification will be done in a manner consistent with the Rule. The City also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Mississippi law applicable to cities.

Section 3. Timing. The above-referenced audited financial information is expected to be provided not more than 15 days after its filing with the State Department of Audit pursuant to the provisions of the Mississippi General Statutes, generally not later than six months after the end of each fiscal year. The information required to be filed in Section 2 will be filed not later than six months after the end of each fiscal year. The City currently operates on an October 1 - September 30 fiscal year basis.

Section 4. Event Notice.

- a. The City agrees to provide or cause to be provided in a timely manner not in excess of ten business days after the occurrence of the following events to each Repository, notice of the occurrence of such events with respect to the Bonds, together with any Accompanying Information:
 - (i) principal and interest payment delinquencies;
 - (ii) unscheduled draws on debt service reserves, reflecting financial difficulties;
 - (iii) unscheduled draws on credit enhancements, reflecting financial difficulties;
 - (iv) substitution of credit or liquidity providers for the Bonds, or their failure to perform;
 - (v) adverse tax opinions, IRS notices or events affecting the tax status of the Bonds;
 - (vi) defeasances;
 - (vii) rating changes;
 - (viii) tender offers; and
 - (ix) bankruptcy, insolvency, receivership or a similar proceeding of the obligated person.
- b. The City agrees to provide or cause to be provided in a timely manner not in excess of ten business days after the occurrence of an event to each Repository, notice of the occurrence of any of the following events with

respect to the Bonds, if material, together with any Accompanying Information:

- (i) non-payment related defaults;
- (ii) modifications to rights of bond holders;
- (iii) bond calls or redemption;
- (iv) release, substitution, or sale of property securing repayment of the Bonds;
- (v) the consummation of a merger, consolidation, acquisition involving an obligated person, other than in the ordinary course of business, or the sale of all or substantially all the assets of an obligated person, other than in the ordinary course of business, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms; and
- (vi) appointment of a successor or additional trustee, or the change in the name of a trustee.

Section 5. Notice of Failure. The City agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the City to provide the annual financial information described in Section 2(a) of this Continuing Disclosure Agreement, together with any Accompanying Information.

Section 6. Termination of Reporting Obligation. The City's obligations under this Continuing Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The City may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment, Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the City may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, only if (1) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature, or status of the City, (2) the agreement, as amended, would have complied with the Rule at the date of sale of the Bonds, taking into account any amendments or interpretations of the Rule as well as any change in circumstance, and (3) the City receives an opinion of nationally recognized bond counsel to the effect that the amendment or waiver does not materially impair the interests of the holders and beneficial owners of the Bonds. A copy of any amendment will be filed in a timely manner with each Repository, together with any Accompanying Information.

Section 9. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communications, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Continuing Disclosure Agreement, the City shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Indemnification. The City agrees to indemnify and save its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties

hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to any agent's negligence or misconduct. The obligations of the City under this Section shall survive resignation or removal of any agent and payment of the Bonds.

Section 11. Enforceability. The City agrees that its undertaking pursuant to the Rule set forth in this Continuing Disclosure Agreement is intended to be for the benefit of the holders or beneficial owners of the Bonds and shall be enforceable by them; 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. In the event of the City's failure to comply with any provision of this Continuing Disclosure Agreement any bondholder or beneficial owner may take such action as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Continuing Disclosure Agreement. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Continuing Disclosure Agreement constitute default of the City with respect to the Bonds.

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

CITY OF SOUTHAVEN, MISSISSIPPI

By:_____

Mayor

ATTEST:

City Clerk

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APPENDIX F

FORM OF OPINION OF BOND COUNSEL
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[FORM OF OPINION OF BOND COUNSEL]

Mayor and Board of Aldermen
City of Southaven, Mississippi

Dear Sirs:

We have acted as Bond Counsel for City of Southaven, Mississippi (the "City"), in connection with the issuance of the City of Southaven, Mississippi General Obligation Bonds, Series 2012, dated November 1, 2012, in the total authorized aggregate amount of \$2,875,000 (the "Bonds").

The Bonds bear interest, are subject to redemption prior to maturity and may be transferred and exchanged as set out in the Bonds and in the resolution adopted by the Mayor and Board of Aldermen of the City on October 16, 2012, authorizing their issuance (the "Bond Resolution"). Capitalized terms contained and not defined herein shall have the same meaning as set forth in the Bond Resolution.

We have acted as Bond Counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the laws of the State of Mississippi, and with respect to the exemption of interest on the Bonds from federal and Mississippi income taxation. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the certified transcript of proceedings described in the following paragraph. We have relied on the authenticity, truthfulness and completeness set forth in such documents, instruments and certificates. We have not assumed any responsibility with respect to the financial condition or capabilities of the City or the disclosure thereof in connection with the sale of the Bonds.

In our capacity as Bond Counsel, we have participated in the preparation of and have examined a certified transcript of proceedings pertaining to the Bonds which contains copies of certain proceedings of the City, customary certificates of officers, agents and representatives of the City and other public officials and other matters relating to the authorization and issuance of the Bonds including a certification of the City prepared pursuant to Section 1.148-2(b)(2)(i) of the United States Treasury Regulations (the "Non-Arbitrage Certificate"). We have also examined executed Bond No. R-1 of this issue.

Based upon the foregoing, it is our opinion, on the date hereof, that:

1. The transcript of proceedings evidences complete legal authority for the issuance of the Bonds in full compliance with the laws of the State of Mississippi presently in effect, that the Bonds constitute valid and legally binding obligations of the City, that the Bonds are payable from 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.
2. Under existing law, regulations and court decisions, as presently interpreted and construed, interest on the Bonds is exempt from all present taxes imposed by the State of Mississippi and any county, municipality or other political subdivision of the State of Mississippi, except for inheritance, estate and transfer taxes.
3. Interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and interest on the Bonds is not treated as a specific item

of tax preference under Section 57 of the Code in calculating the alternative minimum tax imposed by Section 55 of the Code. Such interest, however, is taken into account in determining "adjusted current earnings" of certain corporations for purposes of computing the alternative minimum tax.

The Mayor and Board of Aldermen, acting for and on behalf of the City, has covenanted in the Bond Resolution that it will not make any use of the gross proceeds of the Bonds or amount that may be treated as proceeds of the Bonds or do or take or omit to take any other action that would cause: (i) the Bonds to be "arbitrage bonds" as such term is defined in Section 148(a) of the Code and the Regulations promulgated thereunder; (ii) the interest on the Bonds to be included in the gross income of the registered owners for federal income taxation purposes; or (iii) the interest on the Bonds to be treated as an item of tax preference under Section 57(a)(5) of the Code. Failure of the City to comply with such covenants could result in the interest on the Bonds being subject to federal income tax from the date of issue.

In rendering the foregoing opinion, Bond Counsel has assumed the continuing compliance by the City with the tax covenants and representations in the Bond Resolution and the representations in the Non-Arbitrage Certificate. These requirements relate to, *inter alia*, the use and investment of the gross proceeds of the Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds have resulted in a failure of the City to comply with its covenants. Failure of the City to comply with such covenants could result in the interest on the Bonds becoming subject to federal income tax from the date of issue.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers including, without limitation, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds.

In particular, attention is called to the fact that Section 265(b)(1) of the Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their otherwise allowable interest expense allocable to tax exempt obligations acquired after August 7, 1986 (other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code). The City has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(C) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry "qualified tax-exempt obligations" is deductible.

Owners of the Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the environmental tax, the branch profits tax and the tax on passive investment income of corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

It is understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar law affecting creditors' rights heretofore or hereafter enacted and that the enforcement thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Very truly yours,

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

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RESOLUTION FOR SURPLUS POLICE VEHICLES

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE
CITY OF SOUTHAVEN, MISSISSIPPI DECLARING SURPLUS
PROPERTY AND GRANTING AUTHORIZATION TO
ADVERTISE FOR AUCTION

WHEREAS, the City of Southaven is presently in possession of various vehicles, and

WHEREAS, it has been recommended to the Mayor and Board of Aldermen that these vehicles either be declared as surplus and sold and/or disposed of as appropriate and in accordance with state law, or retained and removed from the fixed assets inventory, and

WHEREAS, the Mayor and Board of Aldermen are desirous of disposing of such surplus property, pursuant to Section 21-17-1 of the Mississippi Code (1972), or amending its fixed assets inventory pursuant to State guidelines, and

WHEREAS, the Mayor and Board of Aldermen hereby authorize that the list on the Exhibit attached hereto as Collective Exhibit "A," be declared as surplus and listed on Govdeals.com or sold at public auction or otherwise disposed of as appropriate and in accordance with state law, or deleted from the fixed assets inventory, as appropriate.

NOW, THEREFORE, BE IT ORDERED by the Mayor and Board of Aldermen of the City of Southaven, Mississippi as follows, to wit:

1. The various vehicles shown on the attached Collective Exhibit "A" be, and they are hereby declared to be surplus property.
2. The City Clerk, or her designee, be, and she is hereby authorized and directed to advertise the vehicles on Govdeals.com or sell the vehicles at public auction, pursuant to Section 21-17-1, or to otherwise dispose of said property in accordance with state law, or to retain such items and remove them from the fixed assets inventory pursuant to State guidelines.

Motion was made by Alderman Brooks and seconded by Alderman Hale, for the adoption of the above and foregoing Resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Greg Guy	YEA
Alderman Lorine Cady	YEA
Alderman Ronnie Hale	YEA
Alderman George Payne	ABSENT
Alderman William Brooks	YEA
Alderman Ricky Jobs	YEA
Alderman Dr. Randy Huling	ABSENT

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted, on this the 6th day of November, 2012.

RESOLVED AND DONE, this 6th day of November, 2012.

EXHIBIT A

Unit # 3038
2008 Ford Crown Victoria, White
VIN/2FAFP71V98X159434
Asset #3717

RESOLUTION TO CLEAN PRIVATE PROPERTY

RESOLUTION GRANTING AUTHORITY TO CLEAN PRIVATE PROPERTY

WHEREAS, the governing authorities of the City of Southaven, Mississippi, have received numerous complaints regarding the parcel of land located at the following address, to-wit: **8607 Cedar Circle East**, to the effect that the said parcel of land has been neglected whereby **the grass height is in violation and there exist other unsafe conditions** and that the parcel of land in the present condition is deemed to be a menace to the public health and safety of the community.

WHEREAS, pursuant to Section 21-19-11 of the Mississippi Code Annotated (1972), the governing authorities of the City of Southaven, Mississippi, provided the owners of the above described parcel of land with notice of the condition of their respective parcel of land and further provided them with notice of a hearing before the Mayor and Board of Aldermen on **Tuesday, November 6, 2012**, by United States mail and by posting said notice, to determine whether or not the said parcel of land were in such a state of uncleanness as to be a menace to the public health and safety of the community.

WHEREAS, none of the owners of the above described parcel of land appeared at the meeting of the Mayor and Board of Aldermen on **Tuesday, November 6, 2012**, to voice objection or to offer a defense.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the Mayor and Board of Alderman of the City of Southaven, Mississippi, that the above described parcel of land located at: **8607 Cedar Circle East** is deemed in the existing condition to be a menace to the public health and safety of the community.

BE IT FURTHER RESOLVED that the City of Southaven shall, if the owners of the above described parcel of land do not do so themselves, immediately proceed to clean the respective parcel of land, by the use of municipal employees or by contract, by cutting weeds and grass and removing rubbish and other debris.

Following the reading of this Resolution, it was introduced by Alderman Guy and seconded by Alderman Hale. The Resolution was then put to a roll call vote and the results were as follows, to-wit:

ALDERMAN	VOTED
Alderman Greg Guy	YEA
Alderman Lorine Cady	YEA
Alderman Ronnie Hale	YEA
Alderman George Payne	ABSENT
Alderman William Brooks	YEA
Alderman Ricky Jobes	YEA
Alderman Randall T. Huling, Jr.	ABSENT

The Resolution, having received a majority vote of all Aldermen present, was declared adopted on this, the **6th day of November, 2012**.

BUDGET AMENDMENT

Mayor Davis reported that this amendment is money in – money out.

Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount	
0400 580 205	WATER IMP LOAN	\$ -	\$ (329,269)	\$ (2,768,320)	\$ (2,768,320)	
					\$ (2,768,320)	
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount	
811 650 850	WATER LOAN IMP	\$ -	\$ -	\$ 2,768,320	\$ 2,768,320	\$ 2,768,320
					\$ -	\$ 2,850,000
					\$ -	\$ 2,500,000
						\$ 8,118,320
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount	
0100 580 400	BOND PROCEEDS	\$ -	\$ -	\$ (2,850,000)	\$ (2,850,000)	
					\$ (2,850,000)	
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount	
711 640 900 0700	FIRE STATION	\$ -	\$ -	\$ 2,850,000	\$ 2,850,000	
					\$ -	
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount	
	HURRICANE CREEK	\$ -	\$ -	\$ (2,500,000)	\$ (2,500,000)	
					\$ (2,500,000)	
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount	
	HURRICANE CREEK	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000	
					\$ -	

Alderman Hale made the motion to approve the budget amendment as presented to this Board. Motion was seconded by Alderman Guy. Motion was put to vote and passed unanimously.

EMERGENCY REPAIR-SPD

Mayor Davis reported that pursuant to MS Code 31-7-13 (K) the Southaven Police Department will be repairing an emergency siren head for the tornado siren at Getwell and Rasco Road. The cost will be \$6,850.00 to Federal Signal Corporation. Mayor Davis stated that this emergency purchase will need to be entered into the minutes, and the second emergency purchase is from the Utility Division, and it will be to repair a water well and a service pump motor at the cost of \$58,355.77 to Parks and Parks Well Service. It too, will need to be entered into the minutes. Alderman Brooks made the motion to approve the two Emergency Purchases as presented to this Board. Motion was seconded by Alderman Jobes. Motion was put to vote and passed unanimously.

(Alderman Huling came into the meeting)

PRB ENTERTAINMENT, LLC

Mayor Davis stated that PRB Entertainment, LLC is applying for a limousine service to be based out of Southaven. As per the City of Southaven’s Code of Ordinance (Section 21-27-131), this is considered a motor vehicle for hire business license which requires this Board’s approval. Mr. Jordan Chase Fitts came before the Board for any questions. He stated that he will be running the

service from his house and would be storing the limousines in a storage unit located on Pleasant Hill Road. Mr. Fitts stated that the limos would never be stored in a residential subdivision. He reported that he would have a 40' bus as well as a 20' shuttle. Mayor Davis along with Chief Tom Long reported that they have done a background check on Mr. Fitts, and he passed everything. Also, Mayor Davis stated that if this Board approves the business tonight, he will bring all bonds and insurance certificates in before the business license is issued. Alderman Cady made the motion to accept the application for motor vehicle for hire. Motion was seconded by Alderman Brooks. Motion was put to vote and passed unanimously.

MUNICIPAL COMPLIANCE QUESTIONNAIRE

Mayor Davis stated that the Municipal Compliance Questionnaire is the same form filled out last year for the City's annual audit. This form is required to be approved by this Board before the auditor can start our audit. Alderman Brooks made the motion to approve the Municipal Compliance Questionnaire. Motion was seconded by Alderman Huling. Motion was put to vote and passed unanimously.

Mayor Davis left the meeting and Alderman Cady, Mayor Pro Tempore took charge.

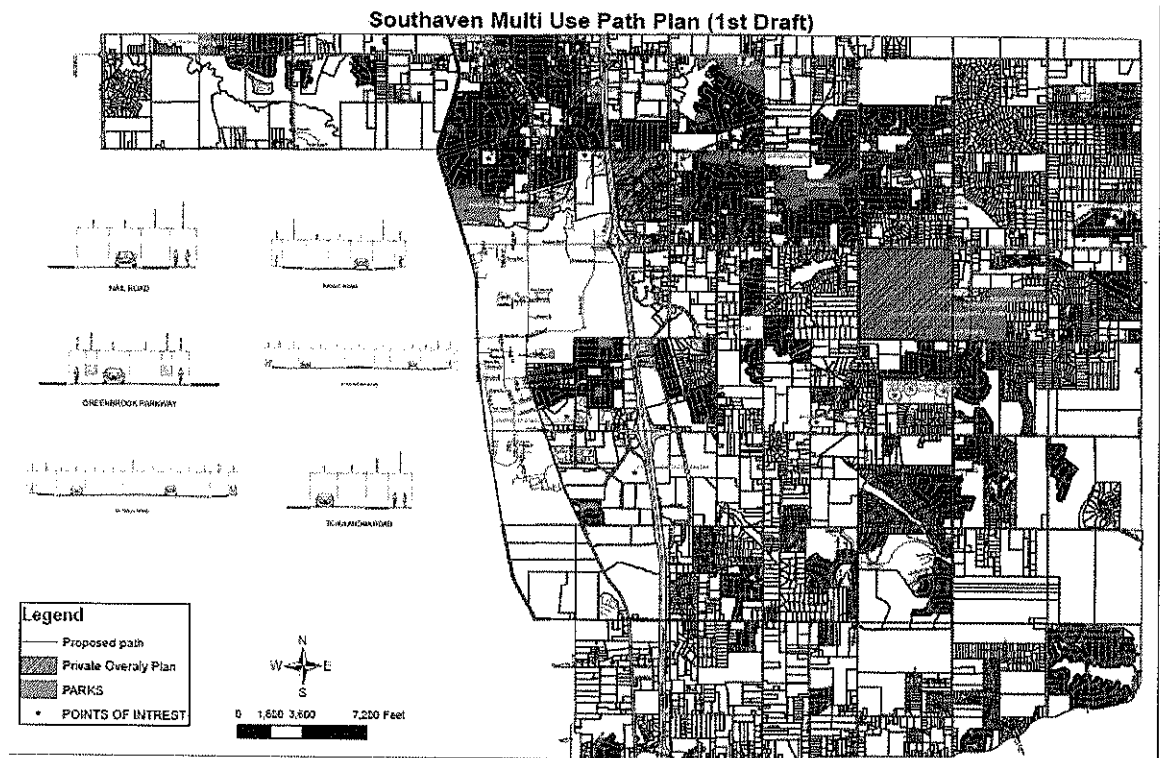
PLANNING AGENDA

Mrs. Whitney Choat-Cook presented the Planning Agenda.

Item #1 Application by Elmer Sipps, Jr. for a conditional use permit to allow a barber shop at 1140 Church Road. This will be located on Church Road, east of Highway 51. This barber shop will be in compliance with the ½ mile radius and was approved unanimously by the Planning Commission. Alderman Brooks made the motion to approve Item #1 as presented to this Board. Motion was seconded by Alderman Hale. Motion was put to vote and passed unanimously.

Mayor Davis came back to the meeting.

Item #2 1st draft proposal for city-wide bike and pedestrian plan. Mrs. Choat-Cook reported that this is for review only. The map will be attached to this set of minutes. Mayor Davis asked Mrs. Choat-Cook to give the Board a map for their review. She stated she would.



MAYOR'S REPORT

Mayor Davis reported that the City would be holding the annual Veteran's Day Appreciation Luncheon on Monday, November 12, 2012, at the Southaven Arena at 11:00 a.m. Please RSVP by Friday, Nov. 9th.

CITIZEN'S AGENDA:

Mrs. Rebecca West, 8745 Carriage Drive E, came before the Board to ask them to help her and her neighbor with a flooding problem on Carriage Drive. She said her house and her neighbor's house floods often. She said when it rains, it runs into her house, and she is not able to sweep it out anymore. She asked if the City could get someone out and run a camera through the pipe to see what the problem is. After a discussion, Mayor told her he would get someone out to look at it.

PERSONNEL DOCKET

Personnel Docket 11/6/2012				
Payroll Additions				
Name	Position	Department	Date of Hire	Rate of Pay
Melitta Duncan	Administrative Assistant	IT - 150	11/5/2012	\$10.00
Lyndsey McArthur	Administrative Assistant	MCE - 511	11/5/2012	\$10.00
Christopher Thomas	Paramedic	Fire - 297	11/21/2012	\$15.28
Payroll Deletions				
Name	Position	Department	Date of Termination	Rate of Pay
Stacey Barnett	Code Enforcement Officer	MCE - 511	10/30/2012 - resigned	\$10.00
Larry Belton	Seasonal Laborer	Parks - 411	10/25/2012 - seasonal employment ended	\$7.50
Seaver Binson	Field Service Tech	Utilities - 825	11/2/2012 - resigned	\$10.20
Promotions				
Name	Position Promoted To	Department	Effective Date	Rate of Pay
Grant Brokaw	Full Time Laborer	Parks - 411	11/5/2012	\$10.25
Terry Givens	Full Time Laborer	Parks - 411	11/5/2012	\$11.00
Tyrone Scott	Full Time Laborer	Parks - 411	11/5/2012	\$10.25
David Dayton	Full Time Laborer	Parks - 411	11/5/2012	\$10.25
Suspensions				
Name	Position	Department	Effective Date	Length
Ben Bynum	Sergeant	Police - 211	Supervisor Determined Upon Approval	1 day
Fred Sims	Sergeant	Police - 211	Supervisor Determined Upon Approval	2 days
Craig Respress	P2	Police - 211	Supervisor Determined Upon Approval	1 day

Alderman Brooks made the motion to approve the Personnel Docket as presented to this Board. Motion was seconded by Alderman Jobes. Motion was put to vote and passed unanimously.

COMMITTEE REPORTS

No Committee Reports

CITY ATTORNEY’S LEGAL UPDATE

On October 5, 2012, City of Southaven employee, Christopher Austin, was moving his truck to repair a light pole in the Southaven City Hall parking lot. Mr. Austin was backing up in the City of Southaven truck and did not realize that the tailgate was down. The truck’s tailgate struck the parked car, owned by the FBI, on the right quarter panel and caused damage. I have reviewed the facts, documents, and police report, and I am of the opinion that Mr. Austin was the cause of the accident and the City of Southaven may have liability as a result of the accident. The FBI provided 2 quotes for the damage to the vehicle as a result of the accident. The FBI provided a quote from ABRA Auto Body and Glass in the amount of \$1,152.64. The current deductible of the City of Southaven is \$10,000.00, so the amount of damages does not meet the City of Southaven’s deductible. Therefore, it is my opinion that the City of Southaven Board of Alderman compensates the FBI in the amount of \$1,152.64 for the damage to the vehicle in exchange for FBI executing a full release of liability to the City of Southaven. Alderman Cady made the motion to take the recommendation of the City Attorney to pay the claim. Motion was seconded by Alderman Jobes. Motion was put to vote and passed unanimously.

OLD BUSINESS

No Old Business

PROGRESS REPORTS

No Progress Reports

CLAIMS DOCKET

A motion was made by Alderman Jobes to approve the Claims Docket of November 6, 2012, including demand checks and payroll in the amount of \$2,066,765.49. Motion was seconded by Alderman Brooks

Excluding voucher numbers:

190484, 190630, 190631, 190881, 190909, 191045, 191078, 191191, 191268, 191289, 191306, 191307, 191379, 191424, 191425, 191467, 191524.

Roll call was as follows:

ALDERMAN	VOTED
Alderman Guy	ABSTAINED
Alderman Cady	YEA
Alderman Hale	YEA
Alderman Payne	ABSENT
Alderman Brooks	YEA
Alderman Jobes	YEA
Alderman Huling	YEA

Having received a majority of affirmative votes, the Mayor declared that the motion was carried and approved for payment on this the 6th day of November, 2012.

PERSONNEL AND LITIGATION

There being no further business to come before the Board of Aldermen, a motion was made by Alderman Guy to adjourn. Motion was seconded by Alderman Hale. Motion was put to a vote and passed unanimously, November 6, 2012 at 6:40 p.m.

Charles G. Davis
Mayor

Sheila Heath, City Clerk

(Seal)

Minutes, City of Southaven, Southaven, Mississippi

RESOLUTION DIRECTING THE SALE AND AWARD OF GENERAL OBLIGATION BONDS, SERIES 2012 (THE "BONDS") OF THE CITY OF SOUTHAVEN, MISSISSIPPI, DATED NOVEMBER 1, 2012, IN THE PRINCIPAL AMOUNT OF TWO MILLION EIGHT HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$2,875,000); AND A RESOLUTION APPROVING AND AUTHORIZING THE FORM OF, EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO BONDS.

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

1. The Mayor and Board of Aldermen on October 16, 2012, did adopt a resolution directing that General Obligation Bonds, Series 2012 (the "Bonds"), of the City in the principal amount of Two Million Eight Hundred Seventy-Five Thousand Dollars (\$2,875,000) be offered for sale on sealed bids to be received up until the hour of 3:00 o'clock p.m. on the 6th day of November, 2012 by the City Clerk of the City in her office in the City Hall for subsequent presentation to the Mayor and Board of Aldermen of the City, in its meeting place in the City Hall of the City at a meeting scheduled for 6:00 o'clock p.m. on November 6, 2012.
2. As directed by the aforesaid resolution, notice of sale of the Bonds was duly published in the *DeSoto County Tribune*, a newspaper published in and having a circulation in the City and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended, said notice having been published in said newspaper on October 23 and 30, 2012, the first publication having been made at least ten (10) days preceding November 6, 2012, all as shown by the proof of publication of said notice filed in the office of the Clerk and attached hereto as **EXHIBIT B**.
3. The Mayor and Board of Aldermen did meet at their meeting place in the City Hall in the City of Southaven, Mississippi, at 6:00 o'clock P.M. on November 6, 2012.
4. At said time and place six (6) sealed proposals for the purchase of the Bonds were examined and considered by the Mayor and Board of Aldermen, said bids having heretofore been presented by and being on file with the Clerk.
5. The Mayor and Board of Aldermen does now find, determine and adjudicate that the highest and best bid made and offered for the Bonds on the basis of the lowest net interest cost over the life of the issue was made by Raymond James & Associates, Inc., Memphis, Tennessee, and said bid was accompanied by a cashier's check, certified check or exchange payable to the City of Southaven, Mississippi, in the amount of Fifty Seven Thousand Five Hundred Dollars (\$57,500.00), issued or certified by a bank located in the State of Mississippi, as a guarantee that said bidder would carry out its contract and purchase the Bonds if its bid be accepted.
6. The Mayor and Board of Aldermen finds it necessary to approve the form of, execution and distribution of an Official Statement for the Bonds.

Minutes, City of Southaven, Southaven, Mississippi

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN AS FOLLOWS:

SECTION 1. The Bonds are hereby awarded and sold to Raymond James & Associates, Inc., Memphis, Tennessee, in accordance with the offer submitted to the Mayor and Board of Aldermen in words and figures as follows:

[remainder of this page intentionally left blank]

Minutes, City of Southaven, Southaven, Mississippi

INSERT COPY OF WINNING BID

Minutes, City of Southaven, Southaven, Mississippi

SECTION 2. The Mayor and Clerk are hereby authorized and directed to endorse upon a copy or duplicate of the aforesaid offer a suitable notation as evidence of the acceptance thereof, for and on behalf of the City.

SECTION 3. The good faith checks filed by all unsuccessful bidders shall forthwith be returned to them upon their respective receipts therefor, and the good faith check filed by the successful bidder shall be retained by the Mayor and Board of Aldermen as a guarantee that said bidder shall carry out its contract and purchase the Bonds. If said successful bidder fails to purchase the Bonds pursuant to its bid and contract, the amount of such good faith check shall be retained by the City as liquidated damages for such failure.

SECTION 4. The Bonds shall be in fully registered form; shall be dated November 1, 2012; shall be of the denomination of \$5,000 each or integral multiples thereof up to the amount of a single maturity; shall be numbered from one (1) upward in order of issuance; shall be payable, both as to principal and interest, in lawful money of the United States of America at First Security Bank, Batesville, Mississippi, said bank to act as paying agent, registrar and transfer agent for said Bonds; shall bear interest from the date thereof at the rates hereinafter set forth, payable semiannually on May 1 and November 1 in each year (each an "Interest Payment Date"), commencing November 1, 2013; and shall mature and become due and payable serially, on November 1 in the years and principal amounts as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>	<u>YEAR</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>
2013	\$260,000	1.250%	2018	\$290,000	1.250%
2014	270,000	1.250	2019	295,000	1.250
2015	275,000	1.250	2020	300,000	1.375
2016	280,000	1.250	2021	305,000	1.500
2017	285,000	1.250	2022	315,000	1.700

Bonds maturing on November 1, 2020 and thereafter, are subject to redemption prior to their stated dates of maturity at par, plus accrued interest to the date of redemption, either in whole on any date on or after November 1, 2019, or in part, in inverse order of maturity and by lot within a maturity on November 1, 2019, or on any Interest Payment Date thereafter.

SECTION 5. The Mayor and Board of Aldermen of the City of Southaven, Mississippi, hereby approves and adopts the Official Statement in the form attached hereto as **EXHIBIT A**, and hereby authorizes the Mayor and Clerk to sign and distribute an Official Statement, in substantially the same form, for and on behalf of said Mayor and Board of Aldermen.

SECTION 6. All orders, resolutions or proceedings of the Mayor and Board of Aldermen in conflict with the provisions of this resolution shall be and are hereby repealed, rescinded and set aside, but only to the extent of such conflict.

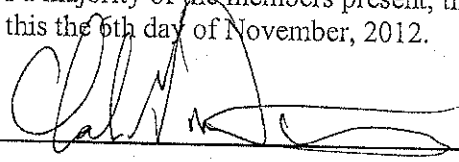
SECTION 7. For cause, this resolution shall become effective immediately upon the adoption thereof.

Minutes, City of Southaven, Southaven, Mississippi

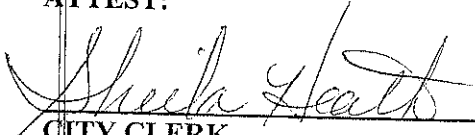
Motion was made by Alderman Guy and seconded by Alderman Cady, for the adoption of the above and foregoing Resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Greg Guy	voted: YEA
Alderman Lorine Cady	voted: YEA
Alderman Ronnie Hale	voted: YEA
Alderman George Payne	voted: ABSENT
Alderman William Brooks	voted: YEA
Alderman Ricky Jobes	voted: YEA
Alderman Dr. Randy Huling	voted: ABSENT

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted, on this the 6th day of November, 2012.


MAYOR

ATTEST:


CITY CLERK

(SEAL)

Minutes, City of Southaven, Southaven, Mississippi

EXHIBIT A

FORM OF OFFICIAL STATEMENT

Minutes, City of Southaven, Southaven, Mississippi

EXHIBIT B PROOF OF PUBLICATION

ButlerSnow 14394528v1

Minutes, City of Southaven, Southaven, Mississippi

RATINGS: Standard & Poor's: "AA-"
(See "RATING" herein)

NEW ISSUE-BOOK ENTRY

In the opinion of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, assuming continuing compliance by the City with the tax covenants and representations described herein, under existing law, interest on the Bonds is excludable from 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; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. 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.

\$2,875,000 GENERAL OBLIGATION BONDS SERIES 2012 OF THE CITY OF SOUTHAVEN, MISSISSIPPI

DATED: November 1, 2012

DUE: November 1, as shown below

Interest is payable semiannually on May 1 and November 1 of each year (each an "Interest Payment Date"), commencing November 1, 2013. The Bonds, in registered form and in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity, will mature on November 1, with option of prior payment, in the years and principal amounts as follows:

<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>YIELD</u>	<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>YIELD</u>
2013	\$260,000	1.250%	0.350%	2018	\$290,000	1.250%	0.950%
2014	270,000	1.250	0.450	2019	295,000	1.250	1.200
2015	275,000	1.250	0.600	2020	300,000	1.375	1.400
2016	280,000	1.250	0.650	2021	305,000	1.500	1.550
2017	285,000	1.250	0.800	2022	315,000	1.700	1.700

Bonds maturing on November 1, 2020 and thereafter, are subject to redemption prior to their stated dates of maturity at par, plus accrued interest to the date of redemption, either in whole on any date on or after November 1, 2019, or in part, in inverse order of maturity and by lot within a maturity on November 1, 2019, or on any Interest Payment Date thereafter.

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

The Bonds are offered subject to the final approval of the legality thereof by Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, Bond Counsel. It is expected that the Bonds will be available for delivery on or about November 29, 2012.

RAYMOND JAMES & ASSOCIATES, INC.

The date of this Official Statement is November 6, 2012.

No dealer, broker, salesman or other person has been authorized to make any representations with respect to the Bonds other than is contained in this Official Statement, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion contained herein are subject to changes without notice, and while all information has been secured from sources which are believed to be reliable, all parties preparing and distributing the Official Statement make no guaranty or warranty relating thereto. All opinions, estimates or assumptions, whether or not expressly identified, are intended as such and not as representations of fact. Neither the delivery of this Official Statement shall, nor any sale made hereunder, 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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Minutes, City of Southaven, Southaven, Mississippi

THE CITY OF SOUTHAVEN, MISSISSIPPI

Mayor
Charles G. Davis

Board of Aldermen

Lorine Cady
Ronnie Hale
George Payne
William Brooks
Ricky Jobs
Dr. Randy Huling
Greg Guy

City Clerk
Sheila Heath

City Attorney
Butler, Snow, O'Mara, Stevens & Cannada, PLLC
Ridgeland, Mississippi

Financial Advisor
Government Consultants, Inc.
Jackson, Mississippi

Bond Counsel
Butler, Snow, O'Mara, Stevens & Cannada, PLLC
Ridgeland, Mississippi

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OFFICIAL STATEMENT

\$2,875,000

GENERAL OBLIGATION BONDS

SERIES 2012

OF THE

CITY OF SOUTHAVEN, MISSISSIPPI

INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the sale of the \$2,875,000 General Obligation Bonds, Series 2012, dated November 1, 2012 (the "Bonds"), of the City of Southaven, Mississippi (the "City").

Reference is made to the Act as hereinafter defined, the Bond Resolution as hereinafter defined and any and all modifications and amendments thereof for a description of the nature and extent of the security of the Bonds, the pledge of tax revenues for the payment of the principal of and interest on the Bonds, the nature and extent of said pledge and the terms and conditions under which the Bonds are issued.

THE BONDS

Purpose and Authorization

The Bonds are being issued for the purpose of providing funds for erecting municipal buildings, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; and paying for the costs of issuance of the Bonds.

The Bonds will be issued pursuant to the provisions of Sections 21-33-301 et seq., Mississippi Code of 1972, as amended (the "Act"), and a Bond Resolution adopted by the Mayor and Board of Aldermen of the City (the "Governing Body") on October 16, 2012 (the "Bond Resolution").

In order to issue the Bonds, the Governing Body adopted a resolution declaring its intention to issue the Bonds and gave notice of such intention by publication of said resolution in a newspaper published in the City. If ten percent (10%), or fifteen hundred (1,500), whichever had been less, of the qualified electors of the City had filed a written protest against the issuance of the Bonds on or before the date specified in said resolution, an election on the question of the issuance of the Bonds would have been held. February 21, 2012, was set by the Governing Body as the date on or before which written protest was required to have been filed. No written protest having been received on or before said date, the Governing Body is now authorized and empowered by the Act to issue the Bonds without the necessity of calling and holding an election on the question of the issuance thereof.

Minutes, City of Southaven, Southaven, Mississippi

Security

The Bonds will 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 and continuing tax to be levied annually without limitation as to rate or amount upon the taxable property within the geographical limits of the City; provided, however, that such tax levy for any year shall be abated pro tanto to the extent the City on or prior to September 1 of that year has transferred money to the 2012 Bond Fund of the Bonds, or has made other provisions for funds, to be applied toward payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the City. The City, when necessary, 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 principal of and the interest on the Bonds as the same falls due.

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 officials who are guilty of willful neglect of duty may be removed from office.

Certain information relating to the City is set forth in "APPENDIX A - INFORMATION ON THE CITY" and certain financial information on the City is included in "APPENDIX C - BUDGETS" and in "APPENDIX D - AUDIT."

Form of the Bonds

The Bonds shall be dated November 1, 2012, shall be delivered in the denomination of Five Thousand Dollars (\$5,000) 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 be issued in fully registered form, and shall bear interest from the date thereof at the rate or rates specified herein, commencing November 1, 2013, and semiannually thereafter on May 1 and November 1 of each year.

Redemption Provisions

Bonds maturing on November 1, 2020, and thereafter, are subject to redemption prior to their stated dates of maturity at par, plus accrued interest to the date of redemption, either in whole, at any time, commencing November 1, 2019, or in part, in inverse order of maturity and by lot within a maturity on November 1, 2019, or on any Interest Payment Date thereafter.

Notice of redemption identifying the numbers of Bonds or portions thereof to be redeemed shall be given to the Registered Owners thereof by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption. Failure to mail or receive any such notice, or any defect therein or in the mailing thereof, shall not affect the validity of any proceedings for the redemption of Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been given, irrespective of whether received. If such

Minutes, City of Southaven, Southaven, Mississippi

written notice of redemption is made and if due provision for payment of the redemption price is made, all as provided above, the Bonds which are to be redeemed thereby automatically shall be deemed to have been redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the owner to receive the redemption price out of the funds provided for such payment. If at the time of mailing of any notice of redemption, there shall not be on deposit with the paying agent (the "Paying Agent") sufficient moneys to redeem all of the Bonds called for redemption, such notice shall state that it is subject to the deposit of moneys with the Paying Agent not later than on the redemption date and shall be of no effect unless such moneys are deposited.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be initially issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by the authorized representative of DTC. One fully-registered Bond certificate will be issued for the Bonds in the aggregate principal amount of the issue and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts the Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Minutes, City of Southaven, Southaven, Mississippi

~~Conveyance of notices and other communications by DTC to Direct Participants, by~~
Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices are to be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and divided payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the City or Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participates.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

So long as Cede & Co. is the registered holder of the Bonds as nominee of DTC, references herein to the Holders, holders, or registered owners of the Bonds mean Cede & Co. and not the Beneficial Owners of the Bonds.

THE CITY AND THE PAYING AGENT CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (I) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE BONDS; (II) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN BONDS; OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR

Minutes, City of Southaven, Southaven, Mississippi

INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE CITY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (3) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS; (4) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO BONDHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

RATING

Moody's Investors Services has assigned its municipal bond rating of "AA-" to the Bonds. Information on the rating may be obtained from the City Clerk. Such rating reflects only the views of such organization, and an explanation of the significance of the rating may be obtained only from said rating agency. The rating may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. Any downward revision, suspension or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

FINANCIAL ADVISOR

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

Although the Financial Advisor performed an active role in drafting of the Official Statement, it has not independently verified any of the information set forth herein. The information contained in this Official Statement has been obtained primarily from municipal records and from other sources which are believed to be reliable, including financial records of the City and other entities which may be subject to interpretation. No guarantee is made as to the accuracy or completeness of any information obtained from sources other than the City. Any summaries or excerpts of statutes, ordinances, resolutions or other documents do not purport to be complete statements of same and reference is made to such original sources in all respects.

TAX EXEMPTION

General

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met subsequent to delivery of the Bonds in order that the interest on the Bonds not be included in gross income of the registered owners for federal income tax purposes under Section 103 of the Code. The certificate as to non-arbitrage and other tax matters of the City, which will be delivered concurrently with the delivery of the Bonds, will contain provisions and procedures relating to compliance with such requirements of the Code. The City agrees, covenants and represents in the Bond Resolution that it will not make any use of the gross proceeds of the Bonds or amount that may be treated as proceeds of the Bonds or do or take or omit to take any other action that would cause: (i) the Bonds to be "arbitrage bonds" as such term is defined in Section 148(a) of the Code, and the Regulations promulgated thereunder; (ii) the interest on the Bonds to be included in the gross income of the registered owners for

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~~federal income taxation purposes; or (iii) the interest on the Bonds to be treated as an item of tax preference under Section 57(a)(5) of the Code.~~

Except as expressly stated in the following two paragraphs of this section, Bond Counsel will express no opinion as to any federal or state consequences of the ownership of, receipt of interest on, or disposition of the Bonds.

In the opinions of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, the Bond Counsel, under existing law, interest on the Bonds is not included in gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code and interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax that may be imposed on individuals and corporations. Such interest, however, is includable in the "adjusted current earnings" of certain corporations for purposes of computing the alternative minimum tax (see "Certain Federal Tax Information – Alternative Minimum Tax"). In rendering the foregoing opinion, Bond Counsel has assumed the compliance by the City with the tax covenants and representations in the Bond Resolution and the representations in the certificate as to non-arbitrage and other tax matters. These requirements relate to, *inter alia*, the use and investment of the gross proceeds of the Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds have resulted in a failure of the City to comply with its covenants. Failure of the City to comply with such covenants could result in the interest on the Bonds becoming subject to federal income tax from the date of issue. For federal tax information, see "Certain Federal Tax Information" herein.

Under existing law, Bond Counsel is of the opinion that, interest on the Bonds is exempt from all present taxes imposed by the State of Mississippi and any county, municipality or other political subdivision of the State of Mississippi, except for inheritance, estate and transfer taxes.

Certain Federal Tax Information

General. The following discussion of certain federal income tax matters is a summary of possible collateral tax consequences. It does not purport to deal with all aspects of federal taxation that may be relevant to particular registered owners. Further, the following discussion should not be construed as expressing an opinion of Bond Counsel as to any such matters, not specifically addressed in their opinion. **Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences in certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel does not express any opinion regarding such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors regarding collateral federal income tax consequences.**

Alternative Minimum Tax. The Code imposes an alternative minimum tax with respect to individuals and corporations on alternative minimum taxable income. A 20 percent alternative corporate minimum tax is imposed on corporations (other than S corporations, regulated investment companies, real estate investment trusts or real estate mortgage investment conduits, as such terms are defined in the Code). Interest on the Bonds is not treated as a preference item in calculating alternative minimum taxable income. The Code provides, however, that the corporation's alternative minimum taxable income is increased by 75 percent of the excess (if any) of (i) the "adjusted current earnings" of a corporation over (ii) its alternative minimum taxable income (determined without regard to this adjustment and the alternative tax net operating loss deduction). Interest on tax-exempt obligations, including the interest on the Bonds, would generally be included in computing a corporation's "adjusted current earnings." Accordingly, a portion of any interest on the Bonds received or accrued by a corporate registered owner will be included in computing such corporation's alternative minimum taxable income for such year.

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Financial Institutions. Section 265(b)(1) of the Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their otherwise allowable interest expense allocable to tax exempt obligations acquired after August 7, 1986 (other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code).

The City has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(C) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or carry "qualified tax-exempt obligations" is deductible.

Changes in Federal and State Tax Laws

From time to time, there are legislative proposals introduced and regulatory actions proposed or announced at the federal or state level that, if enacted, could alter or amend directly or indirectly relevant federal and state tax matters, including, without limitation, those mentioned hereinabove or could adversely affect the market value of the Bonds. It cannot be predicted whether or when or in what form any such legislative or regulatory proposal might be enacted or implemented or whether if enacted or implemented it would apply to tax exempt obligations issued prior to enactment or implementation. In addition, from time to time litigation is threatened or commenced which, if concluded in a particular manner, could adversely affect relevant tax matters or the market value of the Bonds. It cannot be predicted how any particular litigation or judicial action will be resolved or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending or proposed legislation, regulatory initiatives or litigation.

TAX TREATMENT OF ORIGINAL ISSUE DISCOUNT

The Bonds maturing on November 1 in the years 2020 through 2021 (the "Discount Bonds") are being offered and sold to the public at an original issue discount ("OID") from the amounts payable at maturity thereon. OID is the excess of the stated redemption price of a bond at maturity (the face amount) over the "issue price" of such bond. The issue price is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of bonds of the same maturity are sold pursuant to that initial offering. For federal income tax purposes, OID on bond will accrue over the term of the bond, and for the Discount Bonds, the amount of accretion will be based on a single rate of interest, compounded semiannually (the "yield to maturity"). The amount of OID that accrues during each semi-annual period will do so ratably over that period on a daily basis. With respect to an initial purchaser of a Discount Bond at its issue price, the portion of OID that accrues during the period that such purchaser owns the Discount Bond is added to such purchaser's tax basis for purposes of determining gain or loss at the maturity, redemption, sale or other disposition of that Discount Bond and thus, in practical effect, is treated as stated interest, which is excludable from gross income for federal income tax purposes.

Holders of Discount Bonds should consult their own tax advisors as to the treatment of OID and the tax consequences of the purchase of such Discount Bonds other than at the issue price during the initial public offering and as to the treatment of OID for state tax purposes.

TAX TREATMENT OF ORIGINAL ISSUE PREMIUM

The Bonds maturing on November 1 in the years 2013 through 2019 (the "Premium Bonds") have an issue price that is greater than the amount payable at maturity of such Premium Bonds. Any Premium Bonds purchased in the initial public offering at the issue price will have an "amortizable bond premium" within the meaning of Section 171 of the Code. A holder of a Premium Bond that has amortizable bond premium is not allowed any deductions for the amortizable bond premium. During each taxable year, a holder of a Premium Bond must reduce such holder's tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss

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~~upon a disposition (e.g., upon a sale, exchange, redemption or payment at maturity) of such Premium Bond.~~

Holders of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to tax consequences of owning such Premium Bonds.

Holders of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

CONTINUING DISCLOSURE

In the Bond Resolution authorizing the Bonds, the City has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under this agreement, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the (i) (a) Municipal Securities Rulemaking Board (the "MSRB") through MSRB's Electronic Municipal Market Access system at www.emma.msrb.org ("EMMA"), in the electronic format then prescribed by the Securities and Exchange Commission (the "SEC") (the "Required Electronic Format") pursuant to Rule 15c2-12, as amended from time to time (the "Rule") of the SEC, together with any identifying information or other information then required to accompany the applicable filing (the "Accompanying Information"), and (b) in the future, any successor repository or repositories prescribed by the SEC for the purpose of serving as repository under the Rule (together (a) and (b) are the "National Repository"); and (ii) any public or private repository or entity designated by the State as a State repository for the purposes of the Rule (the "State Repository" and together with the National Repository, the "Repository"), together with any identifying information or other information then required to accompany the applicable filing (the "Accompanying Information"). As of the date of this Official Statement there is no State Repository. This information will be available free to securities brokers and others through EMMA.

Annual Reports

The City will provide certain updated financial information and operating data annually to each Repository, together with any Accompanying Information. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement in APPENDIX A under the headings "ECONOMIC AND DEMOGRAPHIC INFORMATION," "TAX INFORMATION" and "DEBT INFORMATION" and other financial information set forth in APPENDICES C and D. The City will update and provide this information within six months after the end of each fiscal year of the City ending in or after September 30, 2013.

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

The City's current fiscal year end is September 30. Accordingly, it must provide updated information by March 31 in each year, unless the City changes its fiscal year. If the City changes its fiscal year, it will notify each Repository, together with any Accompanying Information, of the change.

Anyone requesting information under the continuing disclosure requirements of the Rule, should contact the City Clerk, City Hall, 8710 Northwest Drive, Southaven, Mississippi 38671. Telephone Number: (662) 280-2489.

Material Event Notices

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The City will also provide notice to the MSRB in the Required Electronic Format through EMMA, together with any Accompanying Information, in a timely manner not in excess of ten business days after the occurrence of certain events. The City will provide notice of any of the following events with respect to the Bonds, in a timely manner not in excess of ten business days after the occurrence of such event: (1) principal and interest payment delinquencies; (2) unscheduled draws on debt service reserves, reflecting financial difficulties; (3) unscheduled draws on credit enhancements, reflecting financial difficulties; (4) substitution of credit or liquidity providers for the Bonds; or their failure to perform; (5) adverse tax opinions, IRS notices or events affecting the tax status of the Bonds; (6) defeasances; (7) rating changes; (8) tender offers; and (9) bankruptcy, insolvency receivership, or a similar proceeding by the obligated person. The City will provide to the MSRB in the Required Electronic Format through EMMA, together with any Accompanying Information, notice of an occurrence of the following events, if such event is material to a decision to purchase or sell Bonds, in a timely manner not in excess of ten business days after the occurrence of an event: (1) non-payment related defaults; (2) modifications to the rights of bond holders; (3) bond calls or redemption; (4) release, substitution, or sale of property securing repayment of the Bonds; (5) the consummation of a merger, consolidation, acquisition involving an obligated person, other than in the ordinary course of business, or the sale of all or substantially all the assets of an obligated person, other than in the ordinary course of business, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms; and (6) appointment of a successor or additional trustee, or the change in the name of the trustee. In addition, the City will provide timely notice of any failure by the City to provide information, data, or financial statements in accordance with its agreement.

Availability of Information from Each Repository

The City has agreed to provide the foregoing information to each Repository, together with any Accompanying Information. The information will be available free to holders of Bonds through EMMA.

As of the date of this Official Statement, the State of Mississippi has not designated a State Repository.

Limitations and Amendments

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

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

For a summary of the City's undertaking, see "APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto.

Compliance with Prior Undertaking

The City is currently in compliance with all of its undertakings. There have been some instances in the previous five years in which the City has failed to comply, in all material

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~~respects, with previous written undertakings of the City to provide continuing disclosure. The~~
City is required by statute to cause an annual audit (the "Annual Audit") to be made by a competent accountant or accountants. Because the Annual Audit has not always been timely performed, there have been instances in the previous five years when the City's annual reports have not been filed on a timely basis as required by previous undertakings of the City.

MISCELLANEOUS AND LEGAL INFORMATION

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 obligations of the City is past due.

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.

Pension Plan

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

No-Litigation Certificate

The attorney for the Mayor and Board of Aldermen will execute and deliver to the initial purchaser(s) of the Bonds a certificate dated as of the date of delivery that no litigation has been filed or is then pending to restrain or enjoin the issuance or delivery of the Bonds, or which would affect the provisions made for the payment of the principal of and interest on the Bonds or in any manner questioning the validity of the Bonds.

Validation

The Bonds will be validated before the Chancery Court of DeSoto County, Mississippi (the "County"), as provided by Sections 31-13-1 to 31-13-11, Mississippi Code of 1972, as amended.

Approval of Legal Proceedings

All legal matters in connection with the authorization and issuance of the Bonds are subject to the final unqualified approval of the legality thereof by Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, Bond Counsel. The form of the opinion of Bond Counsel is attached hereto as APPENDIX F and will be available in final form at the time of delivery of the Bonds. No representation is made to the registered owners of the Bonds that such 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.

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.

The information contained in this Official Statement has been taken from sources considered reliable, but is not guaranteed. To the best of our knowledge, information in this Official Statement does not include any untrue statement of material fact; nor does the information omit the statement of any material fact required to be stated therein or necessary to

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~~make the statements therein in the light of the circumstances under which they were made, not misleading.~~

The successful bidder shall file the Official Statement with the National Repository at the earliest practicable date after the date of delivery of the Bonds. The end of the underwriting period shall mean the earlier of (a) the date of the closing unless the City has been notified in writing to the contrary by the representative of the successful bidder on or prior to such date, or (b) the date on which the "end of the underwriting period" for the Bonds has occurred under SEC Rule 15c2-12. The successful bidder shall notify the City of the date which is the "end of the underwriting period" within the meaning of the SEC Rule 15c2-12.

CITY OF SOUTHAVEN, MISSISSIPPI

/s/ Charles G. Davis
MAYOR

/s/Sheila Heath
CITY CLERK

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APPENDIX A

Minutes, City of Southaven, Southaven, Mississippi

INFORMATION ON THE CITY
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ECONOMIC AND DEMOGRAPHIC INFORMATION

General Description

Southaven, Mississippi is located in the north central part of DeSoto County (the "County"), which lies just south of the Tennessee border and east of the Mississippi River and Tunica County, Mississippi. The City is approximately five miles south of Memphis, Tennessee, and 200 miles northeast of Jackson, Mississippi, the state capital.

Southaven began as a part of Whitehaven, Tennessee, which was then an unincorporated suburb of Memphis. Whitehaven was annexed by Memphis, and the Mississippi portion of the suburb was incorporated in 1980. Since then, the City has doubled its land area, and its population has nearly tripled. It is one of the fastest growing cities in the southeast United States. Industries have been attracted to the area by the healthy economic environment and by the availability of a qualified labor force. These factors have helped make the City the business hub of DeSoto County; one of the highest grossing Wal-Mart in the entire chain is located in the City as is the nation's largest Sam's Wholesale Club. The nation's largest youth baseball complex, Snowden Grove Park, was completed in 2000 and brings to the area over 200,000 players and over 500,000 spectators per year.

Population

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

1980	1990	2000	2010
16,441	17,949	28,977	48,982

¹Unincorporated

SOURCE: Censuses Data information at website: www.census.gov; November, 2012.

Government

The Governing Body of the City is comprised of the Mayor and a seven-member Board of Aldermen, in whom the City's legislative powers are vested. The Mayor has the superintending control of all offices and affairs of the City and has the duty to see that the laws and ordinances of the City are executed. The Mayor and one of the Aldermen are elected at large; the other Aldermen are each elected from one of the City's six wards. All are elected for concurrent four year terms, and are not limited in the number of terms they may serve.

The members of the Governing Body are:

Name	Occupation	Position Held Since
Charles G. Davis	Full-time Mayor	June, 1997
Lorine Cady	Homemaker	June, 1985
Ronnie Hale	Businessman	June, 2009
George Payne	Media	June, 2009
William Brooks	Retired Military	June, 2009
Ricky Jobes	Salesman	June, 1993
Dr. Randy Huling	Physician	June, 1997
Greg Guy	Business owner	June, 1997

Transportation

Highways: Interstate Highway 55 provides a four-lane north/south corridor and is being upgraded to eight or 10 lanes from Stateline Road in the City to the City of Hernando. U.S. Highway 51 also runs north/south through the City. U.S. Highways 61 and 78 traverse other

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parts of the County. State Highways 301 and 302 and a number of county roads provide access to outlying areas.

Railroad: BNSF Railway and Canadian National-Illinois Central Railroad serve as the County's rail lines. All six Class I rail systems serve Memphis, Tennessee and all have intermodal yards in the metro area.

Air Service: The nearest commercial airport is Memphis International Airport, served by nine major airlines and three commuter airlines, with more than 300 daily passenger flights. Memphis is also the number one cargo hub in the world – home to the FedEx Super Hub, a major UPS hub and an RPS sort facility.

Waterways: The nearest port is the Port of Memphis, which has a channel depth of nine feet and is located 12 miles away on the Mississippi River, in Shelby County, Tennessee. It is the fourth-largest inland port in the U.S. and ranks first in the nation in foreign import tonnage. More than 30 international freight forwarders operate in Memphis.

Motor Freight Carriers: The County is home to 195 truck terminals and several companies have hubs in the area, as the City lies within the Memphis commercial delivery zone.

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County Employment

	2011	2010	2009	2008	2007
RESIDENCE BASED EMPLOYMENT					
I. Civilian Labor Force	80,740	78,640	77,630	78,300	76,670
II. Unemployed	6,440	6,180	5,480	3,760	3,100
Rate	8.0	7.9	7.1	4.8	4.0
III. Employed	74,300	72,460	72,150	74,540	73,570
ESTABLISHMENT BASED EMPLOYMENT					
I. Manufacturing	3,810	3,550	4,320	5,300	5,710
II. Non-manufacturing	43,580	42,910	41,360	42,710	42,630
A. Agriculture, Forestry, Fishing & Hunting	80	90	70	80	80
B. Mining	30	30	30	30	30
C. Utilities	160	90	90	110	120
D. Construction	1,660	1,920	2,130	2,810	3,190
E. Wholesale Trade	3,510	3,290	3,220	2,970	2,730
F. Retail Trade	7,450	7,260	7,240	7,690	7,800
G. Transportation & Warehousing	5,650	5,410	4,560	4,460	4,280
H. Information	200	190	230	240	210
I. Finance & Insurance	900	960	980	1,000	1,010
J. Real Estate, Rental & Leasing	560	600	660	680	670
K. Prof., Scientific & Technical Service	860	910	910	930	1,010
L. Management of Companies & Entertainment	10	10	20	20	10
M. Administrative Support & Waste Management	3,510	3,220	2,670	3,350	3,790
N. Educational Services	200	230	170	150	130
O. Health Care & Social Assistance	5,030	4,880	4,710	4,490	4,210
P. Arts, Entertainment & Recreation	660	600	570	610	570
Q. Accommodation & Food Service	6,210	6,060	5,930	6,130	6,060
R. Other Services (except Public Administration)	900	880	850	900	910
S. Government	6,000	6,280	6,320	6,060	5,820
Education	3,490	3,720	3,760	3,640	3,550
III. Total Nonagricultural Employment	47,390	46,460	45,680	48,010	48,340

SOURCE: Mississippi Department of Employment Security: Annual Averages: Labor Force and Establishment Based Employment 2001-2010 and 2011 Forward, Labor Market Information Department at website: www.mdes.ms.gov, November, 2012.

Per Capita Income

Year	County	Mississippi	United States	County as % Of U.S.
2010	\$32,261	\$31,071	\$39,937	80%
2009	31,184	30,045	38,846	80
2008	32,613	30,945	40,947	79
2007	32,635	29,568	39,506	82
2006	31,683	27,917	37,725	83

SOURCE: Bureau of Economic Analysis: Regional Economic Accounts at website: www.bea.gov, 2006-2010; November, 2012.

Major Employers

The following is a partial listing of major employers in the County, their products or services and their approximate number of employees:

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Employer	Employees	Product/Service
DeSoto County School District	3,000	Education
Baptist Memorial Hospital	1,627	Hospital
Dizzy Dean Baseball, Inc.	1,000	Sports and recreation club
Wal-Mart	500	Department store
District Transportation & Sec.	500	Transportation
Quebecor Printing	450	Printers
Associated Wholesale Grocers	350	Grocers-wholesale
Parts Distribution	350	General freight trucking
City of Southaven	300	City Government
DeSoto County Civic Center	300	Convention and meeting center
Future Electronics	300	Electronic equipment & supplies
Kawneer Co. Inc.	300	Aluminum extruded products
Landau Uniforms	300	Uniform manufacturer
Thomas & Betts Corp.	300	Lighting Fixtures-wholesale

SOURCE: Mississippi Development Authority; November, 2012.

Retail Sales for the City

State Fiscal Year Ended June 30	Amount
2011	\$957,901,876
2010	910,561,229
2009	950,312,117
2008	972,366,414
2007	954,549,860

SOURCE: Annual Reports for years indicated, Mississippi Department of Revenue website: www.dor.ms.gov; November, 2012.

Educational Facilities

The City schools are part of the DeSoto County School District, which is the largest and fastest growing school district in the State. Its Gifted Instructional Program also has the largest enrollment of any such program in the State. The School District operates 24 elementary and intermediate schools, 8 middle schools, and 8 high schools, in addition to a vocational complex and an alternative center. The County is credited with having one of the best technical preparatory programs in the State. Also, thanks to the State's Computers in the Classroom initiative, every classroom in the School District is equipped with computers and internet accessibility, as well as opportunities for distance learning. The high schools are all on block scheduling, which allows more advanced students to complete higher level courses and to earn college credits through dual enrollment and offers remediation to students who are experiencing difficulties. All schools are accredited by the Southern Association of Colleges and Schools and by the State, and about 87% of the County's high school graduates attend college. Total enrollment for the School District for the 2011-2012 scholastic year and for preceding years is as follows:

Scholastic Year	Enrollment
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2011-2012	32,053
2010-2011	31,916
2009-2010	31,228
2008-2009	30,616
2007-2008	29,886

SOURCE: DeSoto County School District and Office of Research and Statistics, Mississippi Department of Education's website:
<http://orsap.mde.k12.ms.us/MAARS/index.jsp>; November, 2012.

Banking Institutions

Institutions	2011 Total Assets
BancorpSouth ¹	\$13,362,287,000
BankPlus ²	2,194,291,000
The Citizens National Bank of Meridian ³	1,134,789,000
Community Bank, North Mississippi ⁴	491,611,000
Covenant Bank ⁵	234,993,000
Desoto County Bank ⁶	81,115,000
First Security Bank ⁷	523,616,000
First Tennessee Bank NA ⁸	24,789,384,000
M&F Bank ⁹	1,618,092,000
Regions Bank ¹⁰	127,050,000
Renasant Bank ¹¹	4,253,448,000
SunTrust Bank ¹¹	176,859,000,000
Sycamore Bank ¹²	178,908,000
Trustmark National Bank ¹³	9,586,788,000
Wells Fargo Bank, National Association ¹⁴	1,313,867,000,000

SOURCE: Mississippi Bank Directory, Mississippi Bankers Association, 2011-2012 edition;

¹ Head office in Tupelo, Mississippi

² Head office in Ridgeland, Mississippi

³ Head office in Meridian, Mississippi

⁴ Head office in Amory, Mississippi

⁵ Head office in Clarksdale, Mississippi

⁶ Head office in Horn Lake, Mississippi

⁷ Head office in Batesville, Mississippi

⁸ Head office in Memphis, Tennessee, assets as of 12/31/11, obtained from Bank's 2011 Annual Report.

⁹ Head office in Kosciusko, Mississippi

¹⁰ Head office in Birmingham, Alabama, assets as of 12/31/11, obtained from Bank's 2011 Annual Report.

¹¹ Head office in Atlanta, Georgia, assets as of 12/31/11, obtained from Bank's 2011 Annual Report.

¹² Head office in Senatobia, Mississippi

¹³ Head office in Jackson, Mississippi

¹⁴ Head office in Sioux Falls, South Dakota, assets as of 12/31/11, obtained from Bank's 2011 Annual Report.

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TAX INFORMATION

Assessed Valuation

Assessment Year	Real Property	Personal Property ¹⁵	Public Utility Property	Total
2012	\$347,692,132	\$173,432,380	\$10,822,106	\$531,946,618
2011	347,139,528	163,571,760	9,685,865	520,397,153
2010	341,298,918	105,219,105	8,749,749	446,518,023 ¹⁶
2009	336,539,614	109,201,432	10,910,702	456,651,748
2008	308,279,210	111,291,089	9,797,484	429,367,783
2007	278,610,676	104,230,565	9,859,381	392,700,622

SOURCE: Office of the County Tax Assessor.

Procedure for Property Assessments

The Tax Assessor of DeSoto County assesses all real and personal property subject to taxation in the County, including property in the City, except motor vehicles and property owned by public service corporations, both of which are required by law to be assessed by the State Tax Commission.

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

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

Procedure for Tax Collections

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

The Mayor and Board of Aldermen, acting for and on behalf of the City, are required under the Act and the Bond Resolution to annually levy a special tax upon all taxable property within the City sufficient to provide for the payment of the principal of and the interest on the Bonds. If any taxpayer neglects or refuses to pay his taxes on the due date thereof, the unpaid taxes will bear interest at the rate of 1% per month or fractional part thereof from the delinquent date to the date of payment of such taxes. When enforcement officers take action to collect

¹⁵ Personal Property includes automobiles, other motor vehicles and mobile homes.

¹⁶ Decrease is the result in fewer automobile purchases and a decrease in public utility property value.

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~~delinquent taxes, other fees, penalties and costs may accrue. Both real property and personal property are subject to public tax sale.~~

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

History of Assessed Valuation

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

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

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

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

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

Rule 6 of the Commission's Property Tax Bureau set the tax roll year 1997 as a year of developing and adopting standards and minimum requirements for maintenance of property appraisal. Each county was to prepare a base property sales file and establish an update cycle of no more than four years, during which 100% of the tax parcels would be physically observed and notated on the county's property records. The Tax Commission has statutory authority to monitor each county's progress and to assure that each county's assessment records comply with acceptable standards.

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

Homestead Exemption

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

Those homeowners who qualify for homestead exemption and who have reached the age of sixty-five (65) years on or before January 1 of the year for which the exemption is claimed, service-connected, totally disabled American veterans who were honorably discharged from military services, and those classified as disabled under the federal Social Security Act are exempt from any and all ad valorem taxes on qualifying homesteads not in excess of \$7,500 of assessed value. The tax loss resulting to the City from homestead exemptions is reimbursed by the State Tax Commission. However, in any year the City will not be reimbursed an amount in excess of one hundred six percent (106%) of the total net reimbursement made to the City in the previous year nor may any exemption exceed \$200.00 per qualified applicant.

Tax Levy per \$1000 Valuation*

(Year in Which Taxes Levied)

	2012	2011	2010	2009	2008	2007
General Purpose	23.12	20.38	20.38	20.18	19.78	20.78
General Obligation Bond & Int. Sinking Fund	14.61	16.60	16.60	16.80	17.20	17.20
Library	0.00	0.75	0.75	0.75	0.75	0.75
Sanitation	6.00	6.00	6.00	6.00	6.00	6.00
Total	43.73	43.73	43.73	43.73	43.73	44.73

*Tax Levy is shown in mills.

SOURCE: Office of the City Administrator.

DEBT INFORMATION

Legal Debt Limit Statement

(as of November, 2012)

	* 15% Debt	20% Debt
Authorized Debt Limit (Last Completed Assessment for Taxation (\$531,946,618))	\$79,791,992	\$106,389,323
Present Debt Subject to Debt Limits	40,315,000	40,315,000
Less this Offering	2,875,000	2,875,000
Margin for Further Debt Under Debt Limits		

General Statutory Debt Limits Provisions

The City is subject to a general statutory debt limitation under which no municipality in the State may incur general obligation bonded indebtedness in an amount which will exceed 15

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percent of the assessed value of the taxable property within such municipality according to the last completed assessment for taxation. In computing general obligation bonded indebtedness for purposes of such 15 percent limitation, there may be deducted all bonds or other evidences of indebtedness issued for school, water and sewerage systems, gas and light and power purposes and for the construction of special improvements primarily chargeable to the property benefitted, or for the purpose of paying a municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefitted.

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

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

Outstanding General Obligation Bonded Debt

(as of November, 2012)

Issue	Date of Issue	Original Principal	Outstanding Principal
G.O. Bonds	09/01/98	\$1,700,000	\$155,000
Public Improvement Bonds ¹⁷	12/01/04	4,500,000	610,000
Public Improvement Bonds	12/01/05	4,500,000	3,550,000
Public Improvement Bonds	07/01/07	6,000,000	4,950,000
Public Improvement Bonds	07/01/08	4,000,000	3,465,000
G.O. Notes	12/01/08	3,300,000	1,410,000
G.O. Refunding Bonds	04/16/09	6,665,000	5,675,000
G. O. Bonds	02/26/10	6,000,000	5,610,000
G.O. Refunding Bonds	04/15/10	3,595,000	2,925,000
G.O. Refunding Bonds	11/30/10	3,225,000	3,020,000
G.O. Refunding Bonds	02/17/11	3,505,000	3,195,000
G.O. Refunding Bonds	10/31/12	2,735,000	2,735,000
G.O. Refunding Bonds, 2012A	10/31/12	3,015,000	3,015,000
Total			\$40,315,000

SOURCE: Office of the City Administrator.

¹⁷A portion of these Bonds will be paid on October 31, 2012 with the City's \$3,015,000 General Obligation Refunding Bonds, Series 2012A, dated October 31, 2012.

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Additional Bonded Debt (not subject to Debt Limits)¹⁸

(as of November 1, 2012)

Issue	Date of Issue	Original Principal	Outstanding Principal
Water & Sewer	08/01/07	5,400,000	4,475,000
Total			\$4,475,000

Other Long-Term Debt

(as of November, 2012)

Issue	Date of Issue	Outstanding Principal
Mississippi Development Bank Loan ¹⁹	07/01/03	\$2,645,000
Mississippi Development Bank Loan ²⁰	03/01/04	3,175,000
Mississippi Development Bank Loan ²¹	03/01/06	7,710,000
Mississippi Development Bank Loan ²²	11/07/06	3,210,000
Mississippi Development Bank Loan ²³	02/01/09	5,675,000
Total		\$22,415,000

SOURCE: Office of the City Administrator.

Other Outstanding Debt

The City also has outstanding approximately \$2,000,000 in tax increment limited obligation bonds, secured solely by the tax revenue received from the five projects, which are subject to neither the 15 nor 20 percent debt limitations, pursuant to Section 21-45-9, Mississippi Code of 1972.

Also, the City has entered into an agreement with the Mississippi Development Authority for loans under the local government's capital improvements revolving loan program. The loan balance as of September 30, 2010 was \$1.9 million, and is subject to neither the 15 nor 20 percent debt limitation.

The City has entered into lease purchase agreements which are subject to annual appropriations and they are subject to neither the 15 nor 20 percent debt limitation.

The City entered into a promissory note with BancorpSouth Bank on February 1, 2005 for the purposes of purchasing land for parks, improving, equipping and adorning the same, and purchasing buildings to be used as a park and recreational facility. The City anticipates issuing General Obligation Refunding Bonds to prepay the outstanding note this year.

¹⁸ The debt shown in the chart above constitutes debt incurred by revenue producing projects of the City. The current outstanding revenue producing debt was incurred in connection with the water and sewer system, and such debt is paid with revenues of the City derived from the operation of the water and sewer system. Such bonds and the interest thereon are limited obligations of the City and do not constitute nor give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers.

¹⁹ The City borrowed \$4,000,000 on July 1, 2003 from the Mississippi Development Bank (the "Bank") in order to fund a portion of the cost of recreation facilities within the City. This loan is payable from legally available revenues of the City, including tax monies, backed by agreements which provide for the intercept of local taxes from the State Tax Commission, and further secured by a Financial Guaranty Insurance Policy and a Surety Bond. The loans are exempt from the 15% and the 20% debt limitations.

²⁰ The City borrowed \$4,500,000 on March 1, 2004 from the Mississippi Development Bank (the "Bank") in order to fund a portion of the cost of recreation facilities within the City. This loan is payable from legally available revenues of the City, including tax monies, backed by agreements which provide for the intercept of local taxes from the State Tax Commission, and further secured by a Financial Guaranty Insurance Policy and a Surety Bond. The loans are exempt from the 15% and the 20% debt limitations.

²¹ The City borrowed \$9,000,000 from the Bank on March 1, 2006 for improvements in the water and sewer systems. The loan is secured by revenues of the City derived from the operation of the water and sewer system. The bonds and the interest thereon are limited obligations of the City and do not constitute or give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers.

²² The City borrowed \$4,185,000 from the Bank on November 7, 2006 to refund a portion of the loan made to it by the Bank on March 1, 2000, which loan funded a portion of the cost of recreation facilities within the City. The 2006 loan is payable from legally available revenues of the City, including tax monies, backed by an agreement which provides for the intercept of local taxes from the State Tax Commission, and further secured by a Financial Guaranty Insurance Policy and a Surety Bond.

²³ The City borrowed \$6,500,000 from the Bank on February 1, 2009 for improvements in the water and sewer systems. The loan is secured by revenues of the City derived from the operation of the water and sewer system. The bonds and the interest thereon are limited obligations of the City and do not constitute or give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers.

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Annual Debt Service Requirements

General Obligation Bonds						
FY Ending September 30	Existing Debt			New Issue		
	Principal	Interest	Total	Principal	Interest	Total
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
Total:						

General Obligation Bonded Debt

	Fiscal Year Ended September 30				
	2012	2011	2010	2009	2008
Obligation Bonds (09/01/98)	\$ 155,000	\$ 300,000	\$ 440,000	\$ 575,000	\$ 710,000
Obligation Public Improvement Bonds	3,365,000	3,550,000	3,730,000	3,900,000	4,080,000
Obligation Public Improvement Bonds	3,550,000	3,730,000	3,900,000	4,060,000	4,240,000
Obligation Public Improvement Bonds	4,950,000	5,180,000	5,390,000	5,610,000	5,830,000
Obligation Public Improvement Bonds	3,465,000	3,610,000	3,745,000	3,875,000	4,010,000
Obligation Notes (12/01/08)	1,410,000	2,070,000	2,700,000	3,300,000	3,900,000
Obligation Refunding Bonds (04/16/09)	5,675,000	6,250,000	6,565,000	6,665,000	6,765,000
Obligation Bonds (02/26/10)	5,610,000	5,810,000	6,000,000	-0-	-0-
Obligation Refunding Bonds (04/15/10)	2,925,000	3,280,000	3,595,000	-0-	-0-

²⁴ To be refunded with the City's General Obligation Refunding Bonds, Series 2012A.

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ation Refunding Bonds (11/30/10)	3,020,000	3,225,000	-0-	-0-	
ation Refunding Bonds (02/17/11)	3,195,000	3,505,000	-0-	-0-	
	\$37,320,000	\$40,510,000	\$36,065,000	\$27,985,000	\$18,790,000

Debt Ratios

FY Ended September 30	General Obligation Debt	General Obligation Debt to Assessed Value
2012	37,320,000	7.15%
2011	40,510,000	9.07
2010	36,065,000	7.90
2009	27,985,000	6.52
2008	18,790,000	4.78

Overlapping General Obligation Indebtedness

(as of November, 2012)

	2010 Population	Current Assessed Valuation	General Obligation Bonded Debt	General Obligation Bonded Debt Per Capita
DeSoto County	161,252	\$1,569,717,013	\$94,625,000	\$586.81

	Current Assessed Valuation	Total General Obligation Bonded Debt
DeSoto County School District	\$1,569,717,013	\$147,739,000

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APPENDIX B

NOTICE OF BOND SALE [THIS PAGE LEFT BLANK INTENTIONALLY] NOTICE OF BOND SALE \$2,875,000 GENERAL OBLIGATION BONDS SERIES 2012 OF THE CITY OF SOUTHAVEN, MISSISSIPPI

Sealed proposals will be received and opened by the City Clerk of the City of Southaven, Mississippi, in her office in the City Hall until the hour of 3:00 o'clock p.m. on the 6th day of November, 2012 for subsequent presentation to the Mayor and Board of Aldermen of the City of Southaven, Mississippi (the "Governing Body" of the "City"), in its meeting place in the City Hall of the City at a meeting scheduled for 6:00 o'clock p.m. on said date, at which time said bids will be publicly 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 Two Million Eight Hundred Seventy Five Thousand Dollars (\$2,875,000) principal amount General Obligation Bonds, Series 2012, of the City (the "Bonds").

The Bonds will be dated November 1, 2012, will be delivered in the denomination of Five Thousand Dollars (\$5,000) each, or integral multiples thereof up to the amount of a single maturity, will be numbered from one upward; will be issued in fully registered form; and will bear interest from the date

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thereof at the rate or rates offered by the successful bidder in its bid, payable on May 1 and November 1 in each year (each an "Interest Payment Date"), commencing November 1, 2013. The Bonds will mature serially on November 1 in each year and in the principal amounts as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
2013	\$260,000	2018	\$290,000
2014	270,000	2019	295,000
2015	275,000	2020	300,000
2016	280,000	2021	305,000
2017	285,000	2022	315,000

Bonds maturing on November 1, 2020 and thereafter, are subject to redemption prior to their stated dates of maturity at par, plus accrued interest to the date of redemption, either in whole on any date on or after November 1, 2019, or in part, in inverse order of maturity and by lot within a maturity on November 1, 2019, or on any Interest Payment Date thereafter.

The City will appoint the Paying and Transfer Agent for the Bonds after receiving the recommendation of the successful bidder. The Paying and Transfer Agent shall be a bank or trust company with a main office or branch located within the City. The Paying Agent and/or Transfer Agent shall be subject to change by order of the Governing Body under the conditions and in the manner provided in the Bond Resolution under which the Bonds are issued.

The successful bidder must deliver to the Transfer Agent within thirty (30) days of the date of sale, or at such other later date as may be designated by the City, 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 to the Transfer Agent by 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.

Both principal of and interest on the Bonds will be payable by check or draft mailed on the Interest Payment Date to Registered Owners of the Bonds as of the 15th 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 Transfer Agent. Payment of principal at maturity shall be conditioned on the presentation and surrender of the Bonds at the principal office of the Transfer Agent.

The Bonds will be transferable only upon the records of the City maintained by the Transfer Agent.

The Bonds shall not bear a greater overall maximum interest rate to maturity than eleven percent (11%) per annum, and shall mature in the amounts and on the dates hereinabove set forth; no Bond shall bear more than one (1) rate of interest; each Bond shall bear interest from its date to its stated maturity date at the interest rate or rates specified in the bid; all Bonds of the same maturity shall bear the same rate of interest from date to maturity. The lowest interest rate specified shall not be less than seventy percent (70%) of the highest interest rate specified; each interest rate specified must be an even 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 cannot be named. The interest rate for any one maturity shall not exceed eleven percent (11%) per annum.

The Bonds are being issued for the purpose of providing funds for erecting municipal buildings, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; and paying for the costs of issuance of the Bonds.

The Bonds will 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 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; provided, however, that such tax levy for any year shall be abated pro tanto to the extent the City on or prior to September 1 of that year has transferred money to the 2012 Bond Fund of the Bonds, or has made other provisions for funds, to be applied toward payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the City. The City, when necessary, 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.

The City did designate the Bonds as qualified tax-exempt obligations within the meaning and for the purposes of Section 265(b)(3) of the Code.

Proposals should be addressed to the Mayor and Board of Aldermen and should be plainly marked "Proposal for General Obligation Bonds, Series 2012, of the City of Southaven, Mississippi," and should be filed with the Clerk of the City on or prior to the date and hour hereinabove named.

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~~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 City of Southaven, Mississippi, in the amount of Fifty Seven Thousand Five Hundred Dollars (\$57,500.00) as a guaranty that the bidder will carry out its contract and purchase the Bonds if its bid be accepted. 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 on the amount of the good faith deposit. All checks of unsuccessful bidders will be returned immediately on award of the Bonds. All proposals shall remain firm for three hours after the time specified for the opening of proposals and an award of the Bonds, or rejection of proposals, will be made by the City within said period of time.

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. The net interest cost will 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 proposal 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 proposal.

The Governing Body reserves the right to reject any and all bids submitted and to waive any irregularity or informality.

The obligation of the purchaser to purchase and pay for the Bonds is conditioned on the delivery, at the time of settlement of the Bonds, of the following: (1) the approving legal opinion of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi, Bond Counsel, to the effect that the Bonds constitute valid and legally binding obligations of the City payable from 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 to the effect that the interest on the Bonds is exempt from Federal and 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; and (2) the delivery of certificates in form and tenor satisfactory to Bond Counsel evidencing the proper execution and delivery of the Bonds and receipt of payment therefor, including a statement of the City, dated as of the date of such delivery, to the effect that there is no litigation pending or, to the knowledge of the signer or signers thereof, threatened relating to the issuance, sale and delivery of the Bonds. A copy of said approving legal opinion will appear on or accompany the Bonds.

Delivery of the Bonds is expected to be made within sixty (60) days after the aforesaid date of sale of the Bonds at a place to be designated by the purchaser and without cost to the purchaser. Simultaneously with the delivery of the Bonds, the purchaser shall furnish to the City a certificate, in form acceptable to Bond Counsel, stating that: (i) it purchased the Bonds as an investment for its own account and not with a view toward distribution or resale in the capacity of a bond house, broker, or intermediary; or (ii) pursuant to a bona fide public offering of all of the Bonds, it sold a substantial amount (ten percent (10%), or more, in par amount) of each maturity of the Bonds to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at or below the initial public offering prices set forth in such certificate. The purchaser shall also furnish a certificate, in form acceptable to Bond Counsel, setting forth the yield on the Bonds and issue price thereof, calculated in accordance with the requirements of the Code.

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.

The City has covenanted in its Bond Resolution that under SEC Rule 15c2-12, the City will deliver or cause to be delivered annually, commencing with the fiscal year of the City ending on September 30, 2012, to each "nationally recognized municipal securities information repository," within the meaning of SEC Rule 15c2-12, and certain other entities described in SEC Rule 15c2-12 (said repositories and other entities are collectively referred to as the "Repositories"), (i) annual financial information and operating data relating to the City, including audited financial statements of the City and (ii) notice of certain events, if any, relating to the Bonds and the City, if the City deems such events to be material, as set forth in SEC Rule 15c2-12. Anyone requesting information under the continuing disclosure requirements of SEC Rule 15c2-12 should contact the City Clerk, City Hall, 304 Highway 51 South, Southaven, Mississippi 39157 Telephone Number: (601) 856-7113.

The Preliminary Official Statement, dated October 16, 2012, has been "deemed final" as of such date by the City with permitted omissions, subject to change without notice and to completion or

Minutes, City of Southaven, Southaven, Mississippi

~~modification in a final Official Statement (the "Official Statement"). The City will make available to the~~
successful bidder a reasonable number of Official Statements within seven (7) business days (excluding Saturdays, Sundays and national holidays) of the award of the Bonds. The successful bidder shall conform to the requirements of Securities Exchange Act 15c2-12 ("SEC Rule 15c2-12"), including an obligation, if any, to update the Official Statement and shall bear all costs relating thereto. During the period from the delivery of the Official Statement to and including the date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as described below) the City shall notify the successful bidder if any event of which it has knowledge shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The successful bidder shall file the Official Statement with a nationally recognized municipal securities information repository (a "Repository") at the earliest practicable date after the date of delivery of the Bonds. The end of the underwriting period shall mean the earlier of (a) the date of the Closing unless the City has been notified in writing to the contrary by the representative of the successful bidder on or prior to such date, or (b) the date on which the "end of the underwriting period" for the Bonds has occurred under SEC Rule 15c2-12. The successful bidder shall notify the City of the date which is the "end of the underwriting period" within the meaning of the SEC Rule 15c2-12.

By order of the Board of Aldermen of the City of Southaven, Mississippi, on October 16, 2012.

/s/ Sheila Heath
CITY CLERK

PUBLISH: October 23 and 30, 2012

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Minutes, City of Southaven, Southaven, Mississippi

APPENDIX C

BUDGETS

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ADOPTED BUDGET FOR FISCAL YEAR 2012-2013

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APPENDIX D

AUDIT

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FINANCIAL STATEMENT FOR FISCAL YEAR

ENDED SEPTEMBER 30, 2011

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

BY CITY OF SOUTHAVEN, MISSISSIPPI

DATED AS OF NOVEMBER 1, 2012

In Connection With the Issuance and Sale of \$2,875,000 City of Southaven, Mississippi
General Obligation Bonds, Series 2012, Dated November 1, 2012

WHEREAS, the City has heretofore authorized the issuance of \$2,875,000 in the aggregate principal amount of its General Obligation Bonds, Series 2012 (the "Bonds"), to be dated November 1, 2012 and to mature in the principal amounts and on the dates set forth in the City's Official Statement, dated November 6, 2012, describing the Bonds (the "Official Statement"); and

WHEREAS, the City has offered the Bonds for sale through competitive bid pursuant to its Notice of Bond Sale, dated October 16, 2012 (the "Notice of Sale"); and

WHEREAS, in the Notice of Sale the City has heretofore acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the City has undertaken in a written agreement for the benefit of the holders or beneficial owners of the Bonds to provide certain continuing disclosure information as required by Securities and

Minutes, City of Southaven, Southaven, Mississippi

~~Exchange Commission (the "SEC") Rule 15c2-12(b)(5) (the "Rule"), and the City desires to~~
assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement is to be made, executed and delivered in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the holders and beneficial owners of the Bonds, as they may be from time to time.

NOW, THEREFORE, THE CITY HEREBY REPRESENTS, COVENANTS AND AGREES AS FOLLOWS:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Accompanying Information" means any identifying information or other information then required to accompany the applicable filing pursuant to the Rule.

"Annual Report" shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 2 and 3 of this Continuing Disclosure Agreement.

"EMMA" means MSRB's Electronic Municipal Market Access system on the MSRB Website.

"Listed Events" shall mean any events listed in Section 4 of this Continuing Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established under the 1933 Securities Act, as amended, or any successor thereto.

"MSRB Website" shall mean www.emma.msrb.org.

"National Repository" means (a) MSRB's EMMA, and (b) in the future, any successor repository or repositories prescribed by the SEC for the purpose of serving as repository under the Rule.

"Repository" shall mean each National Repository and each State Repository.

"Required Electronic Format" means the electronic format then prescribed by the SEC or the MSRB pursuant to the Rule.

"State" shall mean the State of Mississippi.

"State Repository" shall mean any public or private repository or entity designated by the State as a State repository for the purposes of the Rule. As of the date of this Continuing Disclosure Agreement, there is no State Repository.

Section 2. Annual Reports.

- a. The City agrees to provide or cause to be provided to each Repository all annual financial information and operation data regarding the City, together with any Accompanying Information, commencing with information and data for the fiscal year ending September 30, 2013, as follows:
 - (i) Up-dated financial information and operating data of the type contained in the Official Statement as set forth in APPENDIX A under the headings "ECONOMIC AND DEMOGRAPHIC INFORMATION," "TAX INFORMATION," and "DEBT INFORMATION";
 - (ii) Updated financial statements, which includes information on the City's general fund, capital project funds and special revenue funds, prepared in accordance with state law which utilizes the generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time, as set forth in APPENDIX D of the Official Statement; and

Minutes, City of Southaven, Southaven, Mississippi

- (iii) Updated budgeted or estimated revenues and expenditures of the City's general fund as set forth in APPENDIX C of the Official Statement.

If audited financial statements are not available by the required time, the City will provide unaudited financial statements by such time and audited financial statements when the audit report becomes available.

- b. The above-referenced information is expected to be provided by the filing of and cross reference to the City's comprehensive annual financial report, including audited financial statements, and the City's adopted budget. The information may be provided in whole or in part by cross-reference to other documents provided to each Repository, including official statements of the City which will be available on MSRB's EMMA.
- c. Subject to the requirements of Section 8 hereof, the City reserves the right to modify from time to time the specific types of information or data provided or the format of the presentation of such information or data, to the extent necessary or appropriate; provided that the City agrees that any such modification will be done in a manner consistent with the Rule. The City also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Mississippi law applicable to cities.

Section 3. Timing. The above-referenced audited financial information is expected to be provided not more than 15 days after its filing with the State Department of Audit pursuant to the provisions of the Mississippi General Statutes, generally not later than six months after the end of each fiscal year. The information required to be filed in Section 2 will be filed not later than six months after the end of each fiscal year. The City currently operates on an October 1 - September 30 fiscal year basis.

Section 4. Event Notice.

- a. The City agrees to provide or cause to be provided in a timely manner not in excess of ten business days after the occurrence of the following events to each Repository, notice of the occurrence of such events with respect to the Bonds, together with any Accompanying Information:
 - (i) principal and interest payment delinquencies;
 - (ii) unscheduled draws on debt service reserves, reflecting financial difficulties;
 - (iii) unscheduled draws on credit enhancements, reflecting financial difficulties;
 - (iv) substitution of credit or liquidity providers for the Bonds, or their failure to perform;
 - (v) adverse tax opinions, IRS notices or events affecting the tax status of the Bonds;
 - (vi) defeasances;
 - (vii) rating changes;
 - (viii) tender offers; and
 - (ix) bankruptcy, insolvency, receivership or a similar proceeding of the obligated person.
- b. The City agrees to provide or cause to be provided in a timely manner not in excess of ten business days after the occurrence of an event to each Repository, notice of the occurrence of any of the following events with respect to the Bonds, if material, together with any Accompanying Information:

Minutes, City of Southaven, Southaven, Mississippi

(i) non-payment related defaults;

(ii) modifications to rights of bond holders;

(iii) bond calls or redemption;

(iv) release, substitution, or sale of property securing repayment of the Bonds;

(v) the consummation of a merger, consolidation, acquisition involving an obligated person, other than in the ordinary course of business, or the sale of all or substantially all the assets of an obligated person, other than in the ordinary course of business, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms; and

(vi) appointment of a successor or additional trustee, or the change in the name of a trustee.

Section 5. Notice of Failure. The City agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the City to provide the annual financial information described in Section 2(a) of this Continuing Disclosure Agreement, together with any Accompanying Information.

Section 6. Termination of Reporting Obligation. The City's obligations under this Continuing Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The City may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment, Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the City may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, only if (1) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature, or status of the City, (2) the agreement, as amended, would have complied with the Rule at the date of sale of the Bonds, taking into account any amendments or interpretations of the Rule as well as any change in circumstance, and (3) the City receives an opinion of nationally recognized bond counsel to the effect that the amendment or waiver does not materially impair the interests of the holders and beneficial owners of the Bonds. A copy of any amendment will be filed in a timely manner with each Repository, together with any Accompanying Information.

Section 9. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communications, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Continuing Disclosure Agreement, the City shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Indemnification. The City agrees to indemnify and save its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to any agent's negligence or misconduct. The obligations of the City under this Section shall survive resignation or removal of any agent and payment of the Bonds.

Section 11. Enforceability. The City agrees that its undertaking pursuant to the Rule set forth in this Continuing Disclosure Agreement is intended to be for the benefit of the holders or

Minutes, City of Southaven, Southaven, Mississippi

~~beneficial owners of the Bonds and shall be enforceable by them; 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. In the event of the City's failure to comply with any provision of this Continuing Disclosure Agreement any bondholder or beneficial owner may take such action as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Continuing Disclosure Agreement. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Continuing Disclosure Agreement constitute default of the City with respect to the Bonds.

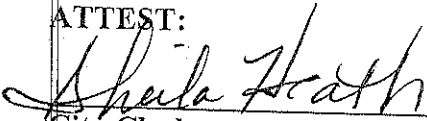
IN WITNESS WHEREOF, the City has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officer, duly authorized, all as of the date first above written.

CITY OF SOUTHAVEN, MISSISSIPPI

By: 

Mayor

ATTEST:


City Clerk

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APPENDIX F

Minutes, City of Southaven, Southaven, Mississippi

**FORM OF OPINION OF BOND COUNSEL
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[FORM OF OPINION OF BOND COUNSEL]**

Mayor and Board of Aldermen
City of Southaven, Mississippi

Dear Sirs:

We have acted as Bond Counsel for City of Southaven, Mississippi (the "City"), in connection with the issuance of the City of Southaven, Mississippi General Obligation Bonds, Series 2012, dated November 1, 2012, in the total authorized aggregate amount of \$2,875,000 (the "Bonds").

The Bonds bear interest, are subject to redemption prior to maturity and may be transferred and exchanged as set out in the Bonds and in the resolution adopted by the Mayor and Board of Aldermen of the City on October 16, 2012, authorizing their issuance (the "Bond Resolution"). Capitalized terms contained and not defined herein shall have the same meaning as set forth in the Bond Resolution.

We have acted as Bond Counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the laws of the State of Mississippi, and with respect to the exemption of interest on the Bonds from federal and Mississippi income taxation. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the certified transcript of proceedings described in the following paragraph. We have relied on the authenticity, truthfulness and completeness set forth in such documents, instruments and certificates. We have not assumed any responsibility with respect to the financial condition or capabilities of the City or the disclosure thereof in connection with the sale of the Bonds.

In our capacity as Bond Counsel, we have participated in the preparation of and have examined a certified transcript of proceedings pertaining to the Bonds which contains copies of certain proceedings of the City, customary certificates of officers, agents and representatives of the City and other public officials and other matters relating to the authorization and issuance of the Bonds including a certification of the City prepared pursuant to Section 1.148-2(b)(2)(i) of the United States Treasury Regulations (the "Non-Arbitrage Certificate"). We have also examined executed Bond No. R-1 of this issue.

Based upon the foregoing, it is our opinion, on the date hereof, that:

1. The transcript of proceedings evidences complete legal authority for the issuance of the Bonds in full compliance with the laws of the State of Mississippi presently in effect, that the Bonds constitute valid and legally binding obligations of the City, that the Bonds are payable from 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.
2. Under existing law, regulations and court decisions, as presently interpreted and construed, interest on the Bonds is exempt from all present taxes imposed by the State of Mississippi and any county, municipality or other political subdivision of the State of Mississippi, except for inheritance, estate and transfer taxes.
3. Interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and interest on the Bonds is not treated as a specific item of tax preference under Section 57 of the Code in calculating the alternative minimum tax imposed by Section 55 of the Code. Such interest, however, is taken into account in determining "adjusted current earnings" of certain corporations for purposes of computing the alternative minimum tax.

Minutes, City of Southaven, Southaven, Mississippi

The Mayor and Board of Aldermen, acting for and on behalf of the City, has covenanted in the Bond Resolution that it will not make any use of the gross proceeds of the Bonds or amount that may be treated as proceeds of the Bonds or do or take or omit to take any other action that would cause: (i) the Bonds to be "arbitrage bonds" as such term is defined in Section 148(a) of the Code and the Regulations promulgated thereunder; (ii) the interest on the Bonds to be included in the gross income of the registered owners for federal income taxation purposes; or (iii) the interest on the Bonds to be treated as an item of tax preference under Section 57(a)(5) of the Code. Failure of the City to comply with such covenants could result in the interest on the Bonds being subject to federal income tax from the date of issue.

In rendering the foregoing opinion, Bond Counsel has assumed the continuing compliance by the City with the tax covenants and representations in the Bond Resolution and the representations in the Non-Arbitrage Certificate. These requirements relate to, *inter alia*, the use and investment of the gross proceeds of the Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds have resulted in a failure of the City to comply with its covenants. Failure of the City to comply with such covenants could result in the interest on the Bonds becoming subject to federal income tax from the date of issue.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers including, without limitation, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds.

In particular, attention is called to the fact that Section 265(b)(1) of the Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their otherwise allowable interest expense allocable to tax exempt obligations acquired after August 7, 1986 (other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code). The City has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(C) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry "qualified tax-exempt obligations" is deductible.

Owners of the Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the environmental tax, the branch profits tax and the tax on passive investment income of corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

It is understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar law affecting creditors' rights heretofore or hereafter enacted and that the enforcement thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Very truly yours,

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

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Minutes, City of Southaven, Southaven, Mississippi

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF SOUTHAVEN, MISSISSIPPI DECLARING SURPLUS

PROPERTY AND GRANTING AUTHORIZATION TO ADVERTISE FOR AUCTION

WHEREAS, the City of Southaven is presently in possession of various vehicles, and

WHEREAS, it has been recommended to the Mayor and Board of Aldermen that these vehicles either be declared as surplus and sold and/or disposed of as appropriate and in accordance with state law, or retained and removed from the fixed assets inventory, and

WHEREAS, the Mayor and Board of Aldermen are desirous of disposing of such surplus property, pursuant to Section 21-17-1 of the Mississippi Code (1972), or amending its fixed assets inventory pursuant to State guidelines, and

WHEREAS, the Mayor and Board of Aldermen hereby authorize that the list on the Exhibit attached hereto as Collective Exhibit "A," be declared as surplus and listed on Govdeals.com or sold at public auction or otherwise disposed of as appropriate and in accordance with state law, or deleted from the fixed assets inventory, as appropriate.

NOW, THEREFORE, BE IT ORDERED by the Mayor and Board of Aldermen of the City of Southaven, Mississippi as follows, to wit:

1. The various vehicles shown on the attached Collective Exhibit "A" be, and they are hereby declared to be surplus property.
2. The City Clerk, or her designee, be, and she is hereby authorized and directed to advertise the vehicles on Govdeals.com or sell the vehicles at public auction, pursuant to Section 21-17-1, or to otherwise dispose of said property in accordance with state law, or to retain such items and remove them from the fixed assets inventory pursuant to State guidelines.

Motion was made by Alderman Brooks and seconded by Alderman Hale, for the adoption of the above and foregoing Resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Greg Guy

voted: YEA

Minutes, City of Southaven, Southaven, Mississippi

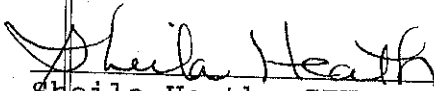
Alderman Lorine Cady	voted: YEA
Alderman Ronnie Hale	voted: YEA
Alderman George Payne	voted: ABSENT
Alderman William Brooks	voted: YEA
Alderman Ricky Jobes	voted: YEA
Alderman Dr. Randy Huling	voted: ABSENT

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted, on this the 6th day of November, 2012.

RESOLVED AND DONE, this 6th day of November, 2012.


Charles G. Davis, MAYOR

ATTEST:


Sheila Heath, CITY CLERK

Minutes, City of Southaven, Southaven, Mississippi

EXHIBIT A

Unit # 3038
2008 Ford Crown Victoria, White
VIN/2FAFP71V98X159434
Asset #3717

Minutes, City of Southaven, Southaven, Mississippi

RESOLUTION GRANTING AUTHORITY TO CLEAN PRIVATE PROPERTY

WHEREAS, the governing authorities of the City of Southaven, Mississippi, have received numerous complaints regarding the parcel of land located at the following address, to-wit: **8607 Cedar Circle East**, to the effect that the said parcel of land has been neglected whereby **the grass height is in violation and there exist other unsafe conditions** and that the parcel of land in the present condition is deemed to be a menace to the public health and safety of the community.

WHEREAS, pursuant to Section 21-19-11 of the Mississippi Code Annotated (1972), the governing authorities of the City of Southaven, Mississippi, provided the owners of the above described parcel of land with notice of the condition of their respective parcel of land and further provided them with notice of a hearing before the Mayor and Board of Aldermen on **Tuesday, November 6, 2012**, by United States mail and by posting said notice, to determine whether or not the said parcel of land were in such a state of uncleanness as to be a menace to the public health and safety of the community.

WHEREAS, none of the owners of the above described parcel of land appeared at the meeting of the Mayor and Board of Aldermen on **Tuesday, November 6, 2012**, to voice objection or to offer a defense.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the Mayor and Board

Minutes, City of Southaven, Southaven, Mississippi

of Alderman of the City of Southaven, Mississippi, that the above described parcel of land located at: **8607 Cedar Circle East** is deemed in the existing condition to be a menace to the public health and safety of the community.

BE IT FURTHER RESOLVED that the City of Southaven shall, if the owners of the above described parcel of land do not do so themselves, immediately proceed to clean the respective parcel of land, by the use of municipal employees or by contract, by cutting weeds and grass and removing rubbish and other debris.

Following the reading of this Resolution, it was introduced by Alderman Guy and seconded by Alderman Hale. The Resolution was then put to a roll call vote and the results were as follows, to-wit:

ALDERMAN	VOTED
Alderman Greg Guy	YEA
Alderman Lorine Cady	YEA
Alderman Ronnie Hale	YEA
Alderman George Payne	ABSENT
Alderman William Brooks	YEA
Alderman Ricky Jobes	YEA
Alderman Randall T. Huling, Jr.	ABSENT

The Resolution, having received a majority vote of all Aldermen present, was declared adopted on this, the **6th day of November, 2012.**

Minutes, City of Southaven, Southaven, Mississippi

CITY OF SOUTHAVEN, MISSISSIPPI

BY:



CHARLES G. DAVIS
MAYOR

ATTEST:



SHEILA HEATH
CITY CLERK

(S E A L)

Minutes, City of Southaven, Southaven, Mississippi

Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount
0400 580 205	WATER IMP LOAN	\$ -	\$ (329,269)	\$ (2,768,320)	\$ (2,768,320)
					\$ (2,768,320)
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount
811 650 850	WATER LOAN IMP	\$ -	\$ -	\$ 2,768,320	\$ 2,768,320
					\$ 2,850,000
					\$ 2,500,000
					\$ 8,118,320
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount
0100 580 400	BOND PROCEEDS	\$ -	\$ -	\$ (2,850,000)	\$ (2,850,000)
					\$ (2,850,000)
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount
711 640 900 07005	FIRE STATION	\$ -	\$ -	\$ 2,850,000	\$ 2,850,000
					\$ -
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount
	HURRICANE CREEK	\$ -	\$ -	\$ (2,500,000)	\$ (2,500,000)
					\$ (2,500,000)
Code	Description	Original Approp	YTD Actual	Proposed Budget	Amend Amount
	HURRICANE CREEK	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
					\$ -

Minutes, City of Southaven, Southaven, Mississippi

CITY OF SOUTHAVEN

Top of Mississippi
Office of the Mayor

GREG DAVIS
MAYOR



8710 Northwest Drive
Southaven, MS 38671
Phone: 662.393.6939
Fax: 662.393.7294
mayor@southaven.com

TO: BOARD OF ALDERMEN
FROM: MAYOR GREG DAVIS
DATE: NOVEMBER 2, 2012
RE: EMERGENCY PURCHASE

Pursuant to MS Code 31-7-13(K) concerning emergency purchases, I am authorizing the emergency repair of the Siren Head for the Tornado Siren at Getwell & Rasco Roads to be completed by Federal Signal Corporation in the amount of \$6,850.00.

Greg Davis, Mayor

Minutes, City of Southaven, Southaven, Mississippi

Jordan Chase Fitts
PRB Entertainment, LLC
3369 Jacob Lane
Southaven, MS 38672

October 19, 2012

RE: PRB Entertainment, LLC

To Whom it May Concern:

I, Jordan Chase Fitts, owner of PRB Entertainment, LLC, am requesting licensing to operate a "motor vehicle for hire" business based out of Southaven, Mississippi. I am also requesting transportation licensing of my drivers of said business. I have employed two outstanding drivers with CDL licensure, both with many years of experience. They are long-time previous employees of my father's farm and trucking company located in Sunflower County, MS. They are reputable men of fine moral character with good driving records, both over the age of 18, and physically/mentally capacitated to drive and operate said motor vehicles. I am attaching their personal information for your records.

I currently own one limo bus and will be buying another bus in the near future. I am working with corporations and local businesses to provide transportation to promoted special events; i.e., sporting events, concerts, casinos, et cetera. I feel like it will be a new and safe option of transportation for citizens of Desoto County to safely reach and return from their entertainment destinations. According to the U.S. Department of Transportation, in fatal crashes in 2010 the highest percentage of drivers with a BAC level of .08 or higher was for drivers ages 21 to 24 (34%), followed by ages 25 to 34 (30%) and 35 to 44 (25%). These are the age demographics of customers that PRB Entertainment, LLC will be targeting. I hope to make a difference in the community by providing safe transportation for entertainment purposes, offering local pickup and drop off for passengers.

Storage of my fleet will be provided by a gated outdoor storage facility on Pleasant Hill Road.

I appreciate your consideration and look forward to working in Desoto County.

Sincerely,

Jordan Chase Fitts
PRB Entertainment, LLC
858-888-2519

Minutes, City of Southaven, Southaven, Mississippi

Municipal Compliance Questionnaire

As part of the municipality's audit, the governing authorities of the municipality must make certain assertions with regard to legal compliance. The municipal compliance questionnaire was developed for this purpose.

The following questionnaire and related certification must be completed at the end of the municipality's fiscal year and entered into the official minutes of the governing authorities at their next regular meeting.

The governing authorities should take care to answer these questions accurately. Incorrect answers could reduce the auditor's reliance on the questionnaire responses, resulting in the need to perform additional audit procedures at added cost.

Information

Note: Due to the size of some municipalities, some of the questions may not be applicable. If so, mark N/A in answer blanks. Answers to other questions may require more than "yes" or "no," and, as a result, more information on this questionnaire may be required and/or separate work papers may be needed.

1. Name and address of municipality:
Southaven, MS
8710 Northwest Dr. Southaven, MS 38671
2. List the date and population of the latest official U.S. Census or most recent official census:
2010 - 50,000
3. Names, addresses and telephone numbers of officials (include elected officials, chief administrative officer, and attorney).
See attached
4. Period of time covered by this questionnaire:
From: 10/1/11 To: 9/30/12
5. Expiration date of current elected officials' term: 7/2013

Minutes, City of Southaven, Southaven, Mississippi

MUNICIPAL COMPLIANCE QUESTIONNAIRE

Year Ended September 30, 20__

Answer All Questions: Y - YES, N - NO, N/A - NOT APPLICABLE

PART I - General

- | | |
|---|----------|
| 1. Have all ordinances been entered into the ordinance book and included in the minutes? (Section 21-13-13) | <u>Y</u> |
| 2. Do all municipal vehicles have public license plates and proper markings? (Sections 25-1-87 and 27-19-27) | <u>Y</u> |
| 3. Are municipal records open to the public? (Section 25-61-5) | <u>Y</u> |
| 4. Are meetings of the board open to the public? (Section 25-41-5) | <u>Y</u> |
| 5. Are notices of special or recess meetings posted? (Section 25-41-13) | <u>Y</u> |
| 5. Are all required personnel covered by appropriate surety bonds? | |
| • Board or council members (Sec. 21-17-5) | <u>Y</u> |
| • Appointed officers and those handling money, see statutes governing the form of government (i.e., Section 21-3-5 for Code Charter) | <u>Y</u> |
| • Municipal clerk (Section 21-15-38) | <u>Y</u> |
| • Deputy clerk (Section 21-15-23) | <u>Y</u> |
| • Chief of police (Section 21-21-1) | <u>Y</u> |
| • Deputy police (Section 45-5-9) (if hired under this law) | <u>Y</u> |
| 7. Are minutes of board meetings prepared to properly reflect the actions of the board? (Sections 21-15-17 and 21-15-19) | <u>Y</u> |
| 8. Are minutes of board meetings signed by the mayor or majority of the board within 30 days of the meeting? (Section 21-15-33) | <u>Y</u> |
| 9. Has the municipality complied with the nepotism law in its employment practices? (Section 25-1-53) | <u>Y</u> |
| 10. Did all officers, employees of the municipality, or their relatives avoid any personal interest in any contracts with the municipality during their term or within one year after their terms of office or employment? (Section 25-4-105) | <u>Y</u> |
| 11. Does the municipality contract with a Certified Public Accountant or an auditor approved by the State Auditor for its annual audit within twelve months of the end of each fiscal year? (Section 21-35-31) | <u>Y</u> |

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Minutes, City of Southaven, Southaven, Mississippi

12. Has the municipality published a synopsis or notice of the annual audit within 30 days of acceptance?
(Section 21-35-31 or 21-17-19)

Y

PART II - Cash and Related Records

1. Where required, is a claims docket maintained?
(Section 21-39-7)
2. Are all claims paid in the order of their entry in the claims docket? (Section 21-39-9)
3. Does the claims docket identify the claimant, claim number, amount and fund from which each warrant will be issued?
(Section 21-39-7)
4. Are all warrants approved by the board, signed by the mayor or majority of the board, attested to by the clerk, and bearing the municipal seal? (Section 21-39-13)
5. Are warrants for approved claims held until sufficient cash is available in the fund from which it is drawn?
(Section 21-39-13)
6. Has the municipality adopted and entered on its minutes a budget in the format prescribed by the Office of the State Auditor? (Sections 21-35-5, 21-35-7 and 21-35-9)
7. Does the municipality operate on a cash basis budget, except for expenditures paid within 30 days of fiscal year end or for construction in progress? (Section 21-35-23)
8. Has the municipality held a public hearing and published its adopted budget? (Sections 21-35-5, 27-39-203, & 27-39-205)
9. Has the municipality complied with legal publication requirements when budgetary changes of 10% or more are made to a department's budget? (Section 21-35-25)
10. If revenues are less than estimated and a deficit is anticipated, did the board revise the budget by its regular July meeting? (Section 21-35-25)

Y

Y

Y

Y

Y

Y

Y

Y

Y

n/a

Minutes, City of Southaven, Southaven, Mississippi

11. Have financial records been maintained in accordance with the chart of accounts prescribed by the State Auditor? (Section 21-35-11)
12. Does the municipal clerk submit to the board a monthly report of expenditures against each budget item for the preceding month and fiscal year to date and the unexpended balances of each budget item? (Section 21-35-13)
13. Does the board avoid approving claims and the city clerk not issue any warrants which would be in excess of budgeted amounts, except for court-ordered or emergency expenditures? (Section 21-35-17)
14. Has the municipality commissioned municipal depositories? (Sections 27-105-353 and 27-105-363)
15. Have investments of funds been restricted to those instruments authorized by law? (Section 21-33-323)
16. Are donations restricted to those specifically authorized by law? [Section 21-17-5 (Section 66, Miss. Constitution) -- Sections 21-19-45 through 21-19-59, etc.]
17. Are fixed assets properly tagged and accounted for? (Section II - Municipal Audit and Accounting Guide)
18. Is all travel authorized in advance and reimbursements made in accordance with Section 25-3-41?
19. Are all travel advances made in accordance with the State Auditor's regulations? (Section 25-3-41)

Y

Y

Y

Y

Y

Y

Y

Y

Y

PART III - Purchasing and Receiving

1. Are bids solicited for purchases, when required by law (written bids and advertising)? [Section 31-7-13(b) and (c)]
2. Are all lowest and best bid decisions properly documented? [Section 31-7-13(d)]
3. Are all one-source item and emergency purchases documented on the board's minutes? [Section 31-7-13(m) and (k)]
4. Do all officers and employees understand and refrain from accepting gifts or kickbacks from suppliers? (Section 31-7-23)

Y

Y

Y

Y

Minutes, City of Southaven, Southaven, Mississippi

PART IV - Bonds and Other Debt

1. Has the municipality complied with the percentage of taxable property limitation on bonds and other debt issued during the year? (Section 21-33-303) Y
2. Has the municipality levied and collected taxes, in a sufficient amount for the retirement of general obligation debt principal and interest? (Section 21-33-87) Y
3. Have the required trust funds been established for utility revenue bonds? (Section 21-27-65) Y
4. Have expenditures of bond proceeds been strictly limited to the purposes for which the bonds were issued? (Section 21-33-317) Y
5. Has the municipality refrained from borrowing, except where it had specific authority? (Section 21-17-5) Y

PART V - Taxes and Other Receipts

1. Has the municipality adopted the county ad valorem tax rolls? (Section 27-35-167) Y
2. Are interest and penalties being collected on delinquent ad valorem taxes? (Section 21-33-53) Y
3. Has the municipality conducted an annual land sale for delinquent ad valorem taxes? (Section 21-33-63) Y
4. Have the various ad valorem tax collections been deposited into the appropriate funds? (Separate Funds for Each Tax Levy) (Section 21-33-53) Y
5. Has the increase in ad valorem taxes, if any, been limited to amounts allowed by law? (Sections 27-39-320 and 27-39-321) Y
6. Are local privilege taxes collected from all businesses located within the municipality, except those exempted? (Section 27-17-5) Y
7. Are transient vendor taxes collected from all transient vendors within the municipality, except those exempted? (Section 75-85-1) Y
8. Is money received from the state's "Municipal Fire Protection Fund" spent only to improve municipal fire departments? (Section 83-1-37) Y

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9. Has the municipality levied or appropriated not less than 1/4 mill for fire protection and certified to the county it provides its own fire protection or allowed the county to levy such tax? (Sections 83-1-37 and 83-1-39)	Y
10. Are state-imposed court assessments collected and settled monthly? (Section 99-19-73, 83-39-31, etc.)	Y
11. Are all fines and forfeitures collected when due and settled immediately to the municipal treasury? (Section 21-15-21)	Y
12. Are bids solicited by advertisement or, under special circumstances, three appraisals obtained when real property is sold? (Section 21-17-1)	Y
13. Has the municipality determined the full and complete cost for solid waste for the previous fiscal year? (Section 17-17-347)	Y
14. Has the municipality published an itemized report of all revenues, costs and expenses incurred by the municipality during the immediately preceding fiscal year in operating the garbage or rubbish collection or disposal system? (Section 17-17-348)	Y
15. Has the municipality conducted an annual inventory of its assets in accordance with guidelines established by the Office of the State Auditor? (MMAAG)	Y

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(MUNICIPAL NAME)

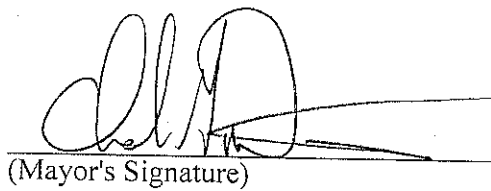
Certification to Municipal Compliance Questionnaire

Year Ended September 30, 2012

We have reviewed all questions and responses as contained in this Municipal Compliance Questionnaire for the Municipality of Southaven, and, to the best of our knowledge and belief, all responses are accurate.


(City Clerk's Signature)

11-16-12
(Date)


(Mayor's Signature)

11/15/12
(Date)

Minute Book References:

Book Number 27

Page _____

(Clerk is to enter minute book references when questionnaire is accepted by board.)

Minutes, City of Southaven, Southaven, Mississippi

City Officials:

Charles G. Davis 8710 Northwest Drive	Mayor Southaven, MS 38671	662-393-6939 mayor@southaven.org
Greg Guy 4035 Garden Road	Alderman At Large Southaven, MS 38672	901-834-8787 gguy@southaven.org
Lorine Cady 8681 Yorktown Drive	Alderman Ward 1 Southaven MS 38671	901-283-2724 lcady@southave.org
Ronnie Hale 1833 Brookhaven Drve	Alderman Ward 2 Southaven, MS 38671	901-488-4257 rhale@sothaven.org
George Payne 7843 Richland Driv	Alderman Ward 3 Southaven, MS 38671	662-280-2368 gpayne@southaven.org
William Brooks 5105 Weeping Willow Lane, Apt 103	Alderman Ward 4 Southaven, MS 38671	662-418-7036 wbrooks@southaven.org
Ricky Jobes 1825 Pecan Ridge	Alderman Ward 5 Southaven, MS 38671	662-349-3009 rjobes@southaven.org
Randy Huling, MD 1776 Stonehedge Drive	Alderman Ward 6 Southaven, MS 38671	662-349-9850 rhuling@southaven.org
Chris Wilson 8710 Northwest Drive	CAO Southaven, MS 38671	662-393-6939 cwilson@southaven.org
Nick Manley Suite 500 6075 Poplar Avenue	City Attorney Memphis, TN 38119	901-680-7314 nick.manley@butlersnow.com

Minutes, City of Southaven, Southaven, Mississippi



City of Southaven Office of Planning and Development Conditional Permit Use Staff Report

City of Southaven City Hall
Executive Board Room
8710 Northwest Drive

Date of Hearing:	October 29 , 2012
Public Hearing Body:	Planning Commission
Applicant	Elmer Sipp, Jr. 1140 Church Road Southaven, MS 662-306-0291
Location	1140 Church Road
Total Acreage	NA
Existing Zoning:	Planned Unit Development (Ross PUD)
Location of Conditional Use application:	North side of Church Road, east of Hwy. 51.
Requirements for CUP:	
<i>"Barber shops, hair/beauty salons, hair studios, spa (full service), hair braiding establishments and Wigology establishments may locate in the stated zones with the stated requirements so long as an existing establishment of the same classification is not currently located within a half mile (1/2) radius of the newly proposed establishment."</i>	
Comprehensive Plan Designation:	NA
Staff Comments:	
By definition Barber Shop is: A licensed establishment with any one or any combination of the following practices (when done upon the upper part of the human body for cosmetic purposes and not for the treatment of diseases or physical or mental ailment and when done for payment either directly or indirectly, or without payment, for the public generally) constitutes the	

Minutes, City of Southaven, Southaven, Mississippi

practice of barbering:

- Shaving or trimming the beard or cutting the hair;
- Giving facial or scalp massages or treatments with oils, creams, lotions or other preparations, either by hand or mechanical devices;
- Singeing, shampooing, or dyeing the hair, or beard, or applying hair tonic;
- Applying cosmetic preparations, antiseptics, powders, clays or lotions to scalp, face, neck or upper part of the body.

Furthermore, as shown in the requirements of the CUP, these types of establishments have to meet the ½ mile radius rule. Per the applicant, the shop will deal solely with the defined barbershop items, if less, and will be open Tuesday through Saturday.

Staff Recommendation:

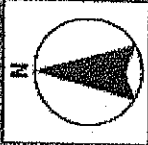
Staff has surveyed the surrounding areas and has not found a barber shop within a ½ mile radius to the proposed establishment. By definition, the applicant is meeting the criteria for a barber shop as defined by the City as well as the state statutes. There is some concern from the beauty salon located in the building adjacent to the east of this site. Staff understands the concerns and has compared the uses, which do not seem to be in competition for the most part. However, if the applicant expands the amenities in the future, which further defines into the realm of beauty shop, staff would recommend that the applicant be required to come back and amend the conditional use permit. That being said, staff recommends a conditional use permit for one (1) year with a four (4) year extension to be renewed annually.

**Planning Commission
Recommendation:**

**Motion made by:
Seconded by:**

Minutes, City of Southaven, Southaven, Mississippi

My Map



100m

300ft

Minutes, City of Southaven, Southaven, Mississippi

Southaven Multi Use Path Plan (1st Draft)

