

## FINAL OFFICIAL STATEMENT DATED MARCH 1, 2012

NEW ISSUE [REFUNDING]  
BANK-QUALIFIED

BOOK-ENTRY ONLY  
MOODY'S INVESTORS SERVICE UNDERLYING RATING: Aa3

With respect to the \$2,310,000 General Obligation Improvement Crossover Refunding Bonds, Series 2012A, dated April 1, 2012, (the "Bonds" or the "Issue"), in the opinion of Kennedy & Graven, Chartered, Bond Counsel, based on present federal and Minnesota laws, regulations, rulings and decisions, at the time of their issuance and delivery to the original purchaser, interest on the Bonds is excluded from gross income for purposes of United States income tax and is excluded, to the same extent, in computing both gross and taxable net income for purposes of State of Minnesota income tax (other than Minnesota franchise taxes measured by income and imposed on corporations and financial institutions). Interest is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations; however, interest on the Bonds is taken into account for the purpose of determining adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on corporations. No opinion will be expressed by Bond Counsel regarding other state or federal tax consequences caused by the receipt or accrual of interest on the Bonds or arising with respect to ownership of the Bonds. See "Tax Exemption" and "Related Tax Considerations" herein for additional information.

### CITY OF ALBERTVILLE, MINNESOTA

**\$2,310,000**

### General Obligation Improvement Crossover Refunding Bonds, Series 2012A

**Dated Date: April 1, 2012**

**Interest Due: Each February 1 and August 1  
Commencing February 1, 2013**

<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Yield</u>	<u>Price</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Yield</u>	<u>Price</u>
\$ 50,000*	1.00%	02/01/17	1.00%	100.000	\$395,000	2.00%	02/01/21	1.60%	102.924 <sup>Y</sup>
370,000	2.00	02/01/18	1.10	105.049	400,000	2.00	02/01/22	1.75	101.816 <sup>Y</sup>
375,000	2.00	02/01/19	1.25	104.879	330,000	2.00	02/01/23	1.90	100.721 <sup>Y</sup>
390,000	2.00	02/01/20	1.50	103.670					

At the option of the City, Bonds of this issue maturing on February 1, 2021 and thereafter are subject to redemption, in whole or in part, on February 1, 2020, or any date thereafter, at a price of par plus accrued interest.

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 475 and 429, as amended. Proceeds will be used to provide moneys, along with other available City funds, to crossover refund \$2,225,000 of the \$4,035,000 General Obligation Improvement Bonds, Series 2007A, dated August 1, 2007. Maturities 2018 through 2023, inclusive, will be called for redemption on February 1, 2015, at a price of par plus accrued interest. The 2016 and 2017 maturities in the amount of \$320,000 and \$325,000, respectively, WILL NOT be called for redemption prior to maturity. See *Authority and Purpose* herein for additional information.

The Bonds are valid and binding general obligations of the City of Albertville (the "City") and are payable primarily from special assessments against benefitted property. The full faith and credit of the City is pledged to their payment and the City has validly obligated itself to levy ad valorem taxes to pay all principal and interest payments on this issue. See *Security/Sources and Uses of Funds* herein for additional information.

Principal due with respect to the Bonds is payable annually on February 1, commencing February 1, 2016 and interest due with respect to the Bonds is payable semiannually on February 1 and August 1 of each year commencing February 1, 2013. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof. Purchasers will not receive physical delivery of Bonds. See "Book-Entry System" in *Description of Bonds* herein for additional information. Paying Agent/Registrar will be Northland Trust Services, Inc., Minneapolis, Minnesota. Escrow Agent will be Northland Trust Services, Inc., Minneapolis, Minnesota. The escrow account will be funded with United States Treasury Securities – State and Local Government Series (SLGS). Verification Agent will be Grant Thornton, LLP, Minneapolis, Minnesota.

\* Refer to "Mandatory Redemption" section within the Description of Bonds on pages 5 and 6 of this Official Statement.

<sup>Y</sup> Bonds priced to par call.