



City of Austin, Texas Late Backup
52453

\$175,000,000*
Water and Wastewater System
Revenue Variable Rate Refunding Bonds, Series 2008

Pricing Report
March 6, 2008

*Preliminary, subject to change



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Revenue Variable Rate Refunding Bonds, Series 2008

Water and Wastewater System Bonds Purpose – The Bonds are being issued to refund approximately \$158,805,000* of the City's currently outstanding Combined Utility Systems Revenue Bonds and Parity Water and Wastewater Bonds issued for the Water and Wastewater System to provide for debt service savings

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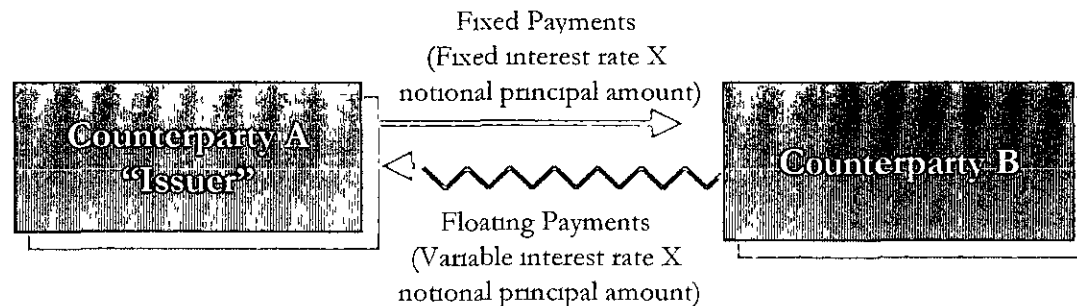
ISSUER	City of Austin, Texas
TYPE OF SALE	Negotiated
BOND COUNSEL	Fulbright & Jaworski L.L.P.
SECURITIES COUNSEL	McCall, Parkhurst & Horton L.L.P.
AUDITOR	KPMG L.L.P. /R. Mendoza & Co., PC
FINANCIAL ADVISOR	Public Financial Management
UNDERWRITER/COUNTERPARTY	Goldman Sachs & Co.

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- An interest rate swap is a contract between two parties (referred to as “counterparties”) to exchange interest rate payments at specified dates in the future.
- The interest rate payments for a given counterparty equal the product of an interest rate (swap rate) and a principal amount.
- Usually, the swap rate for one counterparty is a fixed rate, while the swap rate for the other counterparty is a variable rate.



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Projected Savings*

- **SIFMA Swap**

– Par Amount:	\$173,895,000
– Savings:	\$ 12,105,640
– % Savings:	7.450771%

- **Fixed Rate Issue**

– Par Amount:	\$162,670,000
– Savings:	\$ 2,718,027
– % Savings:	1.672786%

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