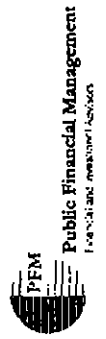
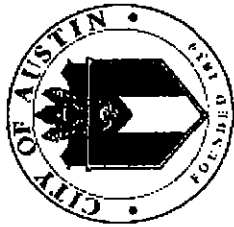


City of Austin, Texas

\$132,475,000 **Water and Wastewater System** **Revenue Variable Rate Refunding Bonds, Series 2004**

Pricing Report
August 12, 2004





\$132,475,000

Water and Wastewater System

Revenue Variable Rate Refunding Bonds, Series 2004

Water and Wastewater System Bonds Purpose – The Bonds are being issued to refund \$126,605,000 of the City's currently outstanding Combined Utility Systems Revenue Bonds issued for the Water and Wastewater System. The refunding will result in a net present value savings to the City of \$17,386,308 or 13.7327% of the refunded par.



\$132,475,000
Water and Wastewater System
Revenue Variable Rate Refunding Bonds, Series 2004

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 LLP/Richard Mendoza, CPA
FINANCIAL ADVISOR	Public Financial Management
LEAD UNDERWRITER	JPMorgan Securities Inc.



\$132,475,000
Water and Wastewater System
Revenue Variable Rate Refunding Bonds, Series 2004

Maturity Schedule

Water and Wastewater System Revenue SWAP Refunding Bonds						
Maturity	Amount	Coupon	Yield	Maturity	Amount	Yield
15-Nov				15-Nov		
11/15/2004	\$ 4,500,000	3.657%	3.657%	11/15/2014	\$ 1,205,000	3.657%
5/15/2005	1,400,000	3.657%	3.657%	5/15/2015	11,740,000	3.657%
11/15/2005	1,400,000	3.657%	3.657%	11/15/2015	3,055,000	3.657%
5/15/2006	1,600,000	3.657%	3.657%	5/15/2016	29,675,000	3.657%
11/15/2006	3,800,000	3.657%	3.657%	11/15/2016	385,000	3.657%
5/15/2007	3,200,000	3.657%	3.657%	5/15/2017	5,570,000	3.657%
11/15/2007	-	-	-	11/15/2017	305,000	3.657%
5/15/2008	1,200,000	3.657%	3.657%	5/15/2018	1,300,000	3.657%
11/15/2008	-	-	-	11/15/2018	295,000	3.657%
5/15/2009	-	-	-	5/15/2019	210,000	3.657%
11/15/2009	-	-	-	11/15/2019	305,000	3.657%
5/15/2010	-	-	-	5/15/2020	4,675,000	3.657%
11/15/2010	-	-	-	11/15/2020	270,000	3.657%
5/15/2011	830,000	3.657%	3.657%	5/15/2021	6,515,000	3.657%
11/15/2011	2,405,000	3.657%	3.657%	11/15/2021	215,000	3.657%
5/15/2012	4,500,000	3.657%	3.657%	5/15/2022	8,530,000	3.657%
11/15/2012	1,925,000	3.657%	3.657%	11/15/2022	135,000	3.657%
5/15/2013	4,340,000	3.657%	3.657%	5/15/2023	7,235,000	3.657%
11/15/2013	1,120,000	3.657%	3.657%	11/15/2023	70,000	3.657%
5/15/2014	10,975,000	3.657%	3.657%	5/15/2024	7,590,000	3.657%

Ratings:*

Moody's - Aaa Standard & Poors - AAA Fitch Inc. - AAA

Insured by FSA



\$132,475,000
Water and Wastewater System
Revenue Variable Rate Refunding Bonds, Series 2004
Refunding Savings

Date	Prior Debt Service	Refunding Cash Flow	Savings	Annual Savings	Present Value to 08/27/2004 @ 3.9525976%
11/15/2004	\$9,115,635.00	\$5,549,665.66	\$3,565,969.34	\$3,141,632.06	\$3,532,976.46
05/15/2005	3,514,970.00	3,939,307.28	-424,337.28		-431,264.53
11/15/2005	3,694,970.00	3,714,423.88	-19,453.88		-36,652.03
05/15/2006	4,265,961.25	4,159,456.13	106,505.13	87,051.25	82,028.37
11/15/2006	5,995,198.75	6,059,568.88	-64,370.13		-76,016.09
05/15/2007	5,812,211.25	5,651,687.13	160,524.13	96,154.00	128,177.95
11/15/2007	5,595,291.25	2,131,573.88	3,463,717.38		3,038,547.13
05/15/2008	3,293,521.25	3,582,210.13	-288,688.88	3,175,028.50	-264,722.93
11/15/2008	3,493,521.25	2,109,631.88	1,383,889.38		1,158,668.55
05/15/2009	5,913,821.25	2,357,688.13	3,556,133.13	4,940,022.50	2,942,274.28
11/15/2009	3,420,071.25	2,109,631.88	1,310,439.38		1,054,309.02
05/15/2010	5,285,031.25	2,357,688.13	2,927,343.13	4,237,782.50	2,326,611.39
11/15/2010	3,362,631.25	2,109,631.88	1,252,999.38		968,806.02
05/15/2011	6,402,296.25	3,187,688.13	3,214,608.13	4,467,607.50	2,458,162.02
11/15/2011	4,554,910.00	4,499,455.33	55,454.68		28,855.20
05/15/2012	6,887,352.50	6,794,166.28	93,186.22	148,640.90	56,458.10
11/15/2012	3,946,008.75	3,893,197.40	52,811.35		26,582.12
05/15/2013	6,591,370.00	6,502,355.41	89,014.60	141,825.95	52,010.39
11/15/2013	3,022,330.00	2,973,641.88	48,678.13		23,335.41
05/15/2014	13,110,101.25	13,024,914.93	85,186.33	133,864.45	47,956.71
11/15/2014	2,879,340.63	2,837,484.80	41,855.83		19,082.29
05/15/2015	13,617,809.38	13,541,108.01	76,701.37	118,557.20	41,738.92
11/15/2015	4,486,428.13	4,450,785.48	35,642.65		15,596.16
Totals	\$212,317,596.88	\$193,179,763.39	\$21,137,833.49	\$21,137,833.49	\$17,382,512.77
PV of savings from cash flow					\$17,382,512.77
Plus: Refunding funds on hand					3,795.56
Net PV Savings					\$17,386,308.33
Annual Savings					\$9,156.72
Present Value to 08/27/2004 @ 3.9525976%					33,203.08
					9,216.33
					19,484.93
					7,531.96
					27,694.31
					7,275.48
					14,587.63
					6,615.68
					5,685.91
					13,146.02
					4,642.63
					8,590.67
					4,747.03
					7,211.87
					2,554.34
					2,457.09