OFFICIAL BID FORM

The Honorable Mayor and City Council
City of Helotes
P.O. Box 507
Helotes, Texas 78023-0507

August 8, 2002

Dear Ladies and Gentlemen:

Subject to the terms of your Official Notice of Sale and Official Statement, dated August 1, 2002, which terms are incorporated by reference to this proposal, we hereby submit the following bid for $1,500,000 CITY OF HELOTES, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2002, dated August 1, 2002 (the "Certificates").

For said legally issued Certificates, we will pay you the par value thereof, plus accrued interest from their date to the date of initial delivery to us, plus a cash premium of $ -0-, for Certificates maturing February 1 and bearing interest per annum as follows:

February 1, 2003	3.50 %	February 1, 2008	3.75 %	February 1, 2013	4.00 %
February 1, 2004	3.50 %	February 1, 2009	4.00 %	February 1, 2014*	4.00 %
February 1, 2005	3.50 %	February 1, 2010	4.00 %	February 1, 2015*	4.20 %
February 1, 2006	3.75 %	February 1, 2011	4.00 %	February 1, 2016*	4.25 %
February 1, 2007	3.75 %	February 1, 2012	4.00 %	February 1, 2017*	4.35 %

*Maturities available to be termed

Of the principal maturities set forth in the table above, we have created Term Certificates as indicated in the following table (which may include up to two Term Certificates or no Term Certificates if none is indicated). For those years which have been combined into a Term Certificates, the principal amount shown in the table shown on page (i) of the Official Notice of Sale will be the mandatory sinking fund redemption amounts in such years except that the amount shown in the year of the Term Certificate maturity date will mature in such year. The Term Certificate(s) created are as follows:

Term Certificate Maturity Date February 1	Year of First Mandatory Redemption	Principal Amount of Term Certificate	Interest Rate

Our calculation (which is not part of this bid) of the True Interest Cost is 4.067 %

The Certificates are insured by FSA.

The Initial Certificate shall be registered in the name of _____, which will, upon payment for the Certificates, be cancelled by the Paying Agent/Registrar. The Certificates will then be registered in the name of Cede & Co. (DTC's partnership nominee), under the Book-Entry-Only System.

Cashier's Check of the _____ Bank, _____, Texas, in the amount of $30,000 which represents our Good Faith Deposit (is attached hereto) or (has been made available to you prior to the opening of this Bid), and is submitted in accordance with the terms as set forth in the Official Notice of Sale, said check is to be returned to the purchaser.

We agree to accept delivery of the Certificates utilizing the Book-Entry-Only System through DTC and make payment for the Initial Certificate in immediately available funds at the Corporate Trust Division, The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, not later than 10:00 A.M., Central Time, on September 5, 2002, or thereafter on the date the Certificates are tendered for delivery, pursuant to the terms set forth in the Official Notice of Sale. It will be the obligation of the purchaser of the Certificates to complete and file the DTC Eligibility Questionnaire.

The undersigned agrees to complete, execute, and deliver to the Issuer, by the date of initial delivery of the Certificates, a certificate relating to the "issue price" of the Certificates in the form and to the effect attached to or accompanying the Official Notice of Sale, with such changes thereto as may be acceptable to Bond Counsel for the Issuer.

Respectfully submitted,

Raymond James & Assoc.
Plaza Bank, San Antonio

Chris Mahaun
V.P.
By: _____
Authorized Representative

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by City of Helotes, Texas, subject to and in accordance with the Official Notice of Sale and Official Bid Form, this the 8th day of August, 2002.

_____
Mayor
City of Helotes, Texas

ATTEST:

Judy Loka
City Secretary
City of Helotes, Texas

CERTIFICATE OF CITY SECRETARY

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §
§
CITY OF HELOTES §

THE UNDERSIGNED HEREBY CERTIFIES that:

1. On the 11th day of July, 2002, the City Council (the *Council*) of the City of Helotes, Texas (the *City*) convened in regular session at its regular meeting place in the City Hall of the City (the *Meeting*), the duly constituted members of the Council being as follows:

Steven F. Hodges	Mayor
Garrie Gillaspie	Mayor Pro Tem
Jim Caruso	Councilmember
Barbara Jane Galland	Councilmember
Charles James	Councilmember
David Matthew Umbel	Councilmember

and all of such persons were present at the Meeting, except the following: Galland, thus constituting a quorum. Among other business considered at the Meeting, the attached resolution (the *Resolution*) entitled:

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF HELOTES, TEXAS AUTHORIZING AND APPROVING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; COMPLYING WITH THE REQUIREMENTS CONTAINED IN SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; AND PROVIDING AN EFFECTIVE DATE

was introduced and submitted to the Council for passage and adoption. After presentation and due consideration of the Resolution, a motion was made by Councilmember James that the Resolution be finally passed and adopted. The motion was seconded by Councilmember Umbel and carried by the following vote:

All voted "For" 0 voted "Against" 0 abstained

all as shown in the official Minutes of the Council for the Meeting.

2. The attached Resolution is a true and correct copy of the original on file in the official records of the City; the duly qualified and acting members of the Council of the City on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Council was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Resolution would be considered; and the Meeting and deliberation of the aforesaid public business, including the subject of the Resolution, was posted and given in advance thereof in compliance with the provisions of Chapter 551, as amended, Texas Government Code.

IN WITNESS WHEREOF, I have signed my name officially and affixed the seal of the City, this 11th day of July, 2002.

Judy Tokar

City Secretary,
City of Helotes, Texas

(SEAL)

RESOLUTION NO. 131

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF HELOTES, TEXAS AUTHORIZING AND APPROVING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; COMPLYING WITH THE REQUIREMENTS CONTAINED IN SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council (the *City Council*) of the City of Helotes, Texas (the *City*) has determined that it is advisable and necessary to issue and sell one or more series of certificates of obligation (the *Certificates*) in an amount not to exceed $1,600,000 as provided pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Local Government Code, Section 271.041 through 271.063, for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) constructing street improvements (including utilities repair, replacement, and relocation) and drainage incidental thereto; (2) constructing drainage improvements; (3) constructing renovations and improvements to the existing City Hall; (4) constructing renovations and improvements to the existing police department; (5) constructing a new fire station, (6) constructing a new police facility; (7) the purchase of materials, supplies, equipment, machinery, land, rights-of-way for authorized needs and purposes relating to the new fire station and for police purposes, and (8) the payment of professional services related to the construction and financing of the aforementioned projects; and

WHEREAS, prior to the offering, sale, and issuance of the Certificates, the appropriate officials of the City must review and approve the distribution of a "deemed final" preliminary official statement (the *Official Statement*) in order to comply with the requirements contained in 17 C.F.R. §240.15c2-12 (the *Securities and Exchange Rule*); and

WHEREAS, based upon their review of the Official Statement, the appropriate officials of the City must find to the best of their knowledge and belief, after reasonable investigation, that the representations of facts pertaining to the City contained in the Official Statement are true and correct and that, except as disclosed in the Official Statement, there are no facts pertaining to the City that would adversely affect the issuance of the Certificates or the City's ability to pay the debt service requirements on the Certificates when due; and

WHEREAS, the City Council will comply with the requirements contained in the Securities and Exchange Rule concerning the creation of a contractual obligation between the City and the proposed purchaser(s) of the Certificates (the *Purchasers*) to provide the Purchasers with an Official Statement in a time and manner that will enable the Purchasers to comply with the distribution requirements and continuing disclosure requirements contained in the Securities and Exchange Rule; and

WHEREAS, the City Council authorizes the Mayor, City Manager, City Secretary, and the City Attorney, as appropriate, or their designees, to review, approve, and execute any document or certificate in order to allow the City to comply with the requirements contained in the Securities and Exchange Rule; and

WHEREAS, prior to the issuance of the Certificates, the City Council is required to publish notice of its intention to issue the Certificates in a newspaper of general circulation in the City, such notice stating (i) the time and place the City Council tentatively proposes to pass the ordinance authorizing the issuance of the Certificates, (ii) the maximum amount proposed to be issued, (iii) the purposes for which the Certificates are to be issued, (iv) and the manner in which the City Council proposes to pay the Certificates; and

WHEREAS, the City Council hereby finds and determines that such documents pertaining to the sale of the Certificates should be approved, and the City should proceed with the giving of notice of intention to issue the Certificates in the time, form, and manner provided by law;

WHEREAS, the City Council hereby finds and determines that the adoption of this Resolution is in the best interests of the citizens of the City; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HELOTES, TEXAS THAT:

SECTION 1: The City Secretary is hereby authorized and directed to cause notice to be published of the City Council's intention to issue the Certificates in an amount not to exceed $1,600,000 for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) constructing street improvements (including utilities repair, replacement, and relocation) and drainage incidental thereto; (2) constructing drainage improvements; (3) constructing renovations and improvements to the existing City Hall; (4) constructing renovations and improvements to the existing police department; (5) constructing a new fire station, (6) constructing a new police facility (7) the purchase of materials, supplies, equipment, machinery, land, rights-of-way for authorized needs and purposes relating to the new fire station and for police purposes, and (8) the payment of professional services related to the construction and financing of the aforementioned projects. The Certificates will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and additionally from a pledge of and lien on certain revenues derived from the operation of the City's solid waste management system. The notice hereby approved and authorized to be published shall read substantially in the form and content of Exhibit A attached hereto, which notice is incorporated herein by reference as a part of this Resolution for all purposes.

SECTION 2: The City Secretary shall cause the notice described in Section 1 to be published in a newspaper of general circulation in the City, once a week for two consecutive weeks,

the date of the first publication shall be at least fifteen (15) days prior to the date stated therein for passage of the resolution authorizing the issuance of the Certificates.

SECTION 3: The Mayor, City Manager, City Secretary, and the City Attorney, as appropriate, or their designees, are authorized to review and approve the Official Statement pertaining to the offering, sale, and issuance of the Certificates and to execute any document or certificate in order to comply with the requirements contained in the Securities and Exchange Rule.

SECTION 4: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

SECTION 5: All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 6: This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7: If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 8: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 9: This Resolution shall be in force and effect from and after the date of its adoption, and it is so resolved.

PASSED AND APPROVED, this the 11th day of July, 2002.

CITY OF HELOTES, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

Exhibit A

NOTICE OF INTENTION TO ISSUE
CITY OF HELOTES, TEXAS
CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Helotes, Texas will convene at its regular meeting place in the City Hall in Helotes, Texas, at 7:00 o'clock P.M., Helotes, Texas time on August 8, 2002, and, during such meeting, the City Council will consider the passage of an ordinance or ordinances and take such other actions as may be deemed necessary to authorize the issuance of one or more series of certificates of obligation in an aggregate principal amount not to exceed $1,600,000 for the purpose or purposes of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) constructing street improvements (including utilities repair, replacement, and relocation) and drainage incidental thereto; (2) constructing drainage improvements; (3) constructing renovations and improvements to the existing City Hall; (4) constructing renovations and improvements to the existing police department; (5) constructing a new fire station, (6) constructing a new police facility, (7) the purchase of materials, supplies, equipment, machinery, land, rights-of-way for authorized needs and purposes relating to the new fire station and for police purposes, and (8) the payment of professional services related to the construction and financing of the aforementioned projects. The certificates of obligation (the *Certificates*) will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and from a lien on and pledge of certain revenues derived by the City from the operation of the City's solid waste management system. The Certificates are to be issued, and this notice is given, under and pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code Section 271.041 through Section 271.063 and Section 363.135, as amended, Texas Health and Safety Code.

City Secretary
City of Helotes, Texas

The Echo

210-695-3613 14359 Old Bandera Rd. 210-695-9151 fax
Helotes, TX. 78023

PUBLISHER'S AFFIDAVIT

I solemnly swear the enclosed notice was published 2 time(s) in *The Echo*, a newspaper published in Helotes, County of Bexar, Texas and of general circulation in said county, as provided in the Texas Probate Code for the service of citation or notice by publication.

The date said notice was published was 7/24 & 8/7. A copy of the notice published, clipped from the newspaper, is enclosed hereto.

Neice Wienecke
Publisher

Subscribed and sworn to before me by Sharon McDonald this 9th day of Aug. 2002, to certify which witness my hand and seal of office.

Sharon McDonald
Notary Public, State of Texas

SHARON McDONALD
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 03-16-04

Seal

NOTICE OF INTENTION TO ISSUE
CITY OF HELOTES, TEXAS
CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Helotes, Texas will convene at its regular meeting place in the City Hall in Helotes, Texas, at 7:00 o'clock P.M., Helotes, Texas time on August 8, 2002, and, during such meeting, the City Council will consider the passage of an ordinance or ordinances and take such other actions as may be deemed necessary to authorize the issuance of one or more series of certificates of obligation in an aggregate principal amount not to exceed $1,600,000 for the purpose or purposes of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) constructing street improvements (including utilities repair, replacement, and relocation) and drainage incidental thereto; (2) constructing drainage improvements; (3) constructing renovations and improvements to the existing City Hall; (4) constructing renovations and improvements to the existing police department; (5) constructing a new fire station; (6) construction a new police facility, (7) the purchase of materials, supplies, equipment, machinery, land, rights-of-way for authorized needs and purposes relating to the new fire station and for police purposes, and (8) the payment of professional services related to the construction and financing of the aforementioned projects. The certificates of obligation (the *Certificates*) will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and from a lien on and pledge of certain revenues derived by the City from the operation of the City's solid waste management system. The Certificates are to be issued, and this notice is given, under and pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code Section 271.041 through Section 271.063 and Section 363.135, as amended, Texas Health and Safety Code.

Judy Tokar

City Secretary
City of Helotes, Texas

GENERAL CERTIFICATE

THE STATE OF TEXAS	§
	§
COUNTY OF BEXAR	§
	§
CITY OF HELOTES	§

THE UNDERSIGNED HEREBY CERTIFY that:

1. The City Council of the City of Helotes, Texas (the *City*) has authorized the issuance of the "CITY OF HELOTES, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2002", dated August 1, 2002 in the aggregate principal amount of $1,500,000 (the *Certificates*), authorized by an ordinance passed and adopted on the 8th day of August, 2002 (the *Ordinance*).

2. The total principal amount of outstanding indebtedness of the City, payable, in whole or in part, from taxes levied under and pursuant to Article XI, Section 4 of the Texas Constitution, including the Certificates, is as follows:

OUTSTANDING TAX OBLIGATIONS	$200,000
THE CERTIFICATES	1,500,000
TOTAL INDEBTEDNESS	$1,700,000

A schedule of indebtedness of the City payable, in whole or in part, from taxes is attached hereto as Exhibit A and made a part of this certificate for all purposes.

3. A debt service requirement schedule for all outstanding general obligation indebtedness of the City, including the Certificates, is attached hereto as Exhibit B and made a part of this certificate for all purposes.

4. The City is a duly incorporated Type A general law municipality, having less than 5,000 inhabitants, operating and existing under the laws of the State of Texas and has not issued debt since the issuance of "City of Helotes, Texas General Obligation Bonds, Series 1993", in the original principal amount of $350,000, dated January 1, 1993.

5. The members of the City Council of the City are as follows:

Steven F. Hodges	Mayor
Garrie Gillaspie	Mayor Pro Tem
Jim Caruso	Councilmember
Barbara Jane Galland	Councilmember
Charles James	Councilmember
David Matthew Umbel	Councilmember

6. Marie Gelles is the duly appointed, qualified, and acting City Administrator of the City.

7. Judy Tokar is the duly appointed, qualified, and acting City Secretary of the City.

8. The assessed value of all taxable property (net of exemptions) in the City, as shown by the tax rolls for the year 2001, which have been duly approved and are the latest official assessment of taxable property in the City, is as follows:

TOTAL ASSESSED TAXABLE VALUES OF
REAL AND PERSONAL PROPERTY $254,883,359

9. The current rates and charges for the City's System are as set forth in Exhibit C and made a part of this certificate for all purposes.

10. A schedule of the Gross Revenues of the System (as shown by the records of the City) for the last five Fiscal Years is attached as Exhibit D and made a part of this certificate for all purposes.

11. All of the meetings held by the City Council pursuant to which any proceedings were passed, adopted, and approved in connection with the Certificates were meetings open to the public for which public notice had been given, all as required by law and particularly Chapter 551, as amended, Texas Government Code.

12. No Net Revenues of the System are pledged or encumbered to the payment of any debt or obligation of the City or the System, except in connection with the Certificates.

13. The City has no outstanding revenue debt payable from System revenues and accordingly, is not in default as to any covenant, condition, or obligation in connection with any currently outstanding revenue indebtedness.

14. No petition signed by at least 5% of the qualified electors of the City has been filed with the Mayor, the City Secretary, any member of the City Council of the City, or any other officer

of the City protesting the issuance of the Certificates or requesting a referendum election on the question of their issuance and sale.

15. The terms *Fiscal Year, Gross Revenues* and *System*, as used in this certificate, have the same meanings as in the Ordinance.

16. Additional transcript requirements pursuant to the provisions of Section 1202.008, as amended, Texas Government Code, are attached hereto as Exhibit E.

17. Capitalized terms not defined in this certificate shall have the meanings ascribed to them in the Ordinance.

18. This certificate is made for the benefit of the persons involved in this transaction and the Attorney General of The State of Texas in connection with his examination into and the approval of the Certificates.

[The remainder of this page intentionally left blank.]

WITNESS OUR HANDS AND THE SEAL OF THE CITY OF HELOTES, TEXAS, this 8th day of August, 2002.

CITY OF HELOTES, TEXAS

Mayor

City Secretary

(CITY SEAL)

EXHIBIT A

CURRENTLY OUTSTANDING INDEBTEDNESS
PAYABLE FROM TAXES

Description	Amount
General Obligation Bonds, Series 1993	$200,000
The Certificates	1,500,000
TOTAL	$1,700,000

EXHIBIT B

DEBT SERVICE SCHEDULE

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS
(As of July 1, 2002)

Fiscal Year Ending 9/30	Current Total Debt Service	The Certificates			Gross General Obligation Debt
		Principal	Interest	Principal & Interest	
2003	$ 36,820	$ 70,000	$ 58,127	$ 128,127	$ 164,947
2004	35,320	70,000	55,677	125,677	160,997
2005	33,795	75,000	53,140	128,140	161,935
2006	37,083	80,000	50,328	130,328	167,411
2007	35,185	85,000	47,234	132,234	167,419
2008	33,250	90,000	43,952	133,952	167,202
2009	36,138	95,000	40,365	135,365	171,503
2010		95,000	36,565	131,565	131,565
2011		100,000	32,665	132,665	132,665
2012		110,000	28,465	138,465	138,465
2013		115,000	23,965	138,965	138,965
2014		120,000	19,265	139,265	139,265
2015		125,000	14,240	139,240	139,240
2016		130,000	8,853	138,853	138,853
2017		140,000	3,045	143,045	143,045
	$247,590	$1,500,000	$515,886	$2,015,886	$2,263,476

EXHIBIT C

RATES AND CHARGES

SCHEDULE A

RATE SCHEDULE FOR SOLID WASTE COLLECTION AND DISPOSAL

Residential Service — Twice Weekly Service $10.96
(90-gallon cart optional $1.00 per mo.)

Containerized Service

Size

	1x Wk	2x Wk	3x Wk	4x Wk	5x Wk	6 Wk
2 cu. yd.	$45	$75	$95	$120	$145	$170
3 cu. yd.	$55	$90	$135	$175	$210	$245
4 cu. yd.	$60	$105	$150	$195	$240	$285
6 cu. yd.	$75	$130	$180	$230	$280	$330
8 cu. yd.	$95	$155	$225	$290	$350	$410

Commercial Hand Load Service — Twice Weekly Service $22.50/Cart
(includes 90-gallon cart)

EXHIBIT D

OPERATIONS RECORDS

TABLE 11

REVENUE GENERATED BY MUNICIPAL SOLID WASTE SYSTEM

[As of August2, 2001]

	Fiscal Year Ended				
	9/30/2002	9/30/2001	9/30/2000	9/30/1999	9/30/1998
Revenue	$ 13,831 [1]	$ 18,219	$ 11,496	$ 10,532	$ 6,911

Pursuant to the provisions of a franchise ordinance adopted by the City Council on March 29, 2000 as permitted by the provisions of Chapter 363, as amended, Texas Health and Safety Code, the City has entered into a contract with Texas Waste Systems Inc. ("Contractor") for the collection and disposal of the City's solid waste, pursuant to which the City receives a percentage of the revenues generated by the Contractor. The contract is for an initial term through April 30, 2003, subject to three-year extension.

[1] *Revenue through June 26, 2002.*

Source: The Issuer.

EXHIBIT E

City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002

Par Amount of Issue:	See Official Statement
Dollar Amount of Bond Premium (if any):	None
Dollar Amount of Original Issue Discount (if any):	None
Dated Date:	See Official Statement
Closing Date (Expected Delivery Date, on or about):	See Official Statement
By Year, Maturity Amounts, Coupon Rates, Prices or Yields (If No Reoffering Yield (NRO) Indicated, Please Provide Yield Separately):	See Official Statement
Call Provisions, Including Premiums (if any):	See Official Statement
Mandatory Redemption Provisions:	See Official Statement
Debt-Service Schedule, Principal and Interest, and Annual Totals, with the fiscal year identified:	See Official Statement
Use of Derivative Products Associated with Financing:	None
If Applicable, Schedule of Bonds Refunded, including, by year, principal amount, coupon, and interest cost:	N/A
Pledge: tax (ad valorem, sales, other), revenue, combination:	Ad Valorem Tax and Revenues
Type of Credit Enhancement (including PSF guarantee):	See Official Statement
Rating Service(s) and rating(s) assigned to issue:	See Official Statement

B. Additional Information.

14. Type of sale: x a) competitive ☐ c) private placement ☐ b) negotiated ☐ d) other (explain)

15. Pricing: Negotiated sale:
Competitive sale: date and time of bid opening: 8/8/02 at 11:00 a.m.
Private placement: date of agreement on interest rates:

16. If purchaser of bonds is a governmental entity, such as the Texas Water Development Board, please name purchaser: N/A

17. If a refunding bond issue, please provide final schedule of cash and present value savings (loss). N/A

18. If a school district refunding bond issue, and the refunding involves "old debt" per the Texas Education Code, please provide schedule of principal and interest payments of refunding bonds associated with "old debt". If the same issue also involves "new debt," please provide a schedule of principal and interest payments on the "new debt" portion as well. These two schedules together should equal total debt service by maturity. N/A

19. CAB's and CIB's - please provide the per annum bond interest rates by maturity as shown in the bond order document. N/A

20. Costs of Issuance — please provide best estimate of costs.
If final costs are significantly different, please submit changes directly to the Texas Bond Review Board. Call (512) 463-1741 or (512) 475-4802 (FAX).

SERVICE	FIRM	ONE-TIME FEES	ANNUAL FEE (a)
		(in dollars)	
Bond Rating	Duff & Phelps		
	Fitch		
	Moody's		
	Standard & Poor's	3,000.00	
Other General Costs of Issuance (b)		31,000.00	
Any Specialized Costs of Issuance (c)			
Credit Facility			
Bond Insurance	FSA	8,500.00	
Total Underwriting Spread (d)		13,272.15	
Did underwriter pay rating fee(s)? Yes No Which one(s)?			
Did underwriter pay bond insurance fee? Yes No			

PARTICIPANTS	FIRM
Bond Counsel	Fulbright & Jaworski L.L.P., San Antonio, Texas
Paying Agent/Registrar	The Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida
Financial Advisor	SWS Securities, San Antonio, Texas
Purchaser	Raymond James & Associates, San Antonio, Texas

(a) relates to the ongoing fees or recurring costs of a financing for services such as paying agent, remarketing agent, credit provider and other similar services (may be expressed as a formula as appropriate).
(b) e.g., bond counsel, financial advisor, paying agent, printing, AG approval.
(c) e.g., remarketing fees, escrow verification fees, etc.
(d) the cost for marketing and selling the bonds, including takedown, structuring fee, underwriter risk, and expenses.

PERSON COMPLETING FORM:

Name: Mark McLiney

Telephone No. 210/226-8677
Fax No. 210/226-8299

SIGNATURE AND NO-LITIGATION CERTIFICATE

THE STATE OF TEXAS	§
	§
COUNTY OF BEXAR	§
	§
CITY OF HELOTES	§

THE UNDERSIGNED HEREBY CERTIFY that:

1. This certificate is executed and delivered with reference to the "CITY OF HELOTES, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2002", dated August 1, 2002 (the *Certificate Date*), in the aggregate original principal amount of $1,500,000 (the *Certificates*).

2. The Certificates have been duly and officially executed by the undersigned Mayor and City Secretary of the City of Helotes, Texas with their manual or facsimile signatures in the manner appearing hereon, and the undersigned Mayor and City Secretary hereby adopt and ratify their respective signatures in the manner appearing on each of the Certificates in manual or facsimile form, as the case may be, as their true, genuine, and official signatures.

3. On the Certificate Date and on the date hereof, the undersigned were and are the duly chosen, qualified, and acting officers indicated therein and were and are authorized to execute the same.

4. The legally adopted, proper, and official corporate seal of the City is impressed, imprinted, or lithographed on all of the Certificates and is impressed on this certificate.

5. No litigation of any nature is now pending before any federal or state court, or administrative body, or to our knowledge threatened, to which the City is a party that seeks to restrain or enjoin the issuance or delivery of the Certificates or questioning the issuance or sale of the Certificates, or the authority or action of the governing body of the City relating to the issuance or sale of the Certificates, the levy of the tax, or the assessment and collection thereof, to pay the principal of and interest on the Certificates, the collection of certain of the revenues derived from the operation of the City's municipal solid waste system (the *System*), or the imposition of rates and charges with regard to the System, pledged to pay the principal of and interest on the Certificates, or that would otherwise adversely affect in a material manner the financial condition of the City to pay the principal of and interest on the Certificates; and neither the corporate existence or boundaries of the City nor the right to hold office of any member of the governing body of the City or any other elected or appointed official of the City is being contested or otherwise questioned.

6. No petition or other request has been filed with or presented to any official of the City requesting that any proceedings authorizing the issuance of the Certificates adopted by the governing body of the City be submitted to a referendum or other election; no authority or proceeding for the issuance, sale, or delivery of the Certificates by the governing body of the City has been amended, repealed, revoked, rescinded, or otherwise modified since the date of passage thereof; and all such proceedings and authority relating to the issuance and sale of the Certificates remain in full force and effect as of the date of this certificate.

Authorization of Attorney General to Date Certificate

7. This Certificate is submitted pursuant to Title 1, Chapter 53, Texas Administrative Code. Upon the approval of the Certificates by the Attorney General of the State of Texas, he is authorized to date this Certificate as of the date of such approval. If any litigation should develop, or if any other event should occur which should make this Certificate inaccurate before the Attorney General's approval of the Certificates, we will notify the Attorney General at once by both telephone and facsimile transmission. With this assurance, the Attorney General is entitled to rely on the accuracy of this Certificate at the time of approval of the Certificates unless we advise him otherwise.

[The remainder of this page intentionally left blank]

EXECUTED AND DELIVERED this SEP 5 2002.

(CITY SEAL)

SIGNATURE	OFFICIAL TITLE
Steven G. Hodges	Mayor, City of Helotes, Texas
Judy Loka	City Secretary, City of Helotes, Texas

Execute either I or II below:

I. The signatures of the officers subscribed above are hereby certified to be true and genuine.

(BANK SEAL)

or (Initials of Authorized Officer if Bank has no seal on premises _____)

_____
(Bank)

By_____
Authorized Officer

II. Before me, on this day personally appeared the foregoing individuals, known to me to be the persons whose names are subscribed to the foregoing instrument and who executed this document in my presence.

Given under my hand and seal of office this 13th day of August, 2002.

NOTARY PUBLIC STATE OF TEXAS
THERESA HELBERT
Notary Public, State of Texas
My Commission Expires
MAY 25, 2005

Theresa Helbert
Notary Public, State of Texas

(NOTARY SEAL)

CERTIFICATE AS TO OFFICIAL STATEMENT

THE STATE OF TEXAS	§
	§
COUNTY OF BEXAR	§
	§
CITY OF HELOTES	§

THE UNDERSIGNED HEREBY CERTIFY to the best of our knowledge and belief that:

1. The descriptions and statements of or pertaining to the City of Helotes, Texas (the *City*) contained in its Official Statement dated August 8, 2002 and any addenda, supplement, or amendment thereto relating to the "CITY OF HELOTES, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2002", dated August 1, 2002, in the aggregate principal amount of $1,500,000 (the *Certificates*), on the date of such Official Statement, on the date of sale and acceptance of the best bid for the Certificates, and on the date of initial delivery of the Certificates, were and are true and correct in all material respects.

2. Insofar as the City and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a 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.

3. Insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the City, and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the City believes to be reliable, and the City has no reason to believe that they are untrue in any material respect.

4. There has been no material adverse change in the financial condition of the City since September 30, 2001, the date of the last financial statements of the City referenced in the Official Statement.

[The remainder of this page intentionally left blank.]

WITNESS OUR HANDS AND THE SEAL OF THE CITY OF HELOTES, TEXAS on this SEP 5 2002.

CITY OF HELOTES, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

CERTIFICATE AS TO TAX EXEMPTION

The undersigned, being the duly chosen and qualified Mayor and City Administrator of the City of Helotes, Texas (the *City*), hereby certify with respect to the CITY OF HELOTES, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2002 in the aggregate principal amount of $1,500,000 (the *Certificates*), as follows:

A. General.

1. For all purposes of this certificate, unless otherwise defined, all defined terms herein shall have the same meaning given to them in the Ordinance and the Regulations (each as defined below).

2. Pursuant to state law and the Ordinance authorizing the issuance of the Certificates, we, along with other officers of the City, are charged with the responsibility for issuing the Certificates.

3. This certificate is made pursuant to Treasury Regulations Sections 1.141 through 1.150 (the *Regulations*), and sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended to the date hereof (the *Code*).

4. This certificate is based on the facts and estimates described herein in existence on the Closing Date, and, on the basis of such facts and estimates, the City expects that the future events described herein will occur. The City covenants not to take any intentional acts or actions after the Closing Date of the Certificates to earn a Yield upon the investment of the proceeds materially higher than the Yield on the Certificates, except as provided herein.

5. The City's employer identification number is 74-2220224.

B. Purpose and Size.

1. The Certificates are being issued pursuant to an Ordinance of the City adopted on August 8, 2002 (the *Ordinance*) for the purpose or purposes of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) constructing street improvements (including utilities repair, replacement, and relocation) and drainage incidental thereto; (2) constructing drainage improvements; (3) constructing renovations and improvements to the existing City Hall; (4) constructing renovations and improvements to the existing police department; (5) constructing a new fire station; (6) constructing a new police facility; (7) the purchase of materials, supplies, equipment, machinery, land, rights-of-way for authorized needs and purposes relating to the new fire station and for police purposes, and

(8) the payment of professional services related to the construction and financing of the aforementioned projects (the *Project*).

2. The City will, at all times prior to the last Stated Maturity of the Certificates,

(a) exclusively own, operate, and possess all property acquired, constructed, or improved with Gross Proceeds and not use or permit the use of any property acquired, constructed, or improved with Gross Proceeds in any activity carried on by any person or entity (other than a state or local government), *unless* such use is merely as a member of the general public, or

(b) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds or any property acquired, constructed, or improved with Gross Proceeds, other than a charge or other payment merely as a member of the general public or interest earned on Investments acquired with Gross Proceeds pending application for their intended purposes, either or both.

3. The City will not use Gross Proceeds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be "loaned" to a person or entity if (1) property acquired, constructed, or improved with Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of Gross Proceeds or any property acquired, constructed, or improved with Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

4. The amounts received from the sale of the Certificates, when added to the amount expected to be received from the investment thereof, do not exceed the amounts required to pay the costs of the Project and of issuing the Certificates.

5. No receipt from the sale of the Certificates or amounts received from the investment thereof will be used to pay the principal of or interest on any currently outstanding debt obligation of the City similar to the Certificates other than the Certificates.

C. Source and Disbursement of Funds.

1. The Certificates are being issued and delivered to Raymond James & Associates, Inc. (the *Purchasers*). The Purchasers sold the Certificates to the public for $1,527,377.66, which represents a sales price of $1,521,772.15, plus accrued interest in the amount of $5,605.51. The City has received as a result of the sale of the Certificates an amount equal to $1,505,605.51, which

represents a purchase price of par, plus accrued interest in the amount of $5,605.51. An insurance premium of $8,500.00 was paid by the Purchasers on behalf of the City.

2. The amount representing accrued interest and premium is being deposited on the date hereof in the City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002 Interest and Sinking Fund (the *Certificate Fund*) created by the Ordinance and will be used to pay the first payment of interest to become due on the Certificates on February 1, 2003.

3. Of the remaining proceeds of the Certificates received by the City from the Purchasers, approximately $34,000.00 will be used to pay the costs of issuance (other than underwriter's spread) relating to the Certificates and $1,466,000.00 will be deposited in a separate checking account of the City (the *Construction Account* or *Fund*) to pay costs of the Project. The amount deposited to the Certificate Fund is less than interest that will be due on the Certificates on February 1, 2003. The City estimates that it will receive $43,500.00 in income or profit from the investment of the amounts deposited to the Construction Fund pending the disbursement of such amounts for the governmental purposes for which the Certificates are being issued. Such amount will be used to pay additional costs of the Project or deposited in the Certificate Fund to pay principal of or interest on the Certificates within one year from the date of receipt.

D. Temporary Periods and Time for Expenditures.

1. Within six months from the date hereof, the City will have incurred binding obligations or commitments in the amount of at least five percent of the principal amount of the Certificates for the Project by entering into contracts for construction, architectural services, engineering services, land acquisition, site development, construction materials, or the purchase of equipment. The City will account for the allocation of the Certificate proceeds to an expenditure not later than 18 months after the later of the date the expenditure is paid or the date the Project is placed in service; but in all events 60 days after the earlier of the fifth anniversary of the date of this Certificate or the retirement of the Certificates.

2. After entering into said contracts, work on the construction or acquisition of the Project will proceed with due diligence to completion, which is expected to occur on, and the proceeds from the sale of the Certificates and investment earnings thereon are expected to be expended by September 1, 2005.

3. Based on the foregoing, the City expects to invest Gross Proceeds, held in the Construction Fund, without regard as to restriction of Yield until September 5, 2005.

E. Certificate Fund.

1. The Certificates are payable from an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property located within the jurisdiction of the City and by a lien on and pledge of the Pledged Revenues of the System. All taxes levied and collected for and on account of the Certificates are to be deposited into the Certificate Fund.

2. Except for that portion of the Certificate Fund, if any, consisting of deposits made to defease in whole or in part the Certificates, the Certificate Fund (i) was created primarily to achieve a proper matching of revenues and debt service with respect to the Certificates within each bond year, beginning on the Closing Date and ending on each anniversary of the Closing Date thereafter until the Certificates are no longer Outstanding and (ii) will be depleted at least once a year except possibly for a carry-over amount not greater than the larger of the preceding bond year's income from the investment thereof or one-twelfth of the debt service paid during the preceding bond year on the Certificates. All amounts deposited to the Certificate Fund will be spent within 13 months of deposit, and all amounts received from investment of such fund will be deposited therein and will be expended within twelve months of receipt. Any amounts held in the Certificate Fund during such periods are expected to be invested by the City without regard as to restriction of Yield. Any amounts held in the Certificate Fund in excess of such periods will be invested at a Yield not to exceed the Yield on the Certificates.

3. All money deposited in the Certificate Fund will be used solely to pay the principal of, and interest on, the Certificates as the same becomes due and payable, and there will be no other funds that will be so used or pledged or otherwise restricted so as to be available with reasonable certainty to be so used.

F. Qualified Guarantee.

1. The Purchasers on behalf of the City have paid on the date hereof to Financial Security Assurance Inc. (the *Guarantor*) $8,500.00 (the *Insurance Premium*) to insure the payment of principal of and interest on the Certificates.

2. Neither the Guarantor nor any party related to the Guarantor will use more than 10% of the proceeds of the Certificates.

3. Under the contract between the Guarantor and the City, the Guarantor is secondarily liable, and has unconditional credit risk, to pay all or a portion of the principal of or interest on the Certificates.

4. The City reasonably expects that the Guarantor will not be called upon to pay the principal of or interest on the Certificates. The Guarantor is entitled to be immediately and full reimbursed for any payment of principal of or interest on the Certificates.

5. The Insurance Premium paid to the Guarantor represents a payments solely for the transfer of credit risk for the payment of principal of and interest on the Certificates and not for any other service, cost or expense. The Insurance Premium does not exceed a reasonable charge for the transfer of such credit risk.

6. The Guarantor has represented to the City that the present value (determined using as the discount rate the yield-to-maturity on the Certificates with regard to the Insurance Premium) of the Insurance Premium paid to the Guarantor with respect to the Certificates is less than the present value (determined using the same discount rate) of the interest savings with respect to the Certificates resulting from the insurance by the Guarantor.

7. The Insurance Premium has been allocated among the Certificates in a manner that properly reflects the proportionate credit risk for which the Guarantor has been compensated.

G. Yield, Rebate and Miscellaneous.

1. The Yield on the Certificates is 3.93902%, calculated on the basis of the information provided in the Issue Price Certificate, attached hereto as Exhibit A.

2. The City is a governmental unit with general taxing powers, the Certificates are not private activity bonds, 95% or more of the Net Proceeds of such Certificates are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City), the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued by the City (and all entities with which the City would be treated as a single issuer under section 148(f)(4)(C) of the Code) during the calendar year 2002 is not reasonably expected to exceed $5,000,000, and the City will not spend the Gross Proceeds of the Certificates so as to cause the Certificates to become private activity bonds. Accordingly, the City does not expect to be required to rebate to the United States Treasury any "arbitrage" profits resulting from the investment of proceeds of the Certificates.

3. The City does not expect that the proceeds of the Certificates will be used in a manner that would cause the Certificates to be arbitrage bonds within the meaning of section 148 of the Code.

4. The City has not incurred or issued and will not incur or issue tax exempt bonds (bonds, notes, lease agreements, etc.) pursuant to Section 103(a) of the Code during the current calendar year in an aggregate amount in excess of $10,000,000, and the City has in the Ordinance and hereby designates the Certificates as "Qualified Tax Exempt Obligations" in accordance with the provisions of paragraph (3) of subsection (b) of Section 265 of the Code.

5. The City has covenanted to account for the Gross Proceeds of the Certificates separately and apart from all other funds of the City from the date hereof.

6. The weighted average maturity of the Certificates is 8.43 years, which is less than 120% of the average reasonably expected economic life of the assets acquired or constructed with the proceeds of the Certificates.

7. The City has not sold nor will it sell any obligations within 15 days of the sale date of the Certificates.

H. No Abusive Arbitrage Device.

1. In connection with the issuance of the Certificates, the City has not employed any action which has the effect of overburdening the market for tax-exempt obligations by issuing more bonds, issuing bonds earlier, or allowing bonds to remain outstanding longer than is reasonably necessary to accomplish the governmental purposes of the Certificates.

2. In connection with the issuance of the Certificates, the City has not employed any action which has the effect of enabling the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage.

[The remainder of this page intentionally left blank.]

Executed and delivered SEP 5 2002.

CITY OF HELOTES, TEXAS

Mayor

City Administrator

EXHIBIT A

Issue Price Certificate

ISSUE PRICE CERTIFICATE

The undersigned hereby certifies as follows with respect to the sale of the "City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002" (the "Certificates"), issued in the aggregate principal amount of $1,500,000, as follows:

1. The undersigned is the underwriter or the manager of the syndicate of underwriters which has purchased the Certificates from the City of Helotes, Texas (the "Issuer") at a competitive sale.

2. The undersigned and/or one or more other members of the underwriting syndicate, if any, have made a bona fide offering to the public of the Certificates of each stated maturity at the respective prices set forth below.

3. The initial offering price (expressed as a percentage of principal amount or yield and exclusive of accrued interest) for the Certificates of each stated maturity at which at least ten percent (10%) of the Certificates of such stated maturity was sold to the public is as set forth below:

Principal Amount at Stated Maturity	Year of Stated Maturity	Offering Price % or "Yield"	Principal Amount at Stated Maturity	Year of Stated Maturity	Offering Price % or "Yield"
$ 70,000	2003	1.50	$ 95,000	2010	3.55
70,000	2004	1.70	100,000	2011	3.70
75,000	2005	2.15	110,000	2012	3.80
80,000	2006	2.50	115,000	2013	3.90
85,000	2007	2.80	120,000	2014	4.00
90,000	2008	3.10	125,000	2015	4.25
95,000	2009	3.35	130,000	2016	4.35
		X	140,000	2017	4.45

4. The term "public", as used herein, means persons other than bondhouses, brokers, dealers, and similar persons or 5 organizations acting in the capacity of underwriters or wholesalers.

5. The offering prices described above reflect current market prices at the time of such sales.

6. The CUSIP number of the Certificates with the latest stated maturity is _____.

7. The undersigned [have] [have not] purchased bond insurance on behalf of the Issuer for the Certificates. The bond insurance has been purchased from FSA (the "Insurer") for a premium cost of $ 8,502 (net of any non-guarantee cost, e.g., rating agency fees). The amount of such cost is set forth in the Insurer's commitment and is separately stated from all other fees or charges payable to the Insurer. The premium does not exceed a reasonable charge for the transfer of credit risk taking into account payments charged by guarantors in comparable transactions (including transactions in which a guarantee has no involvement other than as a guarantor). The present value of the debt service savings expected to be realized as a result of such insurance, discounted at a rate equal to the yield on the Certificates, which results after recovery of the insurance premium, exceeds the present value of the bond insurance premium.

8. The undersigned understands that the statements made herein will be relied upon by the Issuer in its effort to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended, and by Bond Counsel in rendering their legal opinion concerning the excludability of interest on the Certificates from the gross income of their owners.

EXECUTED and DELIVERED this 5 day of SEPT., 2002.

Raymond James & Assoc.
(Name of Underwriter or Manager)

By: _____

Title: V.P.

FULBRIGHT & JAWORSKI L.L.P.
A REGISTERED LIMITED LIABILITY PARTNERSHIP
300 CONVENT STREET, SUITE 2200
SAN ANTONIO, TEXAS 78205

TELEPHONE: 210/224-5575
FACSIMILE: 210/270-7205

WRITER'S INTERNET ADDRESS:
scrane@fulbright.com

WRITER'S DIRECT DIAL NUMBER:
210/270-7127

HOUSTON
WASHINGTON, D.C.
AUSTIN
SAN ANTONIO
DALLAS
NEW YORK
LOS ANGELES
MINNEAPOLIS
LONDON
MUNICH
HONG KONG

September 5, 2002

Re: City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002

CERTIFIED MAIL NO. 7106 4575 1294 2118 6021
RETURN RECEIPT REQUESTED

Certified Article Number
7106 4575 1294 2118 6021
SENDERS RECORD

Internal Revenue Service Center
Ogden, Utah 84201

Ladies and Gentlemen:

I enclose the original and a copy of an Information Return for Tax-Exempt Governmental Obligations (Form 8038-G) pertaining to the captioned financing.

Please file the original, file-stamp the copy and return it to me in the enclosed self-addressed, stamped envelope. Thank you for your assistance.

Very truly yours,

Suzi E. Crane
Senior Legal Assistant

/sec
Enclosures
cc: James P. Plummer (Firm)

#2048423v1<

Form **8038-G**
(Rev. November 2000)
Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▸ Under Internal Revenue Code section 149(e)
▸ See separate instructions.
Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ▸ ☐

1 Issuer's name: City of Helotes, Texas		2 Issuer's employer identification number: 1-74-2220224-6	
3 Number and street (or P.O. box if mail is not delivered to street address): 12951 Bandera Road	Room/suite	4 Report number: 301	
5 City, town, or post office, state, and ZIP code: Helotes, Texas 78023		6 Date of issue: 9-5-02	
7 Name of Issue: Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002		8 CUSIP Number: 423482AM8	
9 Name and title of officer or legal representative whom the IRS may call for more information: James P. Plummer		10 Telephone number of officer or legal representative: (210) 270-7192	

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11	☐ Education	11	
12	☐ Health and hospital	12	
13	☐ Transportation	13	
14	☐ Public safety	14	
15	☐ Environment (including sewage bonds)	15	
16	☐ Housing	16	
17	☒ Utilities	17	1,521,772.15
18	☐ Other. Describe ▸	18	
19	If obligations are TANs or RANs, check box ▸ ☐ If obligations are BANs, check box ▸ ☐		
20	If obligations are in the form of a lease or installment sale, check box ▸ ☐		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	2-1-17	$ 1,521,772.15	$ 1,500,000.00	8.43 years	3.93902 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	5,605.51
23	Issue price of entire issue (enter amount from line 21, column (b))			23	1,521,772.15
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	47,272.15		
25	Proceeds used for credit enhancement	25	8,500.00		
26	Proceeds allocated to reasonably required reserve or replacement fund	26			
27	Proceeds used to currently refund prior issues	27			
28	Proceeds used to advance refund prior issues	28			
29	Total (add lines 24 through 28)			29	55,772.15 0.00
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	1,466,000.00 0.00

Part V Description of Refunded Bonds (complete this part only for refunding bonds.)

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▸	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▸	years
33	Enter the last date on which the refunded bonds will be called ▸	
34	Enter the date(s) the refunded bonds were issued ▸	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	
b	Enter the final maturity date of the guaranteed investment contract ▸		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	
b	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▸ ☐ and enter the name of the issuer ▸ and the date of the issue ▸		
38	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▸		☒
39	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▸		☐
40	If the issuer has identified a hedge, check box ▸		☐

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

▸ Steven F. Hodges 9-5-02 ▸ Steven F. Hodges, Mayor

Signature of issuer's authorized representative — Date — Type or print name and title

DISCLOSURE, NO DEFAULT AND TAX CERTIFICATE OF FINANCIAL SECURITY ASSURANCE INC.

The undersigned hereby certifies on behalf of Financial Security Assurance Inc. ("Financial Security"), in connection with the issuance by Financial Security of its Policy No. 29557-N (the "Policy") in respect of the $1,500,000 in aggregate principal amount of City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002 (the "Bonds") that:

(i) the information set forth under the caption "BOND INSURANCE – Financial Security Assurance Inc." in the official statement dated August 8, 2002 relating to the Bonds is true and correct, except as set forth in (ii) below,

(ii) At June 30, 2002, Financial Security's total policyholders' surplus and contingency reserves were approximately $1,710,044,000 and its total unearned premium reserve was approximately $898,579,000 in accordance with statutory accounting principles. At June 30, 2002, Financial Security's total shareholders' equity was approximately $1,817,013,000 and its total net unearned premium reserve was approximately $744,499,000 in accordance with generally accepted accounting principles.

(iii) Financial Security is not currently in default nor has Financial Security ever been in default under any policy or obligation guaranteeing the payment of principal of or interest on an obligation,

(iv) the Policy is an unconditional and recourse obligation of Financial Security (enforceable by or on behalf of the holders of the Bonds) to pay the scheduled principal of and interest on the Bonds in the event of Nonpayment by the Issuer (as set forth in the Policy),

(v) the insurance premium of $8,500.00 (the "Premium") is a charge for the transfer of credit risk and was determined in arm's length negotiations and is required to be paid to Financial Security as a condition to the issuance of the Policy,

(vi) no portion of such Premium represents an indirect payment of costs of issuance, including rating agency fees, other than fees paid by Financial Security to maintain its ratings, which, together with all other overhead expenses of Financial Security, are taken into account in the formulation of its rate structure, or for the provision of additional services by us, nor the direct or indirect payment for a cost, risk or other element that is not customarily borne by insurers of tax-exempt bonds (in transactions in which the guarantor has no involvement other than as a guarantor),

(vii) Financial Security is not providing any services in connection with the Bonds other than providing the Policy, and except for the Premium, Financial Security will not use any portion of the Bond proceeds,

(viii) except for payments under the Policy in the case of Nonpayment by the Issuer, there is no obligation to pay any amount of principal or interest on the Bonds by Financial Security,

(ix) Financial Security does not expect that a claim will be made on the Policy,

(x) the Issuer is not entitled to a refund of the premium for the Policy in the event a Bond is retired before the final maturity date, and

(xi) for Bonds which are secured by a debt service reserve, Financial Security would not have issued the Policy unless the authorizing or security agreement for the Bonds provided for a debt service reserve account or fund funded and maintained in an amount at least equal to, as of any particular date of computation, the reserve requirement as set forth in such agreement.

Financial Security makes no representation as to the nature of the interest to be paid on the Bonds or the treatment of the Policy under Section 1.148-4(f) of the Income Tax Regulations.

FINANCIAL SECURITY ASSURANCE INC.

By: _____
Authorized Officer

Dated: September 5, 2002

OFFICE OF THE ATTORNEY GENERAL · STATE OF TEXAS
JOHN CORNYN

August 29, 2002

THIS IS TO CERTIFY that the City of Helotes, Texas (the "Issuer"), has submitted to me City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificate of Obligation, Series 2002 (the "Certificate") in the principal amount of $1,500,000 for approval. The Certificate is dated August 1, 2002, numbered T-1, and was authorized by Ordinance No. 213 of the Issuer passed on August 8, 2002 (the "Ordinance").

I have examined the law and such certified proceedings and other papers as I deem necessary to render this opinion.

As to questions of fact material to my opinion, I have relied upon representations of the Issuer contained in the certified proceedings and other certifications of public officials furnished to me without undertaking to verify the same by independent investigation.

I express no opinion relating to the official statement or any other offering material relating to the Certificate.

Based on my examination, I am of the opinion, as of the date hereof and under existing law, as follows (capitalized terms, except as herein defined, have the meanings given to them in the Ordinance):

(1) The Certificate has been issued in accordance with law and is a valid and binding obligation of the Issuer.

(2) The Certificate is payable from the proceeds of an annual ad valorem tax levied, within the limit prescribed by law, upon all taxable property in the Issuer, and is additionally payable from and secured by a lien on and pledge of the Pledged Revenues of the Issuer's solid waste management system, such lien on and pledge of the limited amount of Net Revenues being subordinate and inferior to the lien on and pledge of such Net Revenues securing payment of any Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations.

Therefore, the Certificate is approved.

John Cornyn
Attorney General of the State of Texas

No. 38279
Book No. 2002-C
spc

OFFICE OF COMPTROLLER

OF THE STATE OF TEXAS

I, CAROLE KEETON RYLANDER, Comptroller of Public Accounts of the State of Texas, do hereby certify that the attachment is a true and correct copy of the opinion of the Attorney General approving the:

City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificate of Obligation, Series 2002

numbered T-1, of the denomination of $ 1,500,000, dated August 1, 2002, as authorized by issuer, interest various percent, under and by authority of which said bonds/certificates were registered electronically in the office of the Comptroller, on the 29th day of August, 2002, under Registration Number 65982.

Given under my hand and seal of office, at Austin, Texas, the 29th day of August, 2002.

Carole Keeton Rylander

CAROLE KEETON RYLANDER
Comptroller of Public Accounts
of the State of Texas

OFFICE OF COMPTROLLER

OF THE STATE OF TEXAS

I, Melissa Mora, ☐ Bond Clerk ☒ Assistant Bond Clerk in the office of the Comptroller of the State of Texas, do hereby certify that, acting under the direction and authority of the Comptroller on the 29th day of August, 2002, I signed the name of the Comptroller to the certificate of registration endorsed upon the:

City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificate of Obligation, Series 2002,

numbered T-1, dated August 1, 2002, and that in signing the certificate of registration I used the following signature: Carole Keeton Rylander

IN WITNESS WHEREOF I have executed this certificate this the 29th day of August, 2002.

Melissa Mora

I, Carole Keeton Rylander, Comptroller of Public Accounts of the State of Texas, certify that the person who has signed the above certificate was duly designated and appointed by me under authority vested in me by Chapter 403, Subchapter H, Government Code, with authority to sign my name to all certificates of registration, and/or cancellation of bonds required by law to be registered and/or cancelled by me, and was acting as such on the date first mentioned in this certificate, and that the bonds/certificates described in this certificate have been duly registered in the office of the Comptroller, under Registration Number 65982.

GIVEN under my hand and seal of office at Austin, Texas, this the 29th day of August, 2002.

Carole Keeton Rylander

CAROLE KEETON RYLANDER
Comptroller of Public Accounts
of the State of Texas

FULBRIGHT & JAWORSKI L.L.P.
A REGISTERED LIMITED LIABILITY PARTNERSHIP
300 CONVENT STREET, SUITE 2200
SAN ANTONIO, TEXAS 78205

TELEPHONE: 210/224-5575
FACSIMILE: 210/270-7205

HOUSTON
WASHINGTON, D.C.
AUSTIN
SAN ANTONIO
DALLAS
NEW YORK
LOS ANGELES
MINNEAPOLIS
LONDON
MUNICH
HONG KONG

SEP 5 2002

FINAL

IN REGARD to the authorization and issuance of the "City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002" (the *Certificates*), dated August 1, 2002 in the aggregate principal amount of $1,500,000, we have reviewed the legality and validity of the issuance thereof by the City of Helotes, Texas (the *City*). The Certificates are issuable in fully registered form only, in denominations of $5,000 or any integral multiple thereof, and have stated maturities of February 1 in each of the years 2003 through 2017, unless redeemed prior to stated maturity in accordance with the terms stated on the face of the Certificates. Interest on the Certificates accrues from the dates, at the rates, in the manner, and is payable on the dates as provided in the ordinance authorizing the issuance of the Certificates (the *Ordinance*).

WE HAVE SERVED AS BOND COUNSEL for the City solely to pass upon the legality and validity of the issuance of the Certificates under the laws of the State of Texas and with respect to the exemption of the interest on the Certificates from federal income taxes and for no other purpose. We have not been requested to investigate or verify, and have not independently investigated or verified, any records, data, or other material relating to the financial condition or capabilities of the City or the City's solid waste management system and have not assumed any responsibility with respect thereto. We express no opinion and make no comment with respect to the sufficiency of the security for or the marketability of the Certificates. Our role in connection with the City's Official Statement prepared for use in connection with the sale of the Certificates has been limited as described therein.

WE HAVE EXAMINED, and in rendering the opinions herein we rely upon, original or certified copies of the proceedings of the City Council of the City in connection with the issuance of the Certificates, including the Ordinance; certificates executed by officers of the City relating to the expected use of proceeds of the Certificates and certain other funds of the City and to certain other facts within the knowledge and control of the City; and such other material, including an examination of the Certificate executed and delivered initially by the City, which we found to be in due form and properly executed, and such matters of law as we deem relevant to the matters discussed below. In such examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the accuracy of the statements contained in such certificates. We express no opinion concerning any effect on the following opinions which may result from changes in law effected after the date hereof.

Legal Opinion of Fulbright & Jaworski L.L.P. in connection with the authorization and issuance of "City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002"

BASED ON OUR EXAMINATION, IT IS OUR OPINION that the Certificates have been duly authorized and issued in conformity with the laws of the State of Texas now in force and that the Certificates are valid and legally binding obligations of the City enforceable in accordance with the terms and conditions described therein, except to the extent that the enforceability thereof may be affected by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity. The Certificates are payable from the levy of an ad valorem tax, within the limitations prescribed by law, upon all taxable property in the City and are additionally payable from and secured by a lien on and pledge of the Pledged Revenues (as defined in the Ordinance), being a limited amount of the Net Revenues (as defined in the Ordinance) derived from the operation of the City's solid waste management system (the *System*), such lien on and pledge of the limited amount of Net Revenues being subordinate and inferior to the lien on and pledge thereof providing for the payment and security of any Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City. In the Ordinance, the City retains the right to issue Prior Lien Obligations, Junior Lien Obligations, Subordinate Lien Obligations, and Additional Limited Pledge Obligations (each as defined in the Ordinance) without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise.

IT IS FURTHER OUR OPINION THAT, assuming continuing compliance after the date hereof by the City with the provisions of the Ordinance and in reliance upon the representations and certifications of the City made in a certificate of even date herewith pertaining to the use, expenditure, and investment of the proceeds of the Certificates, under existing statutes, regulations, published rulings, and court decisions (1) interest on the Certificates will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date hereof (the *Code*), of the owners thereof for federal income tax purposes, pursuant to section 103 of the Code, and (2) interest on the Certificates will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals or, except as hereinafter described, corporations.

WE CALL YOUR ATTENTION TO THE FACT THAT, with respect to our opinion in clause (2) above, interest on all tax-exempt obligations, such as the Certificates, owned by a corporation will be included in such corporation's adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporation, other than an S corporation, a mutual fund, a financial asset securitization investment trust, a real estate mortgage investment conduit, or a real estate investment trust. A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by section 55 of the Code will be computed.

Legal Opinion of Fulbright & Jaworski L.L.P. in connection with the authorization and issuance of "City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002"

WE EXPRESS NO OPINION with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Certificates. Ownership of tax-exempt obligations such as the Certificates may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

OUR OPINIONS ARE BASED on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

FSA
A Dexia Company

September 5, 2002

Municipal Bond Insurance Policy No. 29557-N With Respect to
$1,500,000 In Aggregate Principal Amount of
City of Helotes, Texas
Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002

Ladies and Gentlemen:

I am Assistant General Counsel of Financial Security Assurance Inc., a New York stock insurance company ("Financial Security"). You have requested my opinion in such capacity as to the matters set forth below in connection with the issuance by Financial Security of its above-referenced policy (the "Policy"). In that regard, and for purposes of this opinion, I have examined such corporate records, documents and proceedings as I have deemed necessary and appropriate.

Based upon the foregoing, I am of the opinion that:

1. Financial Security is a stock insurance company duly organized and validly existing under the laws of the State of New York and authorized to transact financial guaranty insurance business therein.

2. The Policy has been duly authorized, executed and delivered by Financial Security.

3. The Policy constitutes the valid and binding obligation of Financial Security, enforceable in accordance with its terms, subject, as to the enforcement of remedies, to bankruptcy, insolvency, reorganization, rehabilitation, moratorium and other similar laws affecting the enforceability of creditors' rights generally applicable in the event of the bankruptcy or insolvency of Financial Security and to the application of general principles of equity.

In addition, please be advised that I have reviewed the description of the Policy under the caption "BOND INSURANCE – Bond Insurance Policy" in the official statement relating to the above-referenced Bonds dated August 8, 2002 (the "Official Statement"). There has not come to my attention any information which would cause me to believe that the description of the Policy referred to above, as of the date of the Official Statement or as of the date of this opinion, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Please be advised that I express no opinion with respect to any information contained in, referred to or omitted from under the caption "BOND INSURANCE – Financial Security Assurance Inc."

I am a member of the Bar of the State of New York, and do not express any opinion as to any law other than the laws of the State of New York.

Very truly yours,

Assistant General Counsel

City of Helotes,
12951 Bandera Road,
Helotes, Texas 78023-0507.

Raymond James & Associates, Inc.,
One Griswald,
Detriot, Michigan 48266.

August 8, 2002

Ms. Melissa Mora
Cash and Securities Management Division
Texas State Comptroller of Public Accounts
Thomas Jefferson Rusk Building
208 East 10th Street, 6th Floor, Room 636
Austin, Texas 78701-2407

Re: "City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002"

Dear Ms. Mora:

The Initial Certificate prepared in connection with the captioned financing will be delivered to you by the Attorney General, when approved by him. We request that you register the Initial Certificate on behalf of the City and, when so registered, mail it, along with the approving opinion of the Attorney General, via an overnight delivery mail service, to The Bank of New York Trust Company of Florida, N.A., 10161 Centurion Parkway, 3rd Floor, Jacksonville, Florida 32256, Attn: Ms. Janalee Scott, for further handling under our instructions to them.

We further request that three copies of the approving opinion of the Attorney General, together with the Comptroller's registration certificate, be mailed directly to the offices of Fulbright & Jaworski L.L.P., 300 Convent Street, Suite 2200, San Antonio, Texas 78205, Attn: W. Jeffrey Kuhn.

Thank you for your assistance in this matter.

Very truly yours,

Mayor,
City of Helotes, Texas

#45207634v1<

August 8, 2002

Ms. Janalee R. Scott
The Bank of New York Trust Company of Florida, N.A.
10161 Centurion Parkway, Third Floor
Towermarc Plaza
Jacksonville, Florida 32256

Attn: Corporate Trust Department

Re: "City of Helotes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002"

Dear Ms. Scott:

The payment for and delivery of the Certificates to the initial purchasers is to occur at your Bank. Preliminary to the delivery of the Certificates, you will receive a single fully-registered obligation in the total principal amount of the Certificates (the *Initial Obligation*) from the Comptroller of Public Accounts of the State of Texas, together with the approving opinion of the Attorney General. When you receive the Initial Obligation, please forward it, together with the approving opinion of the Attorney General, by overnight delivery, to the firm of Fulbright & Jaworski L.L.P., 300 Convent Street, Suite 2200, San Antonio, Texas 78205, Attn: W. Jeffrey Kuhn, for their examination and review. After the examination of the Initial Obligation by such firm, it will be returned to you, and thereupon you are authorized to deliver it to the initial purchasers thereof, or their order, upon payment being made therefor in immediately available funds in accordance with the terms of the enclosed Receipt.

When payment for the Initial Obligation has occurred, please transmit the proceeds thereof by the fastest means available in immediately available funds to the City's depository bank.

I enclose two copies of a Signature and No-Litigation Certificate, Certificate as to Official Statement, Certificate as to Tax Exemption, and Receipt, each executed and completed except as to date. When payment for the Initial Obligation is made, please date and release to the initial purchaser one copy of the Signature and No-Litigation Certificate, Certificate as to Official Statement, and Certificate as to Tax Exemption, and return the remaining copies of such certificates and all copies of the Receipt to Bond Counsel at the address shown in the first paragraph of this letter.

Should any litigation having any effect upon the Initial Obligation develop prior to the time you have received payment for it, I will notify you at once by telephone or by telegraph. You may thus be assured that there is no such litigation at the time the Initial Obligation is delivered by you unless you have been advised otherwise as provided herein.

Thank you for your assistance in this matter.

Very truly yours,

Mayor,
City of Helotes, Texas

#45207688v1<

Ratings Services
55 Water Street, 38th Floor
New York, NY 10041-0003
Tel 212 438-2074
Reference No. 40131546

Vincent Orgo
Administrative Officer
Public Finance Ratings

Standard & Poor's
A Division of The McGraw-Hill Companies

August 30, 2002

Ms. Suzanne M. Finnegan
Chief Municipal Underwriting Officer
Financial Security Assurance Inc.
Financial Guaranty Group
350 Park Avenue
New York, NY 10022

Re: ***$1,500,000 City of Helotes, Texas, Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2002, dated: August 1, 2002, due: February 1, 2003-2017, (POLICY #29557-N)***

Dear Ms. Finnegan:

This is to advise you that we have changed the rating to 'AAA' from 'BBB+' on the subject bonds.

The rating change reflects our assessment of the likelihood of repayment of principal and interest based on the bond insurance policy your company is providing.

When using the Standard & Poor's rating, include the definition of the rating together with a statement that this may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. This rating is not a "market rating", because it is not a recommendation to buy, hold or sell the obligations.

If you have any questions, please contact us.

Very truly yours

Vincent S Orgo

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RECEIPT

THE STATE OF TEXAS	§
	§
COUNTY OF BEXAR	§
	§
CITY OF HELOTES	§

THE UNDERSIGNED HEREBY CERTIFIES that:

1. This receipt is executed and delivered with respect to the "CITY OF HELOTES, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2002", dated August 1, 2002, in the aggregate principal amount of $1,500,000 (the *Certificates*). The issuer of the Certificates is the City of Helotes, Texas, located in Bexar County, Texas (the *City*).

2. On the date shown hereof, the Certificates were delivered to the initial purchaser:

RAYMOND JAMES AND ASSOCIATES, INC.

3. All of the Certificates have been paid for in full by the initial purchaser concurrently with the delivery of this receipt, and the City has received the agreed purchase price for the Certificates, as follows:

PRINCIPAL AMOUNT	$1,500,000
ACCRUED INTEREST	$5,605.51
PREMIUM (DISCOUNT)	-0-
TOTAL AMOUNT RECEIVED	$1,505,605.51

4. The undersigned has executed this receipt in the capacity hereinafter shown for and on behalf of the City.

EXECUTED AND DELIVERED, this SEP 05 2002.

Mayor,
City of Helotes, Texas

#45207693v1<