



OFFICE OF THE
CITY TREASURER

RUSSELL T. FEHR
TREASURER

CITY OF SACRAMENTO
CALIFORNIA

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January 27, 2011

Annual Continuing Disclosure for Fiscal Year 2010:
Sacramento City Financing Authority
North Natomas Community Facilities District No. 2
Revenue Bonds, Series A (1999)
\$7,905,000

In accordance with the provision of the Continuing Disclosure Certificate executed in connection with the bond issue referenced above, the attached Annual Report for Fiscal Year ending June 30, 2010 is submitted. This information may also be found at the City Treasurer's website at:
http://www.cityofsacramento.org/treasurer/continuing_disclosure.html.

CUSIP numbers to which the information relates:

785849DH0

If you have any questions or concerns, please do not hesitate to call our office at (916) 808-5168.

Submitted by,

Janelle Gray
Debt Manager

**City of Sacramento
Annual Continuing Disclosure Report
Fiscal Year 2009/10**

Issue: Sacramento City Financing Authority Revenue Bonds, Series A
North Natomas Community Facilities District No. 2

Par: \$7,905,000
Issued: January 13, 1999

Content of Annual Report. The City’s Annual Report shall contain or incorporate by reference the following:

A: The City’s comprehensive audited financial report for the prior fiscal year.

The City’s Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2010, will be delivered in a separate mailing. The CAFR is projected to be presented to the City Council in February 2011 and released immediately thereafter. At that time the CAFR will also be available on the city’s website at:
<http://www.cityofsacramento.org/finance/accounting/reporting.cfm>.

B: A maturity schedule for the outstanding Bonds and the outstanding CFD Bonds and the outstanding Project Lease Payments, and a listing of the Bonds and the CFD Bonds redeemed prior to maturity and the Project Lease Payments made in advance during the prior fiscal year.

Debt Service Schedule – See Exhibits A1 (Aggregate), A2 (CFD Component), A3 (Lease Component)

C: The balances in the Redemption Fund established pursuant to the Trust Agreement as of the close of the prior fiscal year (with a statement of the debt service requirement to be discharged by such Funds prior to the receipt of expected additional special tax revenue), and the balances in the reserve accounts for the Local Obligations (as that term is defined in the Trust Agreement) as of the close of the prior fiscal year.

C-i: Redemption Fund (as of June 30, 2010): \$876,453 (Special Tax)
\$114,417 (Lease Revenue)

The amount of debt service required to be disbursed prior to the receipt of additional revenue equals \$424,531 for both the special tax and lease revenue components.

C-ii: Reserve Fund (as of June 30, 2010): \$467,500 (Special Tax)
\$270,938 (Lease Revenue)

D: A statement of the total special tax levied in the prior fiscal year and the special tax collections in the CFD for the prior fiscal year.

Special Tax levy for prior fiscal year 2009/2010:	\$626,105
Special Tax collected for fiscal year 2009/2010 as of 6/30/2010:	\$585,948
Special Tax collected for fiscal year 2009/2010 as of 12/31/2010:	\$586,236

E: A statement of the status of all Letters of Credit held by the City for CFD Bonds, as described on page 22 of the Official Statement for the Bonds (the “Official Statement”).

The required Letter of Credit was executed with a cash deposit pursuant to a Cash Collateral Agreement. As of September 24, 2005, the values met the requirement. In accordance with the Cash Collateral Agreement the deposit was fully released.

F: A statement of any changes known to the City in the development plans of any of the owners of property in the CFD that are described in the section of the Official Statement under the caption “THE DISTRICT-OWNERSHIP AND PROPOSED DEVELOPMENT WITHIN THE DISTRICT”.

The City is not aware of any major changes in the proposed development plans of any of the owners of property in the CFD. Additional information on development activity may be found at the City’s website location:

<http://www.cityofsacramento.org/planning/new-growth/north-natomas/>

EXHIBIT A1

Debt Service Schedule for North Natomas CFD No. 2 (Aggregate)

CITY OF SACRAMENTO TREASURER'S OFFICE					NORTH NATOMAS CFD NO. 2 DEBT SERVICE SCHEDULE				
					Original Par:		7,905,000.00		
					Issue Date:		20-Jan-99		
					Dated Date:		20-Jan-99		
DATE	RATE	PRINCIPAL	CALLED PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	ANNUAL DEBT SERVICE	FISCAL YEAR DEBT SERVICE	PRINCIPAL REMAINING	INTEREST REMAINING
1-Sep-99		-	-	299,115.83	299,115.83	299,115.83		7,905,000.00	7,749,123.75
1-Mar-00		-	-	243,623.75	243,623.75		542,739.58	7,905,000.00	7,505,500.00
1-Sep-00	4.80%	100,000.00	-	243,623.75	343,623.75	587,247.50		7,805,000.00	7,261,876.25
1-Mar-01		-	-	241,223.75	241,223.75		584,847.50	7,805,000.00	7,020,652.50
1-Sep-01	4.80%	110,000.00	-	241,223.75	351,223.75	592,447.50		7,695,000.00	6,779,428.75
1-Mar-02		-	-	238,583.75	238,583.75		589,807.50	7,695,000.00	6,540,845.00
1-Sep-02	4.80%	125,000.00	-	238,583.75	363,583.75	602,167.50		7,570,000.00	6,302,261.25
1-Mar-03		-	-	235,583.75	235,583.75		599,167.50	7,570,000.00	6,066,677.50
1-Sep-03	4.80%	135,000.00	-	235,583.75	370,583.75	606,167.50		7,435,000.00	5,831,093.75
1-Mar-04		-	-	232,343.75	232,343.75		602,927.50	7,435,000.00	5,598,750.00
1-Sep-04	6.25%	150,000.00	-	232,343.75	382,343.75	614,687.50		7,285,000.00	5,366,406.25
1-Mar-05		-	-	227,656.25	227,656.25		610,000.00	7,285,000.00	5,138,750.00
1-Sep-05	6.25%	165,000.00	-	227,656.25	392,656.25	620,312.50		7,120,000.00	4,911,093.75
1-Mar-06		-	-	222,500.00	222,500.00		615,156.25	7,120,000.00	4,688,593.75
1-Sep-06	6.25%	180,000.00	-	222,500.00	402,500.00	625,000.00		6,940,000.00	4,466,093.75
1-Mar-07		-	-	216,875.00	216,875.00		619,375.00	6,940,000.00	4,249,218.75
1-Sep-07	6.25%	200,000.00	-	216,875.00	416,875.00	633,750.00		6,740,000.00	4,032,343.75
1-Mar-08		-	-	210,625.00	210,625.00		627,500.00	6,740,000.00	3,821,718.75
1-Sep-08	6.25%	215,000.00	-	199,531.25	414,531.25	625,156.25		6,525,000.00	3,622,187.50
1-Mar-09		-	-	203,906.25	203,906.25		618,437.50	6,525,000.00	3,418,281.25
1-Sep-09	6.25%	235,000.00	385,000.00	203,906.25	823,906.25	642,812.50		5,905,000.00	3,214,375.00
1-Mar-10		-	-	184,531.25	184,531.25		1,008,437.50	5,905,000.00	3,029,843.75
1-Sep-10	6.25%	240,000.00	-	184,531.25	424,531.25	609,062.50		5,665,000.00	2,845,312.50
1-Mar-11		-	-	177,031.25	177,031.25		601,562.50	5,665,000.00	2,668,281.25
1-Sep-11	6.25%	265,000.00	-	177,031.25	442,031.25	619,062.50		5,400,000.00	2,491,250.00
1-Mar-12		-	-	168,750.00	168,750.00		610,781.25	5,400,000.00	2,322,500.00
1-Sep-12	6.25%	285,000.00	-	168,750.00	453,750.00	622,500.00		5,115,000.00	2,153,750.00
1-Mar-13		-	-	159,843.75	159,843.75		613,593.75	5,115,000.00	1,993,906.25
1-Sep-13	6.25%	310,000.00	-	159,843.75	469,843.75	629,687.50		4,805,000.00	1,834,062.50
1-Mar-14		-	-	150,156.25	150,156.25		620,000.00	4,805,000.00	1,683,906.25
1-Sep-14	6.25%	335,000.00	-	150,156.25	485,156.25	635,312.50		4,470,000.00	1,533,750.00
1-Mar-15		-	-	139,687.50	139,687.50		624,843.75	4,470,000.00	1,394,062.50
1-Sep-15	6.25%	360,000.00	-	139,687.50	499,687.50	639,375.00		4,110,000.00	1,254,375.00
1-Mar-16		-	-	128,437.50	128,437.50		628,125.00	4,110,000.00	1,125,937.50
1-Sep-16	6.25%	390,000.00	-	128,437.50	518,437.50	646,875.00		3,720,000.00	997,500.00
1-Mar-17		-	-	116,250.00	116,250.00		634,687.50	3,720,000.00	881,250.00
1-Sep-17	6.25%	420,000.00	-	116,250.00	536,250.00	652,500.00		3,300,000.00	765,000.00
1-Mar-18		-	-	103,125.00	103,125.00		639,375.00	3,300,000.00	661,875.00
1-Sep-18	6.25%	455,000.00	-	103,125.00	558,125.00	661,250.00		2,845,000.00	558,750.00
1-Mar-19		-	-	88,906.25	88,906.25		647,031.25	2,845,000.00	469,843.75
1-Sep-19	6.25%	490,000.00	-	88,906.25	578,906.25	667,812.50		2,355,000.00	380,937.50
1-Mar-20		-	-	73,593.75	73,593.75		652,500.00	2,355,000.00	307,343.75
1-Sep-20	6.25%	525,000.00	-	73,593.75	598,593.75	672,187.50		1,830,000.00	233,750.00
1-Mar-21		-	-	57,187.50	57,187.50		655,781.25	1,830,000.00	176,562.50
1-Sep-21	6.25%	570,000.00	-	57,187.50	627,187.50	684,375.00		1,260,000.00	119,375.00
1-Mar-22		-	-	39,375.00	39,375.00		666,562.50	1,260,000.00	80,000.00
1-Sep-22	6.25%	610,000.00	-	39,375.00	649,375.00	688,750.00		650,000.00	40,625.00
1-Mar-23		-	-	20,312.50	20,312.50		669,687.50	650,000.00	20,312.50
1-Sep-23	6.25%	650,000.00	-	20,312.50	670,312.50	690,625.00		0.00	0.00
		7,520,000.00	385,000.00	8,048,239.58	15,953,239.58	15,568,239.58	15,953,239.58		

EXHIBIT A2

Debt Service Schedule for North Natomas CFD No. 2 (CFD Component)

CITY OF SACRAMENTO		NORTH NATOMAS CFD NO. 2 (CFD Component)							
TREASURER'S OFFICE		DEBT SERVICESCHEDULE							
							Share of Original Par:	4,995,000.00	
							Issue Date:	20-Jan-99	
							Dated Date:	20-Jan-99	
DATE	RATE	PRINCIPAL	CALLED PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	ANNUAL DEBT SERVICE	FISCAL YEAR DEBT SERVICE	PRINCIPAL REMAINING	INTEREST REMAINING
1-Sep-99			0.00	188,978.02	188,978.02	188,978.02		4,995,000.00	4,812,836.25
1-Mar-00			0.00	153,918.75	153,918.75		342,896.77	4,995,000.00	4,658,917.50
1-Sep-00	4.80%	65,000.00	0.00	153,918.75	218,918.75	372,837.50		4,930,000.00	4,504,998.75
1-Mar-01			0.00	152,358.75	152,358.75		371,277.50	4,930,000.00	4,352,640.00
1-Sep-01	4.80%	70,000.00	0.00	152,358.75	222,358.75	374,717.50		4,860,000.00	3,201,281.25
1-Mar-02			0.00	150,678.75	150,678.75		373,037.50	4,860,000.00	4,049,602.50
1-Sep-02	4.80%	80,000.00	0.00	150,678.75	230,678.75	381,357.50		4,780,000.00	3,898,923.75
1-Mar-03			0.00	148,758.75	148,758.75		379,437.50	4,780,000.00	3,750,165.00
1-Sep-03	4.80%	85,000.00	0.00	148,758.75	233,758.75	382,517.50		4,695,000.00	3,021,406.25
1-Mar-04			0.00	146,718.75	146,718.75		380,477.50	4,695,000.00	3,454,687.50
1-Sep-04	6.25%	95,000.00	0.00	146,718.75	241,718.75	388,437.50		4,600,000.00	3,307,968.75
1-Mar-05			0.00	143,750.00	143,750.00		385,468.75	4,600,000.00	3,164,218.75
1-Sep-05	6.25%	105,000.00	0.00	143,750.00	248,750.00	392,500.00		4,495,000.00	3,020,468.75
1-Mar-06			0.00	140,468.75	140,468.75		389,218.75	4,495,000.00	2,880,000.00
1-Sep-06	6.25%	115,000.00	0.00	140,468.75	255,468.75	395,937.50		4,380,000.00	2,739,531.25
1-Mar-07			0.00	136,875.00	136,875.00		392,343.75	4,380,000.00	2,602,656.25
1-Sep-07	6.25%	125,000.00	0.00	136,875.00	261,875.00	398,750.00		4,255,000.00	2,465,781.25
1-Mar-08			0.00	132,968.75	132,968.75		394,843.75	4,255,000.00	2,332,812.50
1-Sep-08	6.25%	135,000.00	0.00	121,875.00	256,875.00	389,843.75		4,120,000.00	2,210,937.50
1-Mar-09			0.00	128,750.00	128,750.00		385,625.00	4,120,000.00	2,082,187.50
1-Sep-09	6.25%	150,000.00	385,000.00	128,750.00	663,750.00	792,500.00		3,585,000.00	1,953,437.50
1-Mar-10			0.00	112,031.25	112,031.25		775,781.25	3,585,000.00	1,841,406.25
1-Sep-10	6.25%	145,000.00	0.00	112,031.25	257,031.25	369,062.50		3,440,000.00	1,729,375.00
1-Mar-11			0.00	107,500.00	107,500.00		364,531.25	3,440,000.00	1,621,875.00
1-Sep-11	6.25%	160,000.00	0.00	107,500.00	267,500.00	375,000.00		3,280,000.00	1,514,375.00
1-Mar-12			0.00	102,500.00	102,500.00		370,000.00	3,280,000.00	1,411,875.00
1-Sep-12	6.25%	170,000.00	0.00	102,500.00	272,500.00	375,000.00		3,110,000.00	1,309,375.00
1-Mar-13			0.00	97,187.50	97,187.50		369,687.50	3,110,000.00	1,212,187.50
1-Sep-13	6.25%	185,000.00	0.00	97,187.50	282,187.50	379,375.00		2,925,000.00	1,115,000.00
1-Mar-14			0.00	91,406.25	91,406.25		373,593.75	2,925,000.00	1,023,593.75
1-Sep-14	6.25%	205,000.00	0.00	91,406.25	296,406.25	387,812.50		2,720,000.00	932,187.50
1-Mar-15			0.00	85,000.00	85,000.00		381,406.25	2,720,000.00	847,187.50
1-Sep-15	6.25%	220,000.00	0.00	85,000.00	305,000.00	390,000.00		2,500,000.00	762,187.50
1-Mar-16			0.00	78,125.00	78,125.00		383,125.00	2,500,000.00	684,062.50
1-Sep-16	6.25%	240,000.00	0.00	78,125.00	318,125.00	396,250.00		2,260,000.00	605,937.50
1-Mar-17			0.00	70,625.00	70,625.00		388,750.00	2,260,000.00	535,312.50
1-Sep-17	6.25%	255,000.00	0.00	70,625.00	325,625.00	396,250.00		2,005,000.00	464,687.50
1-Mar-18			0.00	62,656.25	62,656.25		388,281.25	2,005,000.00	402,031.25
1-Sep-18	6.25%	275,000.00	0.00	62,656.25	337,656.25	400,312.50		1,730,000.00	339,375.00
1-Mar-19			0.00	54,062.50	54,062.50		391,718.75	1,730,000.00	285,312.50
1-Sep-19	6.25%	300,000.00	0.00	54,062.50	354,062.50	408,125.00		1,430,000.00	231,250.00
1-Mar-20			0.00	44,687.50	44,687.50		398,750.00	1,430,000.00	186,562.50
1-Sep-20	6.25%	320,000.00	0.00	44,687.50	364,687.50	409,375.00		1,110,000.00	141,875.00
1-Mar-21			0.00	34,687.50	34,687.50		399,375.00	1,110,000.00	107,187.50
1-Sep-21	6.25%	345,000.00	0.00	34,687.50	379,687.50	414,375.00		765,000.00	72,500.00
1-Mar-22			0.00	23,906.25	23,906.25		403,593.75	765,000.00	48,593.75
1-Sep-22	6.25%	370,000.00	0.00	23,906.25	393,906.25	417,812.50		395,000.00	24,687.50
1-Mar-23			0.00	12,343.75	12,343.75		406,250.00	395,000.00	12,343.75
1-Sep-23	6.25%	395,000.00	0.00	12,343.75	407,343.75	419,687.50	407,343.75	0.00	0.00
		4,610,000.00	385,000.00	5,001,814.27	9,996,814.27	9,996,814.27	9,996,814.27		

EXHIBIT A3
Debt Service Schedule for North Natomas CFD No. 2 (Lease Component)

CITY OF SACRAMENTO NORTH NATOMAS CFD NO. 2 (Lease Component)
TREASURER'S OFFICE DEBT SERVICESCHEDULE

Share of Original Par: 2,910,000.00
Issue Date: 20-Jan-99
Dated Date: 20-Jan-99

DATE	RATE	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	ANNUAL DEBT SERVICE	FISCAL YEAR DEBT SERVICE	PRINCIPAL REMAINING	INTEREST REMAINING
1-Sep-99			110,137.81	110,137.81	110,137.81		0.00	2,936,287.50
1-Mar-00			89,705.00	89,705.00		199,842.81	0.00	2,846,582.50
1-Sep-00	4.80%	35,000.00	89,705.00	124,705.00	214,410.00		(35,000.00)	2,756,877.50
1-Mar-01			88,865.00	88,865.00		213,570.00	(35,000.00)	2,668,012.50
1-Sep-01	4.80%	40,000.00	88,865.00	128,865.00	217,730.00		(75,000.00)	2,579,147.50
1-Mar-02			87,905.00	87,905.00		216,770.00	(75,000.00)	2,491,242.50
1-Sep-02	4.80%	45,000.00	87,905.00	132,905.00	220,810.00		(120,000.00)	2,403,337.50
1-Mar-03			86,825.00	86,825.00		219,730.00	(120,000.00)	2,316,512.50
1-Sep-03	4.80%	50,000.00	86,825.00	136,825.00	223,650.00		(170,000.00)	2,229,687.50
1-Mar-04			85,625.00	85,625.00		222,450.00	(170,000.00)	2,144,062.50
1-Sep-04	6.25%	55,000.00	85,625.00	140,625.00	226,250.00		(225,000.00)	2,058,437.50
1-Mar-05			83,906.25	83,906.25		224,531.25	(225,000.00)	1,974,531.25
1-Sep-05	6.25%	60,000.00	83,906.25	143,906.25	227,812.50		(285,000.00)	1,890,625.00
1-Mar-06			82,031.25	82,031.25		225,937.50	(285,000.00)	1,808,593.75
1-Sep-06	6.25%	65,000.00	82,031.25	147,031.25	229,062.50		(350,000.00)	1,726,562.50
1-Mar-07			80,000.00	80,000.00		227,031.25	(350,000.00)	1,646,562.50
1-Sep-07	6.25%	75,000.00	80,000.00	155,000.00	235,000.00		(425,000.00)	1,566,562.50
1-Mar-08			77,656.25	77,656.25		232,656.25	(425,000.00)	1,488,906.25
1-Sep-08	6.25%	80,000.00	77,656.25	157,656.25	235,312.50		(505,000.00)	1,411,250.00
1-Mar-09			75,156.25	75,156.25		232,812.50	(505,000.00)	1,336,093.75
1-Sep-09	6.25%	85,000.00	75,156.25	160,156.25	235,312.50		(590,000.00)	1,260,937.50
1-Mar-10			72,500.00	72,500.00		232,656.25	(590,000.00)	1,188,437.50
1-Sep-10	6.25%	95,000.00	72,500.00	167,500.00	240,000.00		(685,000.00)	1,115,937.50
1-Mar-11			69,531.25	69,531.25		237,031.25	(685,000.00)	1,046,406.25
1-Sep-11	6.25%	105,000.00	69,531.25	174,531.25	244,062.50		(790,000.00)	976,875.00
1-Mar-12			66,250.00	66,250.00		240,781.25	(790,000.00)	910,625.00
1-Sep-12	6.25%	115,000.00	66,250.00	181,250.00	247,500.00		(905,000.00)	844,375.00
1-Mar-13			62,656.25	62,656.25		243,906.25	(905,000.00)	781,718.75
1-Sep-13	6.25%	125,000.00	62,656.25	187,656.25	250,312.50		(1,030,000.00)	719,062.50
1-Mar-14			58,750.00	58,750.00		246,406.25	(1,030,000.00)	660,312.50
1-Sep-14	6.25%	130,000.00	58,750.00	188,750.00	247,500.00		(1,160,000.00)	601,562.50
1-Mar-15			54,687.50	54,687.50		243,437.50	(1,160,000.00)	546,875.00
1-Sep-15	6.25%	140,000.00	54,687.50	194,687.50	249,375.00		(1,300,000.00)	492,187.50
1-Mar-16			50,312.50	50,312.50		245,000.00	(1,300,000.00)	441,875.00
1-Sep-16	6.25%	150,000.00	50,312.50	200,312.50	250,625.00		(1,450,000.00)	391,562.50
1-Mar-17			45,625.00	45,625.00		245,937.50	(1,450,000.00)	345,937.50
1-Sep-17	6.25%	165,000.00	45,625.00	210,625.00	256,250.00		(1,615,000.00)	300,312.50
1-Mar-18			40,468.75	40,468.75		251,093.75	(1,615,000.00)	259,843.75
1-Sep-18	6.25%	180,000.00	40,468.75	220,468.75	260,937.50		(1,795,000.00)	219,375.00
1-Mar-19			34,843.75	34,843.75		255,312.50	(1,795,000.00)	184,531.25
1-Sep-19	6.25%	190,000.00	34,843.75	224,843.75	259,687.50		(1,985,000.00)	149,687.50
1-Mar-20			28,906.25	28,906.25		253,750.00	(1,985,000.00)	120,781.25
1-Sep-20	6.25%	205,000.00	28,906.25	233,906.25	262,812.50		(2,190,000.00)	91,875.00
1-Mar-21			22,500.00	22,500.00		256,406.25	(2,190,000.00)	69,375.00
1-Sep-21	6.25%	225,000.00	22,500.00	247,500.00	270,000.00		(2,415,000.00)	46,875.00
1-Mar-22			15,468.75	15,468.75		262,968.75	(2,415,000.00)	31,406.25
1-Sep-22	6.25%	240,000.00	15,468.75	255,468.75	270,937.50		(2,655,000.00)	15,937.50
1-Mar-23			7,968.75	7,968.75		263,437.50	(2,655,000.00)	7,968.75
1-Sep-23	6.25%	255,000.00	7,968.75	262,968.75	270,937.50		(2,910,000.00)	0.00
		2,910,000.00	3,046,425.31	5,956,425.31	5,956,425.31	5,956,425.31		