City of Sacramento
Annual Continuing Disclosure Report
Fiscal Year 2014/15

Issue
City of Sacramento
North Natomas Drainage Community Facilities District No. 97-01
Special Tax Revenue Bonds, Series 2015

Par $ 24,325,000

Issued June 2, 2015

CUSIP Number
786071JS0
786071JT8
786071JU5
786071JV3
786071JW1
786071JX9
786071JY7
786071JZ4
786071KA7
786071KB5
786071KC3
786071KD1
786071KE9
786071KF6
786071KG4
786071KH2

Content of Annual Report.

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

(a) The Issuer’s comprehensive audited financial report for the prior fiscal year.

The City’s Comprehensive Annual Financial Report (CAFR) for the prior fiscal year is uploaded as a separate document to EMMA. The CAFR will also be available on the city’s website at: http://www.cityofsacramento.org/Finance/Accounting/Reporting

(b) Financial and Operating Data. To the extent not included in the Issuer’s audited financial statements, the Annual Report must contain or incorporate by reference the following information:

1) The balances as of the close of the prior fiscal year in each of the following funds established under the Indenture:
A. the Bond Redemption Fund (with a statement of the debt service requirement to be discharged by the fund before the receipt of expected additional Special Tax Revenue); and

Redemption Fund: $190,517.95
September 1, 2015 Debt Service $0.00

B. the Bond Reserve Fund.

Reserve Fund: $2,218,000.00

2) The assessed valuation of the Taxable Parcels, which may be in a form similar to Table 2 in the Official Statement.

Assessed Value Fiscal Year 2015-16 $5,493,372,732

3) Any changes to the Rate and Method of Apportionment that are approved or submitted to the qualified electors for approval before the filing of the Annual Report.

Not applicable in the current year.

4) A table setting forth the annual Special Tax delinquency rate as of June 30 for each fiscal year on which a delinquency exists, listing for each fiscal year the total Special Tax levy, the amount delinquent, and the percent delinquent. The table may be in a form similar to Table 7 in the Official Statement.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount Levied</th>
<th>Parcels Levied</th>
<th>Parcels Delinquent</th>
<th>Amount Delinquent</th>
<th>Percent Delinquent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>$2,361,578</td>
<td>18,820</td>
<td>152</td>
<td>$12,186.41</td>
<td>0.52%</td>
</tr>
</tbody>
</table>

5) The status of any foreclosure actions the Issuer is prosecuting with respect to the delinquent Special Taxes.

Not applicable in the current year.

6) A Statement of any discontinuance of the County’s Teeter Plan with respect to any Taxable Parcel.

Not applicable in the current year.

Additional Information.

Federal Emergency Management Agency

On December 8, 2008, the City decided to cease issuing building permits for new construction within the larger Natomas Basin until the levees protecting the basin meet the criteria for the A99 flood zone—which in general terms means that 50% of the levee work needed to reach 100-year flood protection has
been completed and that Congress has authorized the Natomas levee project. No further development will occur in the Natomas Basin until it is remapped into an A99 flood zone.

In recent years, the Sacramento Area Flood Control Agency, in collaboration with the U.S. Army Corps of Engineers and the California Department of Water Resources, has worked on the Natomas Levee Improvement Program to meet the 50% criterion for completion of the levee work. Set out below is the updated status of the City’s efforts with the Federal Emergency Management Agency (FEMA) to re-zone the flood-basin map to A99 and to resume new construction (in phases) in Natomas:

- In May 2013, the U.S. Senate passed the Water Resources Reform and Development Act of 2013 (WRRDA)
- In October 2013, the U.S. House of Representatives passed WRRDA
- In November 2013, a Senate-House conference committee was formed to reconcile the two versions of WRRDA
- On June 14, 2014, the President signed WRRDA into law, thereby authorizing the Natomas Levee Improvement Project
- On June 10, 2014, the City and the County of Sacramento (the County) jointly submitted a letter to FEMA requesting remap
- On June 24, 2014, FEMA responded to the City-County request
- On July 21, 2014, the City and the County submitted final information to FEMA
- In late July 2014, FEMA sent an A99 letter of approval to the City and the County
- On August 12, 2014, FEMA issued Preliminary Maps
- On August 13, 2014, officials from the City, the County, and FEMA met
- On September 30, 2014, the 90-day appeal period began
- On December 28, 2014, the 90-day appeal period ended
- On March 30, 2015, FEMA issued a Letter of Final Determination
- On June 16, 2015 new maps become effective

Although the City intends to update the development status in North Natomas as milestones occur, the City does not guarantee that it will do so or that the information provided through the web-page link below is the most current available:

http://www.cityofsacramento.org/Community-Development/Planning/Natomas

Voluntary Disclosures:

Debt Service Schedule
See Exhibit A – North Natomas CFD 97-01, Series 2015 Debt Service Schedule

CDIAC Annual Filing
See Exhibit B – CFD 97-01, Series 2015 - FY15 Annual CDIAC Mello-Roos Filing

The City’s annual filing with CDIAC for this issue is also available online at: http://www.cityofsacramento.org/CityTreasurer/DebtManagement/ContinuingDisclosure
## CITY OF SACRAMENTO  
### NORTH NATOMAS DRAINAGE CFD NO. 97-01  
### Special Tax Bonds, Series 2015  
### DEBT SERVICE SCHEDULE  

<table>
<thead>
<tr>
<th>DATE</th>
<th>RATE</th>
<th>PRINCIPAL</th>
<th>INTEREST</th>
<th>TOTAL DEBT SERVICE</th>
<th>BOND YEAR DEBT SERVICE</th>
<th>FISCAL YEAR DEBT SERVICE</th>
<th>PRINCIPAL REMAINING</th>
<th>INTEREST REMAINING</th>
<th>BOND AMOUNT</th>
<th>ISSUE DATE</th>
<th>DATED DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-Mar-16</td>
<td>2.000%</td>
<td>680,000</td>
<td>827,642.01</td>
<td>827,642.01</td>
<td>2,061,454.51</td>
<td>11,974,912.50</td>
<td>24,325,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-16</td>
<td>5.000%</td>
<td>1,015,000</td>
<td>537,212.50</td>
<td>537,212.50</td>
<td>2,089,425.00</td>
<td>2,076,737.50</td>
<td>21,650,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-17</td>
<td>5.000%</td>
<td>1,055,000</td>
<td>524,525.00</td>
<td>524,525.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-18</td>
<td>5.000%</td>
<td>1,115,000</td>
<td>503,425.00</td>
<td>503,425.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-19</td>
<td>5.000%</td>
<td>1,175,000</td>
<td>481,125.00</td>
<td>481,125.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-20</td>
<td>5.000%</td>
<td>1,235,000</td>
<td>457,625.00</td>
<td>457,625.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-21</td>
<td>5.000%</td>
<td>1,315,000</td>
<td>426,750.00</td>
<td>426,750.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-22</td>
<td>5.000%</td>
<td>1,395,000</td>
<td>393,875.00</td>
<td>393,875.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-23</td>
<td>5.000%</td>
<td>1,480,000</td>
<td>359,000.00</td>
<td>359,000.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-24</td>
<td>5.000%</td>
<td>1,570,000</td>
<td>322,000.00</td>
<td>322,000.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-25</td>
<td>5.000%</td>
<td>1,650,000</td>
<td>282,750.00</td>
<td>282,750.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-26</td>
<td>5.000%</td>
<td>1,735,000</td>
<td>241,500.00</td>
<td>241,500.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-27</td>
<td>5.000%</td>
<td>1,810,000</td>
<td>198,125.00</td>
<td>198,125.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-28</td>
<td>5.000%</td>
<td>1,885,000</td>
<td>152,875.00</td>
<td>152,875.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-29</td>
<td>5.000%</td>
<td>1,960,000</td>
<td>105,750.00</td>
<td>105,750.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-30</td>
<td>5.000%</td>
<td>203,000</td>
<td>62,500.00</td>
<td>62,500.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Sep-31</td>
<td>5.000%</td>
<td>210,000</td>
<td>50,000.00</td>
<td>50,000.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Oct-02</td>
<td>5.000%</td>
<td>217,000</td>
<td>42,500.00</td>
<td>42,500.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Oct-03</td>
<td>5.000%</td>
<td>224,000</td>
<td>35,000.00</td>
<td>35,000.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Oct-04</td>
<td>5.000%</td>
<td>231,000</td>
<td>27,500.00</td>
<td>27,500.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Oct-05</td>
<td>5.000%</td>
<td>238,000</td>
<td>20,000.00</td>
<td>20,000.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Oct-06</td>
<td>5.000%</td>
<td>245,000</td>
<td>12,500.00</td>
<td>12,500.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Oct-07</td>
<td>5.000%</td>
<td>252,000</td>
<td>5,000.00</td>
<td>5,000.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01-Oct-08</td>
<td>5.000%</td>
<td>259,000</td>
<td>0.00</td>
<td>0.00</td>
<td>2,082,950.00</td>
<td>2,074,025.00</td>
<td>20,595,000.00</td>
<td>02-Jun-15</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

24,325,000  12,802,554.51  37,127,554.51  37,127,554.51  37,127,554.51
EXHIBIT B
STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT
California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
Tel: (916) 653-3269 FAX (916) 654-7440

Fiscal Year 2015
CDIAC # 2015-0791

I. GENERAL INFORMATION
A. Issuer
City of Sacramento
B. Project Name
North Natomas Drainage CFD 97-01
C. Name/Title/Series of Bond Issue
Special Tax Bonds, Series 2015
D. Date of Bond Issue
May 7, 2015
E. Original Principal Amount of Bonds
$ 24,325,000.00
F. Reserve Fund Minimum Balance Required
Yes □ Amount $ 2,218,000.00 No □

II. FUND BALANCE FISCAL STATUS
Balances Reported as of:
June 30, 2015 (Year)
A. Principal Amount of Bonds Outstanding
$ 24,325,000.00
B. Bond Reserve Fund
$ 2,218,000.00
C. Capitalized Interest Fund
$
D. Construction Fund(s)
$ 500,767.28

III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX
A. Assessed Value Reported as of: (Date) 07/01/2015 (Check one) (Date)
From Equalized Tax Roll □
From Appraisal of Property (Use only in first year or before annual tax roll billing commences)
B. Total Assessed Value of All Parcels:
$ 5,493,372,732

IV. TAX COLLECTION INFORMATION
A. Total Amount of Special Taxes Due Annually:
$ □
B. Total Amount of Unpaid Special Taxes Annually:
$ □
C. Taxes are Paid Under the County’s Teeter Plan?
Yes □ No □

V. DELINQUENT REPORTING INFORMATION
Delinquent Parcel Information Reported as of Equalized Tax Roll of:
06/30/2015 (Date)
A. Total Number of Delinquent Parcels:
□
B. Total Amount of Special Taxes Due on Delinquent Parcels:
$ □
(Do not include penalties, penalty interest, etc.)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR
(Assign totals, if foreclosure commenced on same date)

<table>
<thead>
<tr>
<th>Date Foreclosure Commenced</th>
<th>Total Number of Foreclosure Parcels</th>
<th>Total Amount of Tax Due on Foreclosure Parcels</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Attach additional sheets if necessary.)
VII. RETIRED ISSUES
This issue is retired and no longer subject to the Yearly Fiscal Status report filing requirements. (Indicate reason for retirement)
A. Matured ☐ Yes ☒ No If yes, indicate final maturity date: _________________________________
B. Redeemed Entirely ☐ Yes ☒ No If yes, state refunding bond title & CDIAC #: ___________________________
   and issue date: ___________________________
C. Other: ____________________________________________ And Date: ___________________________

VIII. NAME OF PARTY COMPLETING THIS FORM
Name ________________
Title ________________
Firm/Agency ________________
Address ________________
City/State/Zip ________________
Phone No. ________ Date of Report ________________
Email: __________________________

IX. ADDITIONAL COMMENTS:
I.A. Issuer: City of Sacramento
I.B. Project Name: North Natomas Drainage CFD 97-01
I.D. Date of Bond Issue: 05/07/2015

Completion and submittal of this form to the California Debt and Investment Advisory Commission will assure your compliance with California State law. Section 53359.5 of the California Government Code requires that all agencies issuing Mello-Roos Community Facilities bonds after January 1, 1993 to report specific information to the Commission by October 30 of each year.