NEW ISSUE
DTC BOOK-ENTRY ONLY

NOT RATED
See "NO RATING" herein

In the opinion of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for purposes of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "LEGAL MATTERS—Tax Matters" herein.

$1,690,000
COUNTY OF YOLO
NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT
LIMITED OBLIGATION IMPROVEMENT BONDS
YOLO COUNTY, CALIFORNIA

DATED: April 1, 1999 **DUE: September 2, as shown below**

The County of Yolo, North Davis Meadows Sewer Assessment District, Limited Obligation Improvement Bonds (the "Bonds") are being executed and delivered in the aggregate principal amount of $1,690,000. The Bonds are being issued for the purpose of redeeming the outstanding County of Yolo, North Davis Meadows Sewer Assessment District, Limited Obligation Bonds which mature September 2, 1999, through September 2, 2002, inclusive (the "Initial and Temporary Bonds"). Proceeds from the sale of the Initial and Temporary Bonds were used to construct public wastewater facilities within the North Davis Meadows Sewer Assessment District (the "District") as described herein.

Under the provisions of the Improvement Bond Act of 1915, installments of principal and interest sufficient to meet annual debt service on the Bonds are included on the regular county tax bills sent to owners of property against which there are unpaid assessments. These annual assessment installments are to be paid into the Redemption Fund, to be held by the County of Yolo (the "County"), and used to pay debt service on the Bonds as such becomes due. Unpaid assessments constitute fixed liens on the parcels assessed and do not constitute a personal indebtedness of the respective owners of such parcels. Accordingly, the County has covenanted in certain circumstances to initiate judicial foreclosure proceedings against the real property securing the delinquent assessment. See "SECURITY FOR THE BONDS".

Neither the faith and credit nor the taxing power of the County, the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

The Bonds are being issued as fully registered bonds, without coupons, and when delivered will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry only form and only in authorized denominations, as described in this Official Statement. So long as Cede & Co. is the registered owner of the Bonds, principal of and interest on the Bonds will be payable to Cede & Co., as nominee for DTC, which is obligated to remit such amounts to the DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds. See "THE BONDS—DTC Book-Entry Only" herein.

Interest on the Bonds are first payable on September 2, 1999, and semiannually thereafter on each March 2 and September 2. The Bonds are subject to optional and mandatory redemption prior to their respective payment dates as described herein. See "THE BONDS—Redemption Provisions" herein.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR GENERAL REFERENCE ONLY. IT IS NOT INTENDED TO BE A SUMMARY OF ALL FACTORS RELEVANT TO AN INVESTMENT IN THE BONDS. THE INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT, INCLUDING INFORMATION UNDER THE HEADING "SPECIAL RISK FACTORS" SHOULD BE READ IN ITS ENTIRELY.

MATURITY SCHEDULE

Maturity Date September 2	Principal Amount	Coupon Rate	Reoffering Price or Yield	Maturity Date September 2	Principal Amount	Coupon Rate	Reoffering Price or Yield
1999	$ 25,000	3.000 %	3.000 %	2007	$ 35,000	4.700 %	4.700 %
2000	30,000	3.500	3.500	2008	40,000	4.800	4.800
2001	30,000	3.750	3.750	2009	40,000	4.900	4.900
2002	30,000	4.000	4.000	2010	45,000	5.000	5.000
2003	30,000	4.250	4.250	2011	45,000	5.050	5.050
2004	35,000	4.400	4.400	2012	45,000	5.100	5.100
2005	35,000	4.500	4.500	2013	50,000	5.150	5.150
2006	35,000	4.600	4.600	2014	50,000	5.200	5.200

$240,000 of 5.25% Term Bonds due September 2, 2018; Priced @ Par
$850,000 of 5.30% Term Bonds due September 2, 2028; Priced @ Par

The Bonds will be offered when, as and if executed and delivered and received by the purchaser, subject to the approval as to their legality by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel. It is anticipated that the Bonds, in definitive form, will be available for delivery through the facilities of DTC in New York, New York on or about April 14, 1999.

This Official Statement is dated April 1, 1999.

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE COUNTY OR THE PURCHASER TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED HEREIN, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COUNTY OR THE PURCHASER. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL NOR THE SOLICITATION OF AN OFFER TO BUY NOR WILL THERE BE ANY SALE OF THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE AN OFFER, SOLICITATION OR SALE.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT WITH THE PURCHASERS OF THE BONDS. STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT WHICH INVOLVE ESTIMATES, PROJECTIONS, FORECASTS OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED HEREIN, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS REPRESENTATIONS OF FACT.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM SOURCES WHICH ARE BELIEVED TO BE RELIABLE, BUT NO INFORMATION IS GUARANTEED AS TO ACCURACY OR COMPLETENESS, AND ANY INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A REPRESENTATION BY THE COUNTY. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER WILL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COUNTY SINCE THE DATE HEREOF.

THIS OFFICIAL STATEMENT IS SUBMITTED WITH RESPECT TO THE SALE OF THE BONDS REFERRED TO HEREIN AND MAY NOT BE REPRODUCED OR USED, IN WHOLE OR IN PART, FOR ANY OTHER PURPOSE, UNLESS AUTHORIZED IN WRITING BY THE COUNTY. ALL SUMMARIES OF THE DOCUMENTS AND LAWS ARE MADE SUBJECT TO THE PROVISIONS THEREOF AND DO NOT PURPORT TO BE COMPLETE STATEMENTS OF ANY OR ALL SUCH PROVISIONS.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COUNTY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

IN CONNECTION WITH THIS OFFERING, THE PURCHASER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN MARKET PRICES OF THE BONDS OFFERED HEREBY AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE PURCHASER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS, BANKS OR OTHERS AT PRICES LOWER OR HIGHER THAN THE PUBLIC OFFERING PRICES STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE PURCHASER.

CUSIP Numbers

Maturity Date September 2	CUSIP Number	Maturity Date September 2	CUSIP Number
1999	986026 AW2	2008	986026 BF8
2000	986026 AX0	2009	986026 BG6
2001	986026 AY8	2010	986026 BH4
2002	986026 AZ5	2011	986026 BJ0
2003	986026 BA9	2012	986026 BK7
2004	986026 BB7	2013	986026 BL5
2005	986026 BC5	2014	986026 BM3
2006	986026 BD3	2018	986026 BN1
2007	986026 BE1	2028	986026 BP6

$1,690,000
COUNTY OF YOLO
NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT
LIMITED OBLIGATION IMPROVEMENT BONDS

COUNTY OFFICIALS

Sally M. Franchi, Auditor-Controller
Paul Lester, Treasurer-Tax Collector
Victor Singh, County Administrator
Charles R. Mack, Esq., County Counsel

County of Yolo Auditor-Controller
625 Court Street, Room 103
Woodland, California 95776
(530) 666-8190

FINANCIAL ADVISOR

Government Financial Strategies, Inc.
1228 "N" Street, Suite Thirteen
Sacramento, California 95814-5609
(916) 444-5100

BOND COUNSEL

Orrick, Herrington & Sutcliffe LLP
400 Sansome Street
San Francisco, California 94111
(415) 773-5467

ASSESSMENT ENGINEER

Vail Engineering
2033 Howe Avenue, Suite 220
Sacramento, CA 95825
(916) 929-3323

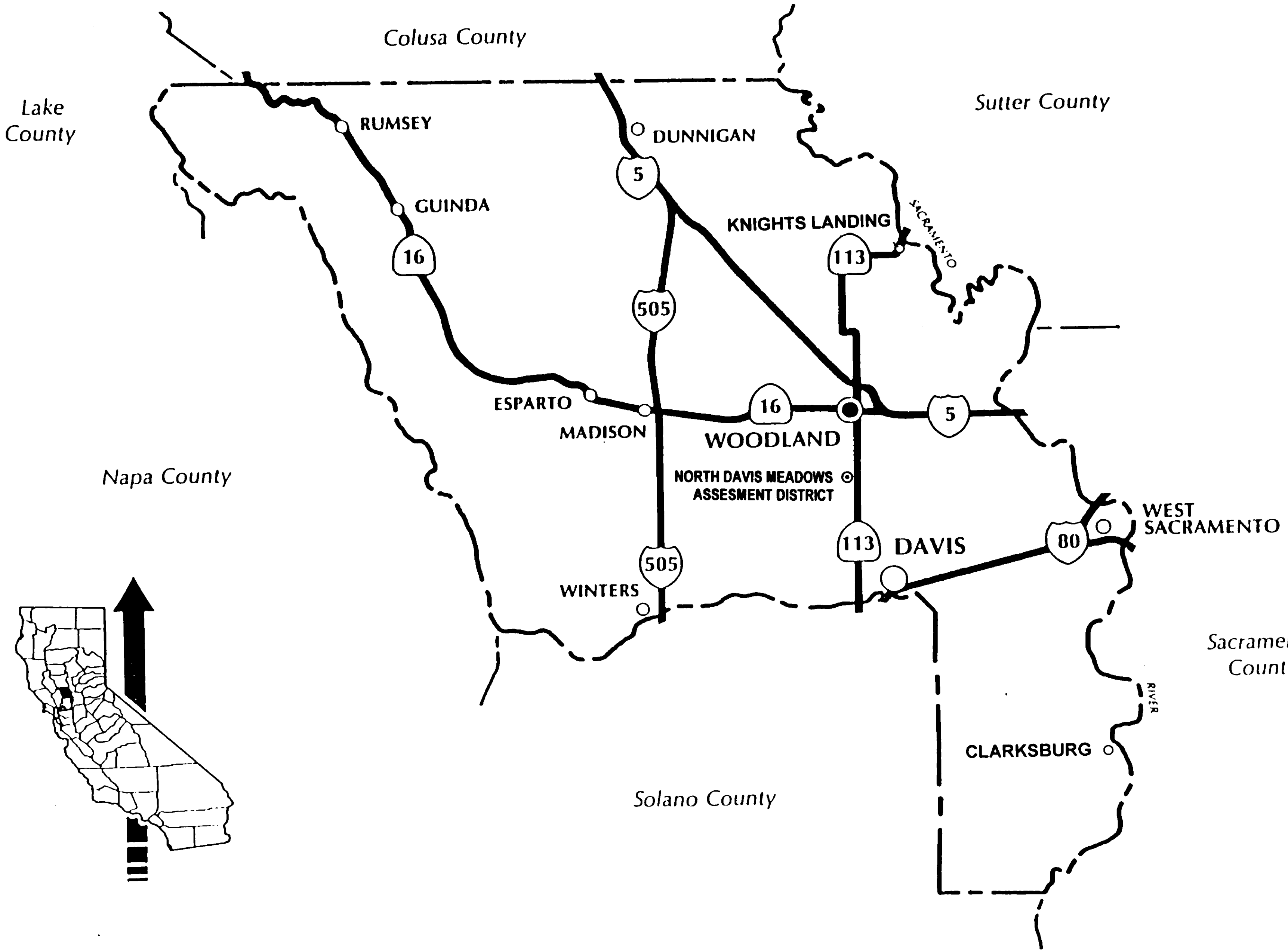
PAYING AGENT

BNY Western Trust Company
700 South Flower Street, Suite 500
Los Angeles, California 90017-4104
(213) 630-6229

$1,690,000
COUNTY OF YOLO
NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT
LIMITED OBLIGATION IMPROVEMENT BONDS

TABLE OF CONTENTS

YOLO COUNTY


Colusa County
Lake County
Sutter County
RUMSEY
GUINDA
DUNNIGAN
KNIGHTS LANDING
SACRAMENTO
16
5
505
113
ESPARTO
MADISON
WOODLAND
Napa County
NORTH DAVIS MEADOWS
ASSESMENT DISTRICT
WEST SACRAMENTO
80
DAVIS
WINTERS
Sacramento County
RIVER
CLARKSBURG
Solano County

OFFICIAL STATEMENT

$1,690,000
COUNTY OF YOLO
NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT LIMITED OBLIGATION IMPROVEMENT BONDS

INTRODUCTORY STATEMENT

The purpose of this Official Statement, which includes the Cover Page, Table of Contents and attached Appendices (the "Official Statement"), is to provide certain information concerning the sale and delivery of the County of Yolo, North Davis Meadows Sewer Assessment District, Limited Obligation Improvement Bonds (the "Bonds"). The Bonds are being issued for the purpose of redeeming the outstanding County of Yolo, North Davis Meadows Sewer Assessment District, Limited Obligation Bonds which mature September 2, 1999, through September 2, 2002, inclusive (the "Initial and Temporary Bonds").

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to this Official Statement. This Introduction is qualified by more complete and detailed information contained in the entire Official Statement, including the Cover Page and attached Appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement by prospective investors of the Bonds. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

Authority for Issuance

The formation proceedings for the County of Yolo, North Davis Meadows Sewer Assessment District (the "District") have been conducted pursuant to the Municipal Improvement Act of 1913 ("the 1913 Act") and Resolution of Intention adopted by the Board of Supervisors (the "Board") of the County of Yolo (the "County") on February 17, 1998 (the "Resolution of Intention").

The Bonds are being issued pursuant to a Resolution Authorizing Issuance of Bonds adopted by the Board on March 16, 1999 (the "Resolution Authorizing Issuance of Bonds"), and provisions of the Improvement Bond Act of 1915 (the "1915 Act"). Together, the 1913 Act and the 1915 Act are collectively referred to herein as the "Bond Law".

General Information Concerning the District

The District is located at the northern edge of the City of Davis in an unincorporated area of Yolo County. The District has easy access to an on ramp at State Highway 113, and is one mile or so from the City of Davis, and some 15 miles north-west of Sacramento and 75 miles north-east of San Francisco. The District consists of residential lots within two phases of development known as North Davis Meadows and the Estates of North Davis Meadows. Both developments are custom home communities which abut the Davis Municipal Golf Course. For maps depicting the location and residential parcels within the District, see "APPENDIX A—RECORDED ASSESSMENT DIAGRAM OF NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT" herein.

Professionals Involved

Government Financial Strategies, Inc., Sacramento, California, has acted as Financial Advisor to the County with respect to the sale and delivery of the Bonds. See "FINANCIAL ADVISOR" herein. All proceedings in connection with the sale and delivery of the Bonds are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the County with respect to the Bonds. Orrick, Herrington & Sutcliffe LLP undertakes no responsibility for the accuracy or completeness for the information contained in this Official Statement. Orrick, Herrington & Sutcliffe LLP's compensation is contingent upon the execution and delivery of the Bonds.

Other Information

This Official Statement may be considered current only as of its dated date affixed to the Cover Page hereof, and the information contained herein is subject to change. Brief descriptions of the Bonds, the security for the Bonds and the County are included in this Official Statement, together with summaries of certain provisions relating to the Resolution of Intention and the Resolution Authorizing Issuance of Bonds (collectively, the Resolution of Intention and the Resolution Authorizing Issuance of Bonds are referred to herein as the "Resolutions"). Such descriptions do not purport to be comprehensive or definitive, and all references made herein to the Resolutions approved by the County are qualified in their entirety by reference to such document, and all references herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Resolutions.

Information concerning this Official Statement, the Bonds, the County, the Resolutions or any other information relating to the sale and delivery of the Bonds is available for public inspection and may be obtained by contacting the County through the Office of the Auditor-Controller at the address and telephone number set forth on page "iii" of this Official Statement, or by contacting the County's Financial Advisor, Government Financial Strategies, Inc., 1228 "N" Street, Suite Thirteen, Sacramento, California 95814-5609, telephone (916) 444-5100, facsimile telephone (916) 444-5109.

In addition, the County has undertaken to provide certain information to the Nationally Recognized Municipal Securities Information Repositories or the Municipal Securities Rulemaking Board pursuant to S.E.C. Rule 15c2-12. See "CONTINUING DISCLOSURE" herein.

THE BONDS

General Provisions

The Bonds will be executed and delivered in the aggregate principal amount of $1,690,000. The Bonds will be executed and delivered in fully registered form, without coupons, in denominations of $5,000 principal amount or any integral multiple thereof, provided that at least one Bond may be issued in a maturity value of less than $5,000. Interest payable with respect to the Bonds will be calculated based on a 360-day year consisting of twelve (12) 30-day months. The Bonds will be dated and interest with respect thereto will be payable from April 1, 1999, at the rates per annum as shown on the Cover Page hereto, payable on September 2, 1999, and semiannually thereafter on March 2 and September 2 (individually, an "Interest Payment Date"), and will mature on September 2 in each of the designated years (a "Principal Payment Date"), and in the principal amounts as shown on the Cover Page hereto.

The Bonds will be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry only form, and no physical certificates will be made available to the Beneficial Owners to represent their ownership interests in the Bonds. So long as Cede & Co. is the registered owner of the Bonds, principal and interest and premiums, if any, with respect to the Bonds will be payable to Cede & Co., as nominee for DTC, which is obligated to remit such principal, interest and premiums, if any, to the DTC Participants, as defined by DTC, for subsequent disbursement to the Beneficial Owners of the Bonds. See "THE BONDS—DTC Book-Entry Only" herein.

Redemption Provisions

Optional Redemption. Any Bond may be called for redemption prior to maturity on any March 2 or September 2 upon payment plus accrued interest to the date of redemption, at a redemption price for each redeemed Bond based upon the principal amount thereof (accrued interest to the redemption date is mailed separately) at the following redemption prices:

Optional Redemption Price Schedule

103%	if redeemed on or before September 2, 2004;
102%	if redeemed on March 2, 2005 or September 2, 2005;
101%	if redeemed on March 2, 2006 or September 2, 2006;
100%	if redeemed on March 2, 2007 or thereafter.

No interest shall accrue on a Bond beyond the March 2 or September 2 for which such Bond is called for redemption. Notice of redemption must be given by registered or certified mail, or by personal service, at least 30 days prior to the redemption date. The determination as to which Bond or Bonds are to be called for redemption shall be made by the County in accordance with the Bond Law. Development within the District, transfers of property ownership and certain other circumstances including refunding of the Bonds, could result in prepayment of assessments. Such prepayment would result in redemption of all or a portion of the Bonds prior to their stated maturities. It is not possible to estimate the rate at which such redemptions, if any, may occur.

Mandatory Sinking Account Redemption. The Bonds maturing on September 2, 2018, and on September 2, 2028, are subject to mandatory sinking account redemption in part and by lot on each September 2, as specified in the table below, at a redemption price equal to the principal amount thereof together with accrued interest to the date fixed for redemption, without premium, as follows:

Mandatory Sinking Account Redemption Schedule
North Davis Meadows Sewer Assessment District

Year Ending September 2	Sinking Fund Amount	Year Ending September 2	Sinking Fund Amount
2015	$ 55,000	2019	$ 65,000
2016	60,000	2020	70,000
2017	60,000	2021	75,000
2018 (a)	65,000	2022	80,000
		2023	85,000
		2024	85,000
		2025	90,000
		2026	95,000
		2027	100,000
		2028 (b)	105,000

(a) Indicates maturity date of the $240,000 Term Bond due September 2, 2018.
(b) Indicates maturity date of the $850,000 Term Bond due September 2, 2028.

<u>DTC Book-Entry Only</u>

The following information concerning DTC and DTC's book-entry-only system has been obtained from DTC. The County takes no responsibility for the accuracy or completeness thereof. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

The following description includes the procedures and record-keeping with respect to beneficial ownership interests in the Bonds, payment of principal and interest, other payments with respect to the Bonds to Direct Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interests in such Bonds, and notices to beneficial owners. However, DTC, the participants, and the Beneficial Owners should not rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds (in this section, referred to as the "Securities"). The Securities will be issued as fully-registered securities in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants (the "Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its direct participants (the "Direct Participants") and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). The rules (the "Rules") applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security (the "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive Securities representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Securities with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to the Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices, if any, will be sent to Cede & Co. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to Securities. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date identified in a listing attached to the Omnibus Proxy.

Principal and interest payments on the Securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts on payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on payable date. Payments by Participants to the Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participant and not of DTC, the Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the County or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates will be required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered.

Sources and Uses of Funds

The proceeds from the sale of the Bonds will be paid to the Auditor-Controller of Yolo County (the "Auditor") for deposit into the following respective accounts and funds: (i) into the Redemption Fund, a sum which is sufficient, together with a portion of the assessments for fiscal year 1998-99, to redeem the Initial and Temporary Bonds maturing on September 2, 1999, through September 2, 2002, inclusive; (ii) into the Special Reserve Fund, a sum which is sufficient to increase the amount of money on deposit therein to the Reserve Requirement; and (iii) the remaining proceeds of the Bonds will be used to first pay the remaining costs of the Project, and pay costs associated with the financing. Moneys in the Special Reserve Fund will be invested by the Auditor in any one or more investments generally permitted to counties under the laws of the State of California and as permitted under the County Resolution and Investment Policy.

The sources and uses of funds in connection with the sale and delivery of the Bonds are set forth on the following page.

Sources And Uses Of Funds Schedule
North Davis Meadows Sewer Assessment District

SOURCES OF FUNDS		
Par Amount of Bonds		$1,690,000.00
Accrued Interest [1]		$3,080.01
	SubTotal	$1,693,080.01
Other Sources of Funds: Assessments Received and Applied		$53,960.68
TOTAL SOURCES OF FUNDS		$1,747,040.69
USES OF FUNDS		
Principal Repayment of Temporary Bond		$1,521,712.67
Interest Repayment of Temporary Bond		$53,960.68
Improvement Fund		$34,621.35
Debt Service Reserve Fund		$114,892.50
Interest Payment Fund [1]		$3,080.01
Underwriting Discount		$18,773.48
TOTAL USES OF FUNDS		$1,747,040.69

[1] Equal to the amount of accrued interest received on the Bonds.

Debt Service Schedule

The debt service requirements of the Bonds are set forth on the following page.

Debt Service Schedule
North Davis Meadows Sewer Assessment District

Date	Principal	Coupon	Interest	Gross Semi-Annual Debt Service	Gross Annual Debt Service	Accrued Interest	Estimated Semi-Annual Reserve Fund Earnings	Estimated Net Semi-Annual Debt Service	Estimated Net Annual Debt Service
Sep. 2, 1999	$25,000	3.000%	$35,775.47	$60,775.47	$60,775.47	($3,080.01)	($2,290.09)	$55,405.37	$55,405.37
Mar. 2, 2000			$42,271.25	$42,271.25			($2,987.07)	$39,284.18	
Sep. 2, 2000	$30,000	3.500%	$42,271.25	$72,271.25	$114,542.50		($2,987.07)	$69,284.18	$108,568.36
Mar. 2, 2001			$41,746.25	$41,746.25			($2,987.07)	$38,759.18	
Sep. 2, 2001	$30,000	3.750%	$41,746.25	$71,746.25	$113,492.50		($2,987.07)	$68,759.18	$107,518.36
Mar. 2, 2002			$41,183.75	$41,183.75			($2,987.07)	$38,196.68	
Sep. 2, 2002	$30,000	4.000%	$41,183.75	$71,183.75	$112,367.50		($2,987.07)	$68,196.68	$106,393.36
Mar. 2, 2003			$40,583.75	$40,583.75			($2,987.07)	$37,596.68	
Sep. 2, 2003	$30,000	4.250%	$40,583.75	$70,583.75	$111,167.50		($2,987.07)	$67,596.68	$105,193.36
Mar. 2, 2004			$39,946.25	$39,946.25			($2,987.07)	$36,959.18	
Sep. 2, 2004	$35,000	4.400%	$39,946.25	$74,946.25	$114,892.50		($2,987.07)	$71,959.18	$108,918.36
Mar. 2, 2005			$39,176.25	$39,176.25			($2,987.07)	$36,189.18	
Sep. 2, 2005	$35,000	4.500%	$39,176.25	$74,176.25	$113,352.50		($2,987.07)	$71,189.18	$107,378.36
Mar. 2, 2006			$38,388.75	$38,388.75			($2,987.07)	$35,401.68	
Sep. 2, 2006	$35,000	4.600%	$38,388.75	$73,388.75	$111,777.50		($2,987.07)	$70,401.68	$105,803.36
Mar. 2, 2007			$37,583.75	$37,583.75			($2,987.07)	$34,596.68	
Sep. 2, 2007	$35,000	4.700%	$37,583.75	$72,583.75	$110,167.50		($2,987.07)	$69,596.68	$104,193.36
Mar. 2, 2008			$36,761.25	$36,761.25			($2,987.07)	$33,774.18	
Sep. 2, 2008	$40,000	4.800%	$36,761.25	$76,761.25	$113,522.50		($2,987.07)	$73,774.18	$107,548.36
Mar. 2, 2009			$35,801.25	$35,801.25			($2,987.07)	$32,814.18	
Sep. 2, 2009	$40,000	4.900%	$35,801.25	$75,801.25	$111,602.50		($2,987.07)	$72,814.18	$105,628.36
Mar. 2, 2010			$34,821.25	$34,821.25			($2,987.07)	$31,834.18	
Sep. 2, 2010	$45,000	5.000%	$34,821.25	$79,821.25	$114,642.50		($2,987.07)	$76,834.18	$108,668.36
Mar. 2, 2011			$33,696.25	$33,696.25			($2,987.07)	$30,709.18	
Sep. 2, 2011	$45,000	5.050%	$33,696.25	$78,696.25	$112,392.50		($2,987.07)	$75,709.18	$106,418.36
Mar. 2, 2012			$32,560.00	$32,560.00			($2,987.07)	$29,572.93	
Sep. 2, 2012	$45,000	5.100%	$32,560.00	$77,560.00	$110,120.00		($2,987.07)	$74,572.93	$104,145.86
Mar. 2, 2013			$31,412.50	$31,412.50			($2,987.07)	$28,425.43	
Sep. 2, 2013	$50,000	5.150%	$31,412.50	$81,412.50	$112,825.00		($2,987.07)	$78,425.43	$106,850.86
Mar. 2, 2014			$30,125.00	$30,125.00			($2,987.07)	$27,137.93	
Sep. 2, 2014	$50,000	5.200%	$30,125.00	$80,125.00	$110,250.00		($2,987.07)	$77,137.93	$104,275.86
Mar. 2, 2015			$28,825.00	$28,825.00			($2,987.07)	$25,837.93	
Sep. 2, 2015	$55,000 [1]	5.250%	$28,825.00	$83,825.00	$112,650.00		($2,987.07)	$80,837.93	$106,675.86
Mar. 2, 2016			$27,381.25	$27,381.25			($2,987.07)	$24,394.18	
Sep. 2, 2016	$60,000 [1]	5.250%	$27,381.25	$87,381.25	$114,762.50		($2,987.07)	$84,394.18	$108,788.36
Mar. 2, 2017			$25,806.25	$25,806.25			($2,987.07)	$22,819.18	
Sep. 2, 2017	$60,000 [1]	5.250%	$25,806.25	$85,806.25	$111,612.50		($2,987.07)	$82,819.18	$105,638.36
Mar. 2, 2018			$24,231.25	$24,231.25			($2,987.07)	$21,244.18	
Sep. 2, 2018	$65,000 [1]	5.250%	$24,231.25	$89,231.25	$113,462.50		($2,987.07)	$86,244.18	$107,488.36
Mar. 2, 2019			$22,525.00	$22,525.00			($2,987.07)	$19,537.93	
Sep. 2, 2019	$65,000 [2]	5.300%	$22,525.00	$87,525.00	$110,050.00		($2,987.07)	$84,537.93	$104,075.86
Mar. 2, 2020			$20,802.50	$20,802.50			($2,987.07)	$17,815.43	
Sep. 2, 2020	$70,000 [2]	5.300%	$20,802.50	$90,802.50	$111,605.00		($2,987.07)	$87,815.43	$105,630.86
Mar. 2, 2021			$18,947.50	$18,947.50			($2,987.07)	$15,960.43	
Sep. 2, 2021	$75,000 [2]	5.300%	$18,947.50	$93,947.50	$112,895.00		($2,987.07)	$90,960.43	$106,920.86
Mar. 2, 2022			$16,960.00	$16,960.00			($2,987.07)	$13,972.93	
Sep. 2, 2022	$80,000 [2]	5.300%	$16,960.00	$96,960.00	$113,920.00		($2,987.07)	$93,972.93	$107,945.86
Mar. 2, 2023			$14,840.00	$14,840.00			($2,987.07)	$11,852.93	
Sep. 2, 2023	$85,000 [2]	5.300%	$14,840.00	$99,840.00	$114,680.00		($2,987.07)	$96,852.93	$108,705.86
Mar. 2, 2024			$12,587.50	$12,587.50			($2,987.07)	$9,600.43	
Sep. 2, 2024	$85,000 [2]	5.300%	$12,587.50	$97,587.50	$110,175.00		($2,987.07)	$94,600.43	$104,200.86
Mar. 2, 2025			$10,335.00	$10,335.00			($2,987.07)	$7,347.93	
Sep. 2, 2025	$90,000 [2]	5.300%	$10,335.00	$100,335.00	$110,670.00		($2,987.07)	$97,347.93	$104,695.86
Mar. 2, 2026			$7,950.00	$7,950.00			($2,987.07)	$4,962.93	
Sep. 2, 2026	$95,000 [2]	5.300%	$7,950.00	$102,950.00	$110,900.00		($2,987.07)	$99,962.93	$104,925.86
Mar. 2, 2027			$5,432.50	$5,432.50			($2,987.07)	$2,445.43	
Sep. 2, 2027	$100,000 [2]	5.300%	$5,432.50	$105,432.50	$110,865.00		($2,987.07)	$102,445.43	$104,890.86
Mar. 2, 2028			$2,782.50	$2,782.50			($2,987.07)		
Sep. 2, 2028	$105,000 [2]	5.300%	$2,782.50	$107,782.50	$110,565.00		($117,879.57)	($10,301.64)	($10,301.64)
	$1,690,000		$1,626,702.97	$3,316,702.97	$3,316,702.97	($3,080.01)	($290,432.65)	$3,023,190.31	$3,023,190.31

[1] Denotes sinking fund payment for $240,000 term bond due September 2, 2018.
[2] Denotes sinking fund payment for $850,000 term bond due September 2, 2028.

SOURCE OF PAYMENT FOR THE BONDS

General

The Bonds are issued upon and are secured by the unpaid assessments together with interest thereon and such unpaid assessments together with interest thereon, and such unpaid assessment constitute a trust fund for the redemption and payment of the principal of the Bonds and the interest thereon. All the Bonds are secured by the moneys in the Redemption Fund created pursuant to the Resolution and by the unpaid assessments levied. Principal of and interest on the Bonds are payable exclusively out of the Redemption Fund.

Although the unpaid assessments constitute fixed liens on the parcels assessed, they do not constitute a personal indebtedness of the respective owners of such parcels. There is no assurance that the owners will be financially able to pay the assessment installments or that they will pay such installments even though financially able to do so. See "SPECIAL RISK FACTORS".

The unpaid assessments will be collected in approximately equal annual installments by the County, and are payable and become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do general property taxes. The properties upon which the assessments were levied are subject to the same provisions for sale and redemption as are properties for nonpayment of general taxes.

Neither the faith and credit nor the taxing power of the County, the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Limited Obligation Upon Delinquency

The Bonds are limited obligation improvement bonds issued under Section 8769(b) of the Bond Law and are payable solely from and are secured solely by the assessments and the amounts in the Redemption Fund and the Special Reserve Fund. The County's obligation to advance moneys to pay debt service on the bonds in the event of delinquent assessment installments shall not exceed the balance in the Special Reserve Fund. The County has not obligated itself to, and will not, advance any other funds to pay debt service on the Bonds.

Special Reserve Fund

Upon receipt of the proceeds from the sale of the Bonds, the County shall deposit an amount equal to the Reserve Requirement in the Special Reserve Fund. The Initial Reserve Requirement is defined as an amount equal to the lessor of (a) 10% of the proceeds of the Bond issue, (b) maximum annual debt service on the Bonds, or (c) 125% of average annual debt service on the Bonds. When certificates of occupancy have been issued (as of May 1st of each year) for all parcels having unpaid assessments, the Initial Reserve Requirement will be reduced to 5% of the original bond principal amount. Thereafter, the reduced reserve amount will be referred to as the "Reserve Requirement". The amount of the reduction will be withdrawn from the Special Reserve Fund and deposited in the Redemption Fund to be used either to credit assessments or redeem Bonds as determined by the Auditor-Controller.

The moneys in the Special Reserve Fund shall constitute a trust fund for the benefit of the owners of the Bonds, and shall be administered by the County in accordance with and pursuant to the provisions of Part 16 of the Bond Law; provided, that proceeds from redemption or sale of the properties with respect to which payment of delinquent assessment installments and interest thereon was made from the Special Reserve Fund, shall be credited to the Special Reserve Fund; and provided, further, that for the purposes of complying with federal tax law with respect to the Bonds and providing for reduction of the amount on deposit in the Special Reserve Fund during the term of the Bonds pursuant to Section 8887 of the Bond Law, all proceeds from investment of monies in the Special Reserve Fund in excess of the Reserve Requirement, other than the amount to be rebated to the United States, shall be transferred to the Improvement Fund, and after the Improvement Fund has been closed, to the Redemption Fund and used to pay debt service on the Bonds. The County has no obligation to and will not, replenish the Special Reserve Fund except to the extent that delinquent assessments are paid or proceeds from foreclosure sales are realized.

Covenant to Commence Superior Court Foreclosure

The Bond Law provides that in the event any assessment or installment thereof or any interest thereon is not paid when due, the County will order the institution of a court action to foreclose the lien of the unpaid assessment. In such an action, the real property subject to the unpaid assessment may be sold at judicial foreclosure sale. This foreclosure sale procedure is mandatory. However, the County covenants with and for the benefit of the owners of the Bonds that, no later than October 1 of each year it will file an action in the Superior Court to foreclose the lien on each delinquent assessment if the sum of unsecured assessment delinquencies for the preceding fiscal year exceeds five percent of the assessment installments posted to the tax roll for that fiscal year, and if the amount of the Special Reserve Fund is less than the Reserve Requirement.

Prior to July 1, 1983, the statutory right of redemption from such a judicial foreclosure sale was limited to a period of one year from the date of sale. Legislation effective July 1, 1983 amended this statutory right of redemption to provide that before notice of sale of the foreclosed parcel can be given following court judgment of foreclosure, a redemption period of 120 days must elapse. Furthermore, if the purchaser at the sale is the judgment creditor (i.e. the County) an action may be commenced by the delinquent property owner within six months after the date of sale to set aside such sale. The constitutionality of the aforementioned legislation which repeals the one-year redemption period has not been tested and there can be no assurance that, if tested, such legislation will be upheld.

In the event such Superior Court foreclosure or foreclosures are necessary, there may be a delay in payments to Beneficial Owners pending prosecution of the foreclosure proceedings and receipt by the County of the proceeds of the foreclosure sale; it is also possible that no bid for the purchase of the applicable property would be received at the foreclosure sale. See also "SPECIAL RISK FACTORS—Bankruptcy and Foreclosure" herein.

Priority of Lien

The assessment (and any reassessment) and each installment thereof and any interest and penalties thereon constitute a lien against the parcels on which they were imposed until the same are paid. Such lien is subordinate to all fixed special assessment liens previously imposed upon the same property, but has priority over all private liens and over all fixed special assessment liens which may thereafter be created against the property.

THE NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT

General Information Concerning the District

The District is located at the northern edge of the City of Davis in an unincorporated area of Yolo County. The District has easy access to an on ramp at State Highway 113, and is one mile or so from the City of Davis, and some 15 miles north-west of Sacramento and 75 miles north-east of San Francisco.

With the exception of four residential lots who prepaid their assessment and approximately six common area lots that do not require sewer connections, the District consists of residential lots within two phases of development known as North Davis Meadows and the Estates of North Davis Meadows. Both developments are custom home communities which abut the Davis Municipal Golf Course. For maps depicting the location and residential parcels within the District, see "APPENDIX A—RECORDED ASSESSMENT DIAGRAM OF NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT" herein.

North Davis Meadows consists of 54 total residential parcels which are included in the District. 52 parcels have building improvements and 2 parcels are unimproved. The Estates at North Davis Meadows has 36 total residential parcels which are included in the District. 12 parcels have building improvements and 24 are unimproved. See "NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT—Value to Lien Analysis" herein for a breakdown of improved and unimproved parcels.

Project Description

The project consists of the financing, design, and construction of wastewater collection facilities that will provide improved public wastewater collection and disposal services to residential lots within the District. The wastewater collection system consists of a wastewater pump, electrical wiring, and service pipe at each of the residential lots. Each wastewater pump is connected to a system of low-pressure sewer pipes that transports wastewater from the District to the City of Davis wastewater collection system. The point of discharge to the City of Davis wastewater collection system is near the intersection of West Covell Boulevard and County Road 99D in Davis. All improvements are generally located within the streets and lots in the District and the adjacent Davis Municipal Gold Course, except for the main sewer line connecting the District to the City of Davis wastewater treatment system. The main sewer line is located in public right of way along County Road 99W and in a California Department of Transportation easement adjacent to the point of discharge in the City of Davis.

Construction of the improvements is ongoing. It is anticipated that the work will be completed by April 15, 1999. The actual completion date is dependent on the weather. As of March 1, 1999, 48 lots (61.5%) have been substantially completed, connected to the system, and are discharging wastewater to the City of Davis wastewater collection system. As of February 1, 1999, the contractor's progress payments totaled $698,485.00 (69%) of the total estimated $1,007,065.00 contract amount.

Summary of Estimated Project Costs

The estimated costs associated with the District by the Engineer's Report are set forth below.

Summary of Estimated Project Costs

Description	Cost
Wastewater Collection Facilities, North Davis Meadows	$ 144,811.45
Wastewater Collection Facilities, Estates of North Davis Meadows	163,764.60
Individual Lot Pump Stations, North Davis Meadows	388,125.00
Individual Lot Pump Stations, Estates of North Davis Meadows	231,495.00
Wastewater Collection Facilities from Golf Course to City of Davis Connection	171,706.02
City of Davis Treatment Services Fee	121,220.00
Incidental Expenses (Design, Construction, Administration, Professional)	341,922.50
Finance Assessment	213,500.00
Total:	$ 1,776,544.57

Note: The assessment has been reduced by prepayments of $75,447.19 and City of Davis contributions totaling $37,205.91.
Source: Vail Engineering Corporation, Amended Engineer's Report dated July 1, 1998

Allocation of Costs

The cost of wastewater facilities (except wastewater pump, electrical service and individual lot pressure service lines to a main line) for North Davis Meadows and the Estates of North Davis Meadows are allocated equally to each residential lot within its respective development. This allocation is based on each lot being a low-density, single family residential lot which share the same wastewater generation rates per lot.

Costs of the sewer pipeline which extends from the District south along County Road 99D to the City of Davis sewer connection will be shared equally by each residential lot within the District. The Davis Municipal Golf Course will bear 16% of the total cost of this pipeline since the Engineer has estimated that the Davis Municipal Golf Course has future wastewater equivalent of 18 residential lots, which represents 16% of the total wastewater flows generated by all properties. The City of Davis has contributed $32,705.91 for this improvement.

Each existing residential lot which has requested an on-site pump unit will be provided a wastewater service line and wastewater pump installation. The wastewater service line will be extended from the main wastewater line on which the parcel fronts or accesses. Each parcel receiving a pump unit will be assessed the costs for the wastewater service lateral and wastewater pump installation based on whether it is located in North Davis Meadows or the Estates of North Davis Meadows.

Incidental and finance expenses are spread equally based on the percent of the parcel's assessment to the total assessment. The five parcels who elected to make an up-front cash payment totaling $75,447.19 will not pay costs relating to the financing expense. The City of Davis' contribution is estimated to be $4,500 based on the portion of the costs related to the sewer pipeline.

All residential parcels will share equally in the cost of the City of Davis Treatment Service Fee. This fee represents the cost of treating the effluent once it enters the City's existing sewer system. The sewer facilities will collect the effluent from the District and transmit it to the point of connection with the existing sewer system. The City of Davis will treat and dispose of the effluent once it reaches the City's sewer system.

Value to Lien Analysis

Based on Yolo County Assessor's records as of January 1999, the assessed valuation of land and improvements within the District total $28,518,827, with approximately $10,903,118 attributable to land and $17,615,709 attributable to improvement or building values. The total assessed valuation of the land and improvements within the District is approximately 16.88 times the assessment lien for all Bonds.

Individual Parcel Information

Set forth on the following two pages are two schedules which identify the assessed valuations for each parcel within the District and the corresponding amount of unpaid assessment for 1998-99 as well as the amount of the initial unpaid assessment.

Assessed Valuation and Unpaid Assessments
North Davis Meadows, Assessment District Only

Parcel Number	Land Value	Improvement Value	Total Assessed Value	1998-99 Assessment	Total Assessment
41-16-01	$150,000	$0	$150,000	$1,450.26	$20,337.66
41-16-02	$150,000	$320,000	$470,000	$1,450.26	$20,337.66
41-16-03	$142,800	$0	$142,800	$1,450.26	$20,337.66
41-16-04	$150,000	$350,000	$500,000	$1,450.26	$20,337.66
41-16-05	$160,000	$280,000	$440,000	$1,450.26	$20,337.66
41-16-06	$150,000	$240,000	$390,000	$1,450.26	$20,337.66
41-16-07	$95,297	$236,200	$331,497	$1,450.26	$20,337.66
41-16-08	$150,000	$195,000	$345,000	$751.20	$10,534.55
41-16-10	$130,000	$249,000	$379,000	$1,450.26	$20,337.66
41-16-12	$120,000	$255,000	$375,000	$1,450.26	$20,337.66
41-16-13	$156,060	$197,676	$353,736	$1,450.26	$20,337.66
41-16-14	$123,399	$223,899	$347,298	$1,450.26	$20,337.66
41-16-15	$92,899	$158,656	$251,555	$1,450.26	$20,337.66
41-16-16	$157,433	$282,294	$439,727	$751.20	$10,534.55
41-17-01	$152,531	$288,232	$440,763	$1,450.26	$20,337.66
41-17-02	$83,910	$295,338	$379,248	$1,450.26	$20,337.66
41-17-03	$83,788	$370,029	$453,817	$1,450.26	$20,337.66
41-17-04	$98,893	$396,358	$495,251	$1,450.26	$20,337.66
41-17-05	$135,151	$310,529	$445,680	$751.20	$10,534.55
41-17-06	$150,000	$345,000	$495,000	$1,450.26	$20,337.66
41-17-07	$150,000	$305,000	$455,000	$1,450.26	$20,337.66
41-17-08	$105,770	$185,797	$291,567	$1,450.26	$20,337.66
41-17-09	$161,307	$270,768	$432,075	$1,450.26	$20,337.66
41-17-10	$91,667	$193,172	$284,839	$1,450.26	$20,337.66
41-17-11	$99,894	$203,749	$303,643	$1,450.26	$20,337.66
41-17-12	$150,000	$235,000	$385,000	$1,450.26	$20,337.66
41-17-13	$81,512	$286,758	$368,270	$1,450.26	$20,337.66
41-17-21	$150,000	$245,000	$395,000	$1,450.26	$20,337.66
41-17-22	$117,522	$255,615	$373,137	$1,450.26	$20,337.66
41-18-01	$95,297	$253,148	$348,445	$1,450.26	$20,337.66
41-18-02	$160,000	$285,000	$445,000	$1,450.26	$20,337.66
41-18-03	$162,631	$412,434	$575,065	$751.20	$10,534.55
41-18-04	$95,775	$270,004	$365,779	$751.20	$10,534.55
41-18-05	$160,000	$264,950	$424,950	$1,450.26	$20,337.66
41-18-06	$160,000	$300,000	$460,000	$1,450.26	$20,337.66
41-18-07	$143,701	$329,983	$473,684	$1,450.26	$20,337.66
41-18-08	$147,272	$310,323	$457,595	$751.20	$10,534.55
41-18-11	$83,910	$307,842	$391,752	$751.20	$10,534.55
41-18-12	$160,000	$280,000	$440,000	$1,450.26	$20,337.66
41-18-13	$95,297	$323,308	$418,605	$751.20	$10,534.55
41-18-14	$150,000	$255,000	$405,000	$1,450.26	$20,337.66
41-18-15	$108,708	$275,059	$383,767	$1,450.26	$20,337.66
41-19-01	$111,647	$238,748	$350,395	$1,450.26	$20,337.66
41-19-02	$156,060	$298,594	$454,654	$1,450.26	$20,337.66
41-19-03	$156,060	$280,908	$436,968	$1,450.26	$20,337.66
41-19-04	$130,448	$266,293	$396,741	$1,450.26	$20,337.66
41-19-06	$150,000	$275,000	$425,000	$751.20	$10,534.55
41-19-07	$83,910	$208,756	$292,666	$1,450.26	$20,337.66
41-19-08	$129,275	$200,965	$330,240	$1,450.26	$20,337.66
41-19-09	$94,098	$265,193	$359,291	$1,450.26	$20,337.66
41-19-10	$112,821	$306,689	$419,510	$1,450.26	$20,337.66
41-19-12	$188,225	$332,405	$520,630	$751.20	$10,534.55
41-19-13	$92,299	$254,203	$346,502	$751.20	$10,534.55
41-19-14	$157,791	$257,726	$415,517	$1,450.26	$20,337.66
	$7,025,058	$14,226,601	$21,251,659	$70,624.38	$990,399.43

Assessed Valuation and Unpaid Assessments
Estates of North Davis Meadows, Assessment District Only

Parcel Number	Land Value	Improvement Value	Total Assessed Value	1998-99 Assessment	Total Assessment
41-22-02	$134,946	$0	$134,946	$1,450.50	$20,341.26
41-22-03	$147,900	$351,900	$499,800	$1,450.50	$20,341.26
41-22-04	$150,000	$405,000	$555,000	$1,450.50	$20,341.26
41-22-05	$151,530	$210,000	$361,530	$1,450.50	$20,341.26
41-22-07	$150,000	$392,000	$542,000	$1,450.50	$20,341.26
41-22-08	$153,000	$348,246	$501,246	$1,450.50	$20,341.26
41-22-09	$142,800	$0	$142,800	$1,450.50	$20,341.26
41-22-10	$45,702	$0	$45,702	$1,450.50	$20,341.26
41-22-11	$44,461	$0	$44,461	$881.96	$12,368.07
41-22-12	$45,702	$0	$45,702	$1,450.50	$20,341.26
41-22-13	$44,461	$0	$44,461	$1,450.50	$20,341.26
41-22-14	$105,000	$260,000	$365,000	$1,450.50	$20,341.26
41-22-16	$137,700	$163,000	$300,700	$1,450.50	$20,341.26
41-22-17	$137,700	$0	$137,700	$1,450.50	$20,341.26
41-22-18	$137,700	$0	$137,700	$1,450.50	$20,341.26
41-22-19	$142,800	$112,000	$254,800	$1,450.50	$20,341.26
41-22-22	$43,717	$0	$43,717	$1,450.50	$20,341.26
41-22-23	$43,966	$0	$43,966	$1,450.50	$20,341.26
41-22-24	$147,900	$0	$147,900	$1,450.50	$20,341.26
41-22-25	$150,000	$319,000	$469,000	$1,450.50	$20,341.26
41-22-26	$153,000	$415,000	$568,000	$881.96	$12,368.07
41-22-29	$43,966	$0	$43,966	$1,450.50	$20,341.26
41-22-30	$43,966	$0	$43,966	$1,450.50	$20,341.26
41-22-31	$46,198	$0	$46,198	$1,450.50	$20,341.26
41-22-33	$147,900	$77,000	$224,900	$881.96	$12,368.07
41-22-34	$144,840	$0	$144,840	$881.96	$12,368.07
41-22-36	$43,966	$0	$43,966	$1,450.50	$20,341.26
41-22-37	$43,966	$0	$43,966	$1,450.50	$20,341.26
41-22-38	$47,191	$0	$47,191	$1,450.50	$20,341.26
41-22-39	$135,000	$0	$135,000	$1,450.50	$20,341.26
41-22-40	$165,000	$335,962	$500,962	$1,450.50	$20,341.26
41-22-41	$173,400	$0	$173,400	$1,450.50	$20,341.26
41-22-42	$170,000	$0	$170,000	$1,450.50	$20,341.26
41-22-43	$47,191	$0	$47,191	$1,450.50	$20,341.26
41-22-44	$47,191	$0	$47,191	$1,450.50	$20,341.26
41-22-45	$168,300	$0	$168,300	$1,450.50	$20,341.26
	$3,878,060	$3,389,108	$7,267,168	$49,943.84	$700,392.60

Summary of 1998-99 Assessment

The total assessment for 1998-99 is $120,568.22. The amount of assessment on a per parcel basis varies depending on the location of the parcel and the parcel owner's decision to install a pump on the owner's parcel. All parcels subject to the assessment lien share in the cost of the wastewater facilities. Set forth in the exhibit below is a summary of the 1998-99 Assessment Roll.

Summary of 1998-99 Assessment Roll
North Davis Meadows Sewer Assessment District

Name of Development	Number of Parcels	1998-99 per Parcel Assessment	1998-99 Total Assessment
North Davis Meadows [1]	11	$751.20	$8,263.20
North Davis Meadows [2]	43	$1,450.26	$62,361.18
Estates of North Davis Meadows [1]	4	$881.96	$3,527.84
Estates of North Davis Meadows [2]	32	$1,450.50	$46,416.00
	90		$120,568.22

[1] Wastewater facilities without local pump installation
[2] Wastewater facilities with local pump installation

Note: The Amended Engineer's Report dated July 2, 1998, provides that the maximum assessment for annual administration may be 6% of the Total Assessment due each year. The annual administration assessment included in the 1998-99 Assessment Roll is 4% of the 1998-99 Total Assessment. The annual administration assessment is reflected in the above table.

Special Tax and Assessment Delinquencies and Foreclosure Proceedings

The Board of Supervisors of Yolo County adopted the Teeter Plan effective July 1, 1993. The Teeter Plan guarantees distribution of 100% of the general and special assessments levied to the taxing entities within the County including the special assessments levied by the District. Under the County's Teeter Plan, a Tax Loss Reserve Account is held by the Auditor-Controller in order to cover losses resulting from unpaid taxes and assessments only to ultimately guarantee the tax collector full receipt whenever property is sold at a tax sale. The Tax Loss Reserve Fund is required to be funded to the amount of 25% of the County's aggregate delinquencies held at June 30 of the preceding year. Amounts exceeding the amount required to be maintained in the tax loss reserve fund may be credited to the County's general fund.

A county electing to utilize the Teeter Plan may elect to discontinue its use for any tax levying agency if the rate of secured tax delinquencies in any fiscal year exceeds 3% of the total of all taxes levied on the secured roll of that agency. Otherwise, the Teeter Plan is to remain in effect unless the County Board orders its discontinuance or unless, prior to the commencement of any fiscal year, the County Board receives a petition for its discontinuance joined in by resolutions adopted by at least two-thirds of the participating revenue districts in the County, in which event the County Board is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. If the Teeter Plan is discontinued subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions, including the District. Further, the District's tax revenues would be subject to taxpayer delinquencies, and the District would realize the benefit of interest and penalties collected from delinquent taxpayers, pursuant to law.

The County has agreed to file an action in the Superior Court to foreclose the lien on each delinquent assessment if the sum of unsecured assessment delinquencies for the preceding fiscal year exceeds five percent of the assessment installments posted to the tax roll for that fiscal year, and if the amount of the Special Reserve Fund is less than the Reserve Requirement.

Direct and Overlapping Bonded Debt

The District's statement of direct and overlapping bonded debt, which is set forth below, was prepared by California Municipal Statistics. It has been included for general information purposes only. The County has not reviewed the statement for completeness or accuracy and makes no representations in connection with the statement.

Contained within the District's boundaries are numerous overlapping local entities providing public services. These local entities may have outstanding bonds or other obligations issued in the form of general obligation, lease revenue, special tax and special assessment bonds. The first column in the table names the public agencies which have outstanding debt as of the date of the report and whose boundaries overlap the District. The second column in the table shows the percentage of each overlapping entity's assessed value located within the boundaries of the District. The third column shows the corresponding portion of each overlapping entity's existing debt payable from property taxes levied within the District. The total amount of debt for each overlapping entity is not shown in the table.

In addition, property owners within the District may be subject to other special taxes and assessments levied by other taxing authorities which provide services within the District. For example, the District falls within the parameters of a pre-existing County Services Area, formed in 1985 for the purposes of providing water and street lighting maintenance services. The assessment is currently $850.00 per year, or $425 in December and $425 in April. There is also an operation and maintenance assessment fee of approximately $148.50 for sewer service within the District. Such special taxes and assessments are not represented in the statement of direct and overlapping bonded debt.

Statement Of Direct And Overlapping Bonded Debt
North Davis Meadows Sewer Assessment District (As of 2/1/99)

1998-99 Assessed Valuation:	$28,518,827	
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 2/1/99
Davis Joint Unified School District Community Facilities District No. 1	1.019%	$310,133
Yolo County Library Community Facilities District No. 1989-1	0.922%	$23,234
Yolo County – North Davis Meadows Sewer Assessment District	100.000%	$1,690,790 [1]
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$2,024,157
OVERLAPPING GENERAL FUND OBLIGATION DEBT:		
Yolo County Certificates of Participation	0.372%	$21,483
Davis Joint Unified School District Authority	1.019%	$8,152
Sacramento Area Council of Governments Certificates of Participation	0.043%	$987
TOTAL OVERLAPPING GENERAL FUND OBLIGATION DEBT		$30,622
COMBINED TOTAL DEBT		$2,054,779 [2]

[1] Preliminary; subject to change.
[2] Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to Assessed Valuation:	
Direct Debt	5.93%
Total Direct and Overlapping Tax and Assessment Debt	7.10%
Combined Total Debt	7.20%

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/98: $0

Source: California Municipal Statistics, Inc.

SPECIAL RISK FACTORS

The following factors, which represent major risk factors that have been identified at this time, should be considered along with all other information in this Official Statement by potential investors in evaluating the credit quality of the Bonds. There can be no assurance that other major risk factors do not exist or will not become evident at any future time regarding the credit quality of the Bonds. Payment of the Bonds is a limited obligation of the County, payable from unpaid assessments levied upon real property within the District.

General

Under the provisions of the Bond Law, assessment installments, from which amounts for the payment of annual installments of principal of and interest on the Bonds are derived, will be billed to properties against which there are unpaid assessments on the regular property tax bills sent to owners of such properties. Such assessment installments are due and payable, and bear the same penalties and interest for non-payment, as do regular property tax installments. Assessment installment payments cannot be made separately from property tax payments. Payments of assessment installments made by the owners of parcels will be applied on a pro-rata basis to all series of Bonds issued by the County on behalf of the District.

In order to pay debt service on the Bonds, it is necessary that unpaid installments of assessments on land within the District are paid in a timely manner. Should the installments not be paid on time, the County has established a Special Reserve Fund from the proceeds of the Bonds to cover delinquencies. The assessments are secured by a lien on the parcels within the District and the County has covenanted in certain circumstances to institute foreclosure proceedings to sell parcels with delinquent installments for amounts sufficient to cover such delinquent installments in order to obtain amounts to pay debt service on the Bonds.

Amendments to the Bond Law enacted in 1988 and effective January 1, 1989 provide that under certain circumstances property may be sold upon foreclosure at a lessor Minimum Price or without a Minimum Price. "Minimum Price" as used in the Bond Law is the amount equal to the delinquent installments of principal or interest of the assessment or reassessment, together with all interest penalties, costs, fees, charges and other amounts more fully detailed in the Bond Law. The court may authorize a sale at less than the Minimum Price if the court determines that sale at less than the Minimum Price will not result in an ultimate loss to the beneficial owners or, under certain circumstances, if beneficial owners of 75% or more of the outstanding bonds consent to such sale. However, there can be no assurance that foreclosure proceedings will occur in a timely manner so as to avoid depletion of the Special Reserve Fund and delay in payments of debt service on the Bonds.

Failure by owners of the parcels to pay installments of assessments when due, depletion of the Special Reserve Fund, delay in foreclosure proceedings, or the inability of the County to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of assessments levied against such parcels may result in the inability of the County to make full or punctual payments of debt service on the Bonds and Beneficial Owners would therefore be adversely affected.

Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the District. There is no assurance the owners shall be able to pay the assessment installments or that they shall pay such installments even though financially able to do so.

Bankruptcy and Foreclosure

The payment of assessments and the ability of the County to foreclose the lien of a delinquent unpaid assessment may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by State law relating to judicial foreclosure. In addition, the prosecution of a foreclosure could be delayed due to lengthy local court calendars or procedural delays.

The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the Bonds and various other legal instruments by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Although bankruptcy proceedings would not cause the assessments to become extinguished, bankruptcy of a property owner or anyone who claims an interest in such property could result in a delay in prosecuting superior court foreclosure proceedings and could result in delinquent assessment installments not being paid in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds.

Proposition 218

On November 5, 1996, the voters of the State approved Proposition 218. Proposition 218 added Articles XIIIC and XIIID to the State Constitution, which contain, among other things, a number of provisions affecting the ability of the County to levy and collect both existing and future assessments.

Article XIIID requires that, beginning July 1, 1997, the proceedings for the levy of any assessment by the County under the 1913 Act (including, if applicable, any increase in such assessment or any supplemental assessment under the Act) must be conducted in conformity with the provisions of Section 4 of Article XIIID. The County has complied with the requirements of Article XIIID in connection with the proceedings to levy the assessments in the District. Under Section 10400 of the 1913 Act, any challenge (including any constitutional challenge) to the proceedings or the assessments must be bought within 30 days after the date the assessment was levied.

Article XIIIC removes limitations on the initiative power in matters of local taxes, assessments, fees and charges. Article XIIIC does not define the term "assessment", and it is unclear whether this term is intended to included assessments levied under the 1913 Act. In the case of the unpaid assessments which are pledged as security for payment of the Bonds, the Act provides a mandatory, statutory duty of the County and the Yolo County Auditor-Controller to post installments on account of the unpaid assessments to the property tax roll of the County each year while any of the Bonds are outstanding, commencing with property for fiscal year 1998-99, in amounts equal to the principal of and interest on the Bonds coming due in the succeeding calendar year. The County believes that the initiative power cannot be used to reduce or repeal the unpaid assessments which are pledged as security for payment of the Bonds or to otherwise interfere with performance of the mandatory, statutory duty of the County and the Yolo County Auditor-Controller with respect to the unpaid assessments which are pledged as security for payment of the Bonds.

Effective July 1, 1997, the California State Legislature has enacted Chapter 38, Statues of 1997. Among other things, Chapter 38 adds Section 5854 to the California Government Code to read as follows: "5854. Section 3 of Article XIII C of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution."

Assuming that, if challenged, Section 5854 is upheld as a valid interpretation of Section 3 of Article XIII C, Section 5854 establishes that owners of the Bonds from time to time are entitled to protection from an unconstitutional impairment of their contractual entitlement to receive payment of the principal of and interest on the Bonds by an exercise of the power of initiative seeking to reduce or repeal the assessments and the installments thereon which are pledged pursuant to the Act as security for the Bonds.

The interpretation and application of Proposition 218 and Chapter 38 will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainly the outcome of such determination.

Property Owned by the FDIC

The ability of the County to foreclose upon the lien relating to property on which assessments have not been paid may be limited in certain respects with regard to properties in which the Federal Deposit Insurance Corporation (the "FDIC") has an interest. On June 10, 1991 the Resolution Trust Corporation issued a Statement of Policy Regarding the Payment of State and Local Real Property Taxes (the "Policy Statement"). The FDIC has adopted a substantially identical policy. The Policy Statement applies to the FDIC when it is liquidating asset in its corporate and receivership capacities; it does not apply when the FDIC is acting as a conservator. The Policy Statement provides, in part, that owned real property of the FDIC is subject to state and local real property taxes if those taxes are assessed according to the property's value, and that the FDIC is immune from ad valorem real property taxes assessed on other bases. The Policy Statement also provides that the FDIC will pay its proper tax obligations when they become due and will pay claims for delinquencies as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC interest in the property is appropriate. It further provides that the FDIC will pay claims for interest on delinquent property taxes owned at the rate provided under state law. The FDIC will not pay for any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. The Policy Statement also provides that if any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. No property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, a lien for taxes and interest may attach, but the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement is unclear as to whether the FDIC considers the assessments imposed by the County to be "real property taxes" which the FDIC intends to pay. The Policy Statement provides: "The (FDIC) is only liable for state and local taxes which are based on the value of the property during the period for which the tax is imposed, notwithstanding the failure of any person, including prior record owners, to challenge an assessment under the procedures available under state law. In the exercise of its business judgment, the (FDIC) may challenge assessments which do not conform with the statutory provisions, and during the challenge will generally pay tax claims based on the assessment level deemed appropriate. The (FDIC) may, in the exercise of its business judgment, challenge any prior taxes and assessments provided that (1) the (FDIC's) records (including appraisals, offers or bids received for the purchase of the property, etc.) indicate that the assessed value is clearly excessive, (2) a successful challenge will result in a substantial savings to the (FDIC), (3) the challenge will not unduly delay the sale of the property, and (4) there is a reasonable likelihood of a successful challenge".

In a letter dated August 25, 1992 to the Treasurer of the State of California, the FDIC stated that with respect to property owned by an institution under FDIC receivership, the FDIC will pay special taxes, special assessments and related interest if such taxes were imposed and valid liens secured prior to receivership. If any special tax, special assessment or any other non-ad valorem-based tax is assessed while the institution is in receivership the taxes will not be paid. In the letter the FDIC further stated that "where an institution in receivership does not own the underlying real property but holds only a mortgage or other security interest in the property, special taxes and special assessments and related interest, secured by a valid lien with priority over the receivership's institutions lien interest, eventually will be paid (e.g., at the time of foreclosure)." However, the FDIC may elect not to pay such claims but instead abandon its security interest.

The County is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency on a parcel included in the District in which the FDIC has an interest, although prohibiting the lien of the FDIC to be foreclosed on at a judicial foreclosure sale would likely reduce the number of or eliminate the persons willing to purchase a parcel at a foreclosure sale. Beneficial Owners of the Bonds should assume that the County will be unable to foreclose on parcels of land in the District owned by the FDIC. Such an outcome would cause a draw on the Special Reserve Fund and perhaps, ultimately, a default in payment of the Bonds.

Availability of Funds to Pay Delinquent Assessment Installments

If a delinquency occurs in the Redemption Fund, the County will transfer into the Redemption Fund an amount out of the Special Reserve Fund needed to pay the debt service on the Bonds. There is no assurance that the balance in the Special Reserve Fund will always be adequate to pay the debt service on the Bonds in the event of delinquent assessment installments. If, during the period of delinquency, there are insufficient amounts in the Special Reserve Fund to pay all delinquent installments, a delay may occur in payments to the Beneficial Owners of the Bonds. Such risk may be greater or its consequence more severe when ownership is concentrated and may be expected to decrease as ownership is diversified through development and sales.

Limited Obligation Upon Delinquency

The County's obligation to advance monies to pay Bond debt service in the event of delinquent assessment installments shall not exceed the balance in the Special Reserve Fund. The County has made an election in the Resolution of Intention not to be obligated to advance amounts from the General Fund of the County for delinquent assessment installments pursuant to Section 8769(b) of the Bond Law; the only obligation of the County is to transfer amounts available in the Special Reserve Fund. During a period of delinquency if there are insufficient amounts in the Special Reserve Fund, a delay may occur in payments to Beneficial Owners.

Disclosure to Future Home Buyers

The County has recorded a notice of assessment lien in the Office of the County Recorder. While title companies normally refer to such notices in title reports, there can be no assurances that such reference will be made, or, if made, that a prospective home buyer or lender will consider such assessment obligations in the purchase of a home or the lending of money thereon. Failure of the parties involved in the sale of a parcel to disclose the existence of the assessment may adversely affect the willingness and ability of future owners of property within the District to pay the assessment when due.

Factors Which May Affect Land Development and Property Values

Development of the remaining undeveloped parcels in the District as well as property values may be affected by changes in general economic conditions, fluctuations in the real estate market, availability and cost of construction financing, competition from other developing areas and other factors beyond the control of the property owners and developers. In addition, development may be subject to future federal, state and local regulations. Approval may be required from various agencies from time to time in connection with the layout and design of development in the District, the nature and extent of public improvements, land use, zoning and other matters. Failure to meet any such regulations or obtain any such approvals in a timely manner could delay or adversely affect development in the District and property values.

The undeveloped land in the District is subject to a number of contingencies which could slow or prevent future development. Consequently, no assurance can be given that such development will be partially or fully completed, and in assessing the investment quality of the Bonds, prospective purchasers should evaluate the risks of noncompletion. First, undeveloped land is less valuable than such land in a developed condition and provides less valuable security to the Beneficial Owners should it be necessary for the County to foreclose due to the nonpayment of assessments. Second, if land in the District remains undeveloped, the number of likely purchasers at the foreclosure sale, in the event the County forecloses the lien of a delinquent unpaid assessment, is likely to be reduced. Third, in addition to potentially reducing the ability and willingness of the landowners to pay assessment installments, an economic slowdown in the region could adversely affect land values and reduce the proceeds received at a foreclosure sale in the event assessment installments are not paid when due.

Discontinuance of Advancement of the Assessment

Taxing jurisdictions with delinquencies in excess of a 3% allowable limit at the end of a fiscal year may be subject to the discontinuance of their special assessment installment collections being advanced under the Alternate Method of Tax Apportionment (otherwise known as the Teeter Plan) of the County. In any case, the Teeter Plan cannot be depended upon for continued advancement of the assessment collections as this method of advancement of such tax collections may be discontinued at any time by majority vote of the Board of Supervisors of the County.

If such event should occur, the ability of the County to pay the principal of and interest on and redemption premiums, if any, upon the Bonds may be adversely affected, and the County may not be in a position to provide for the timely payment of the Bonds when due.

Direct and Overlapping Indebtedness

The ability of an owner of land within the District to pay the assessments could be affected by the existence of other taxes and assessments imposed upon the property. In addition, other public agencies whose boundaries overlap those of the District, without the consent of the County, may impose additional taxes or assessment liens on the property within the District to finance public improvements to be located inside of or outside of the District.

Year 2000 Related Risks

A "Year 2000" problem arises because most computer systems and programs were designed to handle only a two-digit year, not a four digit year. When the Year 2000 begins, these computers may interpret "00" as the year 1900 (e.g., 1998 is seen as "98") and may either stop processing date-related computations or process them incorrectly. If this Year 2000 problem is not timely remedied, problems could arise in the levy and collection of special assessments used to make payment on the Bonds. To prevent this, public entities and banking organizations need to examine their computers and programs, fix the problem, test their systems and test interactions with other systems. The Securities and Exchange Commission ("SEC") has introduced proposed temporary regulations for non-bank related paying agents and broker dealers to submit reports to the SEC regarding their attempts to solve the Year 2000 problem. Failure to solve the Year 2000 problem could cause the County, the Paying Agent and/or DTC to experience problems that may affect the timely payment of the Bonds.

The County has implemented a plan in order to ensure that its systems and programs will accurately handle date comparisons, date calculations, and date sequencing on dates from either/both sides of the year 2000, by June 30, 1999.

LEGAL MATTERS

No Litigation

There is no action, suit or proceeding known to be pending or threatened that seeks to restrain or enjoin the collection of the assessments or the execution or delivery of the Bonds, the Resolutions or in any way contesting or affecting the validity of the foregoing or any proceeding of the County taken with respect to the foregoing. There are no lawsuits or claims pending against the County which would impair the ability of the County to make payments or otherwise meet its outstanding obligations.

Legal Opinion

Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel, will render their opinion with respect to the validity and enforceability of the Bonds. Copies of such approving opinion will be available at the time of delivery of the Bonds. The form of the legal opinion to be delivered by Bond Counsel is included as "APPENDIX D—FORM OF OPINION OF BOND COUNSEL" to this Official Statement. The opinion is based on existing laws, regulations, rulings and court decisions. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

Tax Matters

In the opinion of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, provided, however, that, for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining certain income and earnings.

The opinions set forth in the preceding paragraph are subject to the condition that the County comply with all requirements of the Internal Revenue Code of 1986 (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that such interest be, or continue to be, excluded from gross income for federal income tax purposes. The County has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of such interest in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.

In further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Beneficial Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Bond Counsel expresses no opinion regarding any federal or state tax consequences arising with respect to the Bonds other than as expressly described above.

NO RATING

The County has not applied to any rating agency for the assignment of a credit rating to the Bonds.

FINANCIAL ADVISOR

Government Financial Strategies, Inc., Sacramento, California, has been retained as Financial Advisor to the County to render certain professional services, including advising the County on a plan of financing for the sale and delivery of the Bonds. Government Financial Strategies, Inc., in its capacity as Financial Advisor, has read and participated in drafting certain portions of this Official Statement. The Financial Advisor has not, however, independently verified the factual information contained in this Official Statement.

UNDERWRITING AND INITIAL OFFERING PRICE

The Bonds were sold to U.S. Bancorp Piper Jaffray (the "Underwriter"), pursuant to a bond purchase agreement. The purchase price for the Bonds was $1,671,226.52, plus interest accruing with respect to the Bonds of $3,080.01, representing interest from April 1, 1999, to the date of delivery thereof. The total amount due from the Underwriter on the date of closing is $1,674,306.53, less the amount of any good faith deposit received by the County. The True Interest Cost (TIC) to the issuer has been calculated to be 5.300719%.

The Purchaser has certified to the County and to Bond Counsel that the initial reoffering prices of the Bonds to the general public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers), at which prices at least ten percent (10%) of the Bonds of each maturity were reoffered, are as set forth on the Cover Page hereof. The initial offering prices stated on the Cover Page to this Official Statement may be changed from time to time by the Purchaser. The Purchaser may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts), dealer banks, banks acting as agents and others at prices lower than said public offering prices.

CONTINUING DISCLOSURE

The County has covenanted for the benefit of the Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the County (the "Annual Report"), by not later than April 15 of each year, commencing with the report for the 1998-99 Fiscal Year (which is due no later than April 15, 2000), and to provide notices of the occurrence of certain enumerated events, if material. The Annual Report will be filed by the County with each Nationally Recognized Municipal Securities Information Repository, and with the State information depository, if any. The notices of material events will be filed by the County with the Municipal Securities Rulemaking Board and with the State information depository, if any. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized below under the caption "APPENDIX C—FORM OF CONTINUING DISCLOSURE CERTIFICATE". These covenants have been made in order to assist the Purchaser in complying with S.E.C. Rule 15c2-12(b)(5). The County has never failed to comply in all material respects with any previous undertakings with regard to said Rule to provide annual reports or notices of material events.

ADDITIONAL INFORMATION

Additional information concerning the County, the Bonds or any other matters concerning the sale and delivery of the Bonds may be obtained from the County by contacting the County Auditor-Controller at the address and telephone number set forth on page "iii" of this Official Statement, or by contacting the County's Financial Advisor, Government Financial Strategies, Inc., 1228 "N" Street, Suite Thirteen, Sacramento, California 95814-5609, telephone (916) 444-5100, facsimile telephone (916) 444-5109.

All of the preceding summaries of the Resolutions, agreements and other documents are made subject to the provisions of such documents respectively, and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the County for further information in connection therewith. Further, this Official Statement does not constitute a contract with the purchasers of the Bonds, and any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement by the County has been duly authorized by its Board.

COUNTY OF YOLO, CALIFORNIA

By: /s/
Sally M. Franchi, CPA
Auditor-Controller

APPENDIX A

RECORDED ASSESSMENT DIAGRAM OF NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT

RECORDED ASSESSMENT DIAGRAM OF

NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT

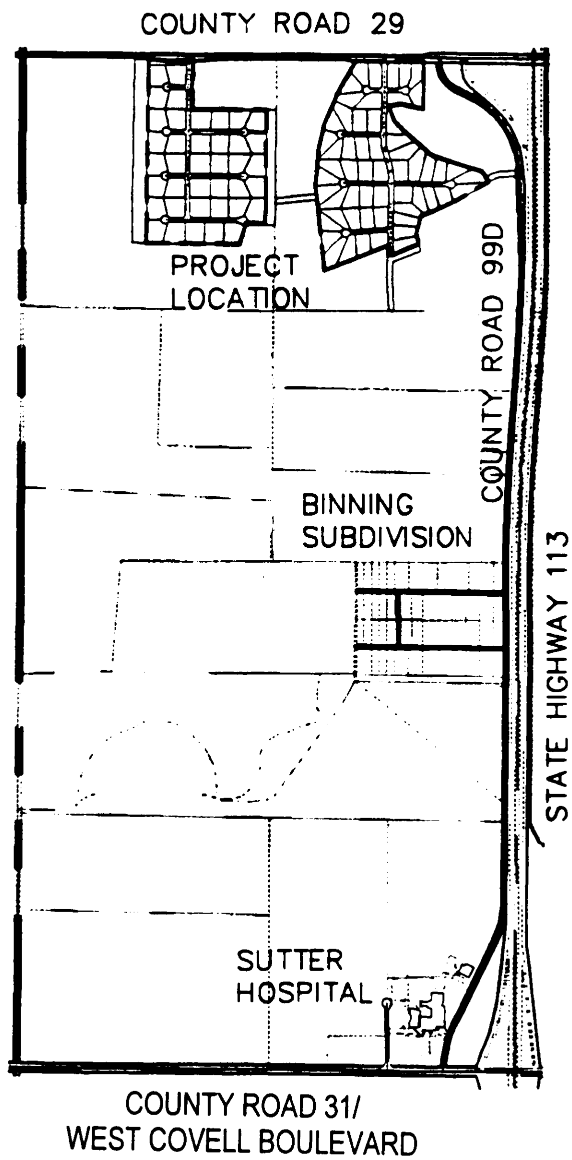
COUNTY OF YOLO
STATE OF CALIFORNIA

BEING PORTIONS OF SECTION 32, T9N, R2E, M.D.B & M

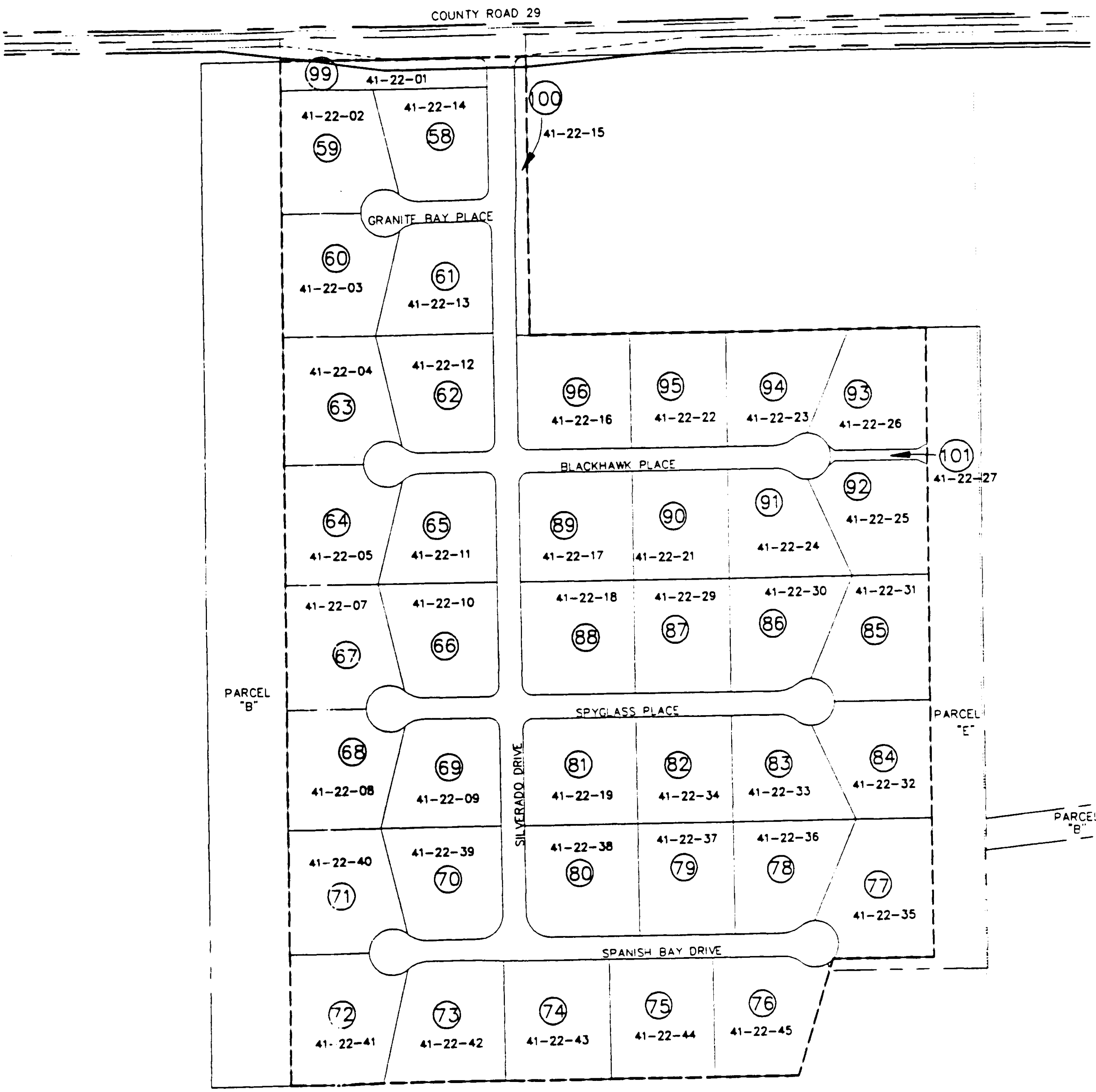
VAIL ENGINEERING CORPORATION
Sacramento, California

ASSESSMENT DISTRICT BOUNDARY MAPS ARE TAKEN FROM THE PROPOSED BOUNDARIES OF THE ASSESSMENT DIAGRAM RECORDED WITH THE COUNTY OF YOLO RECORDER'S OFFICE ON FEBRUARY 23, 1998. REFER TO COUNTY ASSESSOR MAP OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT BOOK NO. 1998, PAGE 5 FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF THE PARCELS.

VICINITY MAP

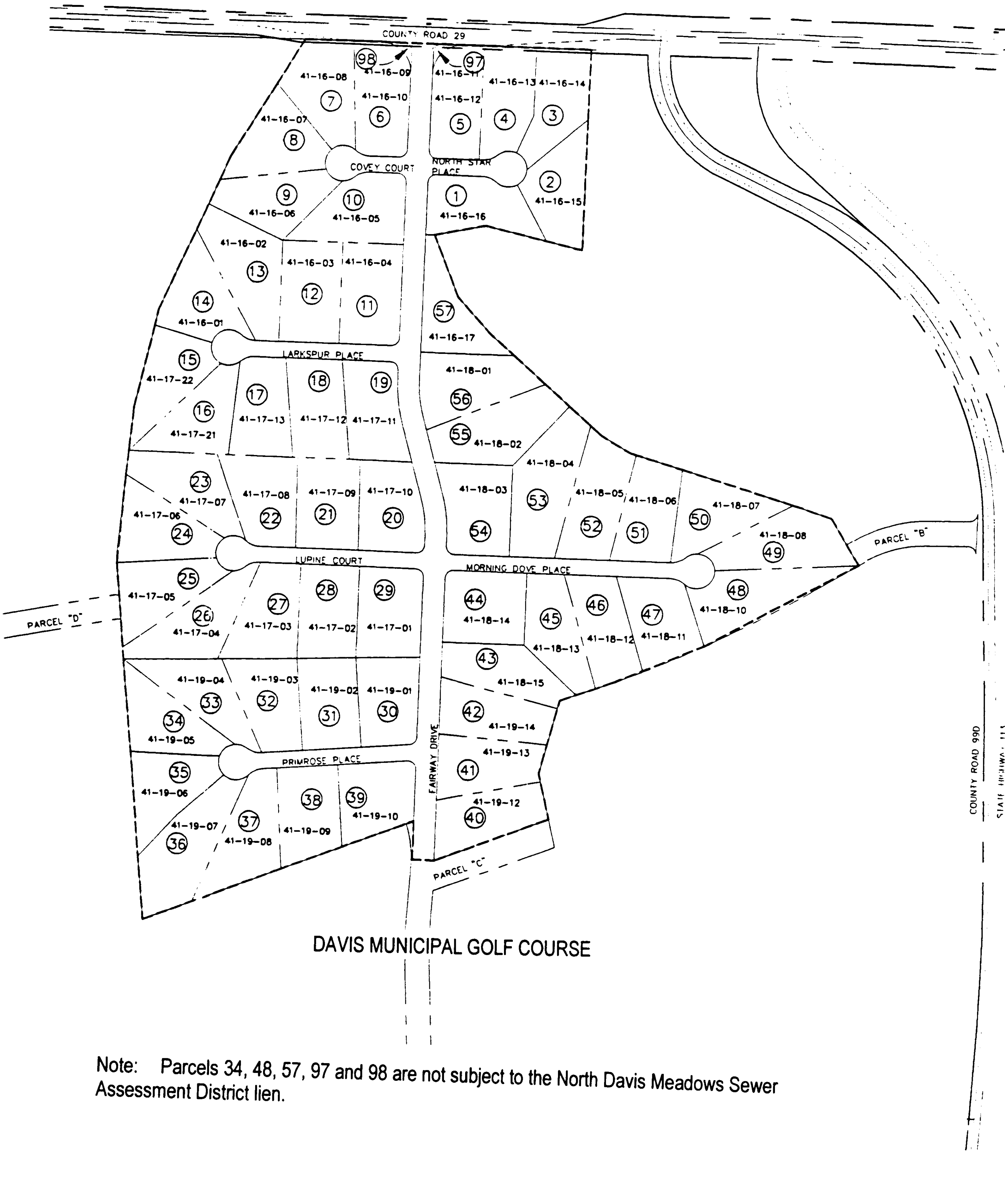


Estates of North Davis Meadows



Note: Parcels 77, 84, 90 and 99-101 are not subject to the North Davis Meadows Sewer Assessment District lien.

North Davis Meadows



Note: Parcels 34, 48, 57, 97 and 98 are not subject to the North Davis Meadows Sewer Assessment District lien.

THIS PAGE INTENTIONALLY LEFT BLANK

APPENDIX B

GENERAL AND ECONOMIC INFORMATION OF THE COUNTY OF YOLO

GENERAL AND ECONOMIC INFORMATION FOR THE COUNTY OF YOLO

General Information Concerning the County

Yolo County was incorporated in 1850 as one of California's original 27 counties. It has a general law form of government, and is a legal subdivision of the State of California. The County is governed by an elected five-member Board of Supervisors (the "Board") and provides a full range of services which include sheriff, patrol and detention; social services; sanitation and health services; the construction and maintenance of highways, streets, and infrastructures; and recreation and cultural events. Policy and legislative authority are vested in the Board, which is responsible, among other things, for passing ordinances, adopting the budget, and appointing committees, as well as hiring the County Administrative Officer and the County Counsel. The County Administrative Officer is responsible for carrying out the policies and ordinances of the Board, and for overseeing the day-to-day operation of the County. The elected officials (Assessor, Auditor-Controller, Clerk-Recorder, District Attorney, Public Guardian/Administrator, Sheriff-Coroner, Treasurer-Tax Collector, and Superior and Municipal Court Judges) are elected by the entire County on a non-partisan basis for four year terms and are accountable directly to the public. Members of the Board are elected by district on a non-partisan basis with staggered four year terms. The Chair of the Board is selected by the vote of the Board for a term of one year.

Yolo County is exceptionally well-connected for commerce. The County is strategically located on Northern California's dynamic Interstate-80 business corridor, just 57 miles northeast of San Francisco and minutes from the state capitol in Sacramento, and along Interstate 5 which takes travelers from the Mexico border to Canada. The County's primary population centers are also closer to Sacramento International Airport than most parts of Sacramento. In addition to the two Interstate highways and airport, the County's level landscape is bisected by mainline passenger and freight rail lines. Located in one of the most seismically stable regions of the state, the County encompasses 1,034 square miles, two thirds of which is alluvial plain covered by some of the richest soil in the world, making the County one of the nation's leading agricultural areas. In addition to air and land travel, the County is an ideal international and foreign trade zone as a result of the deep water shipping channel access to San Francisco Bay at the Port of Sacramento, located in the Yolo County City of West Sacramento.

The County falls within the Sacramento metropolitan sphere which makes it a part of a $17.5 billion economy. Yolo County remains unpretentious and each community is surrounded by open countryside. The four incorporated cities within the County are: Davis, with a population of 54,900, Woodland, the County seat with a population of 44,850, West Sacramento with a population of 30,500, and Winters, with a population of 5,250.

Nurtured by a long freeze-free growing season of up to 300 days a year, Yolo County's 1,011 farming operations generate an agricultural output that ranks 20th in the state and 77th in the nation. To further emphasize agriculture's role in the economy, the County prides itself in the resource it has in the University of California at Davis, an acknowledged leader in agriculture, biological, biotechnological, and environmental sciences. Contributing more than $2.5 billion to the regional economy, the 23,000 student campus is considered to be among the nation's top 10 public universities. The County agricultural base also provides a location for a growing number of seed and plant genetics as well as biotechnical and biological research firms who continue to choose Yolo County as their home.

Other major businesses within the County further contribute to a favorable economic environment because of the diversity offered. For example many major retail chain stores maintain either West Coast and/or Pacific Rim warehousing and distribution centers in Woodland and West Sacramento.

Total employment in the County was estimated by the State Employment Development Department at an average of 86,700 in 1997, up from the revised 1996 employment of 81,400. In 1998, civilian unemployment in Yolo County was 4.6% compared to 4.9% in the prior year and compared 5.8% for the State.

Ad Valorem Property Taxation

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the Government Code and Revenue and Taxation Code. Property is assessed by the County Assessor and State Board of Equalization at 100% of full cash or market value (with some exceptions) pursuant to Article XIIIA of the California State Constitution and statutory provisions.

The property tax levy to support general operations of the various local government jurisdictions is limited to one percent (1%) of the full cash value of taxable property and distributed in accordance with statutory formulas. Amounts needed to finance the annual requirements of voter approved debt are excluded from this limitation and are calculated and levied each fiscal year. The rates are formally adopted by either the Board of Supervisors or the city council and, in some instances, the governing board of a special district.

The County is divided into tax rate areas, which are unique combinations of various jurisdictions servicing a specific geographic area. The rates levied within each tax rate area vary only in relation to the levies assessed as a result of voter-approved indebtedness.

Property taxes levied on real property are recorded as receivables in the local jurisdictions at the date of levy. Property taxes levied on personal property are recorded as receivables in the trust and agency funds at the date of levy.

Secured property taxes are levied on or before the first day of September of each year. They become a lien on real property on January 1 preceding the fiscal year for which taxes are levied. These taxes are paid in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Secured property taxes, which are delinquent and unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, cost, and interest when paid. If the delinquent taxes are not paid at the end of five (5) years, the property is sold at public auction and the proceeds are used to pay the delinquent amounts due. Any excess is remitted, if claimed, to the taxpayer. Additional tax liens are created when there is a change in ownership of property or upon completion of new construction. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payment and delinquent dates but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill. Unsecured personal property taxes are not a lien against real property. These taxes are due on March 1, and become delinquent, if unpaid, on August 31.

On June 30, 1998, all current and prior secured property taxes have been apportioned. Property taxes receivable reported in the governmental funds are the result of additional tax liens for a change in ownership of property or completion of new construction. The Unapportioned Taxes agency fund property taxes receivable of $5,682,987 is currently delinquent and considered collectable by the Tax Collector. Upon the establishment of the tax loss reserve account of $502,043, as legally required, the County's General Fund received $647,767 in excess amounts collected in the fiscal year ended June 30, 1998.

Historical Assessed Valuations

A recent history of assessed valuations of the County of Yolo as of June 30, 1998, is provided below.

Historical Assessed Valuation
County of Yolo, California

Year Ended June 30	Secured Property Assessed Value	Unsecured Property Assessed Value	Total Assessed Value
1993	$6,705,869,474	$523,663,267	$7,229,532,741
1994	$6,878,924,599	$415,368,729	$7,294,293,328
1995	$6,976,662,197	$487,356,460	$7,464,018,657
1996	$7,314,041,689	$580,191,812	$7,894,233,501
1997	$7,484,619,121	$573,436,863	$8,058,055,984
1998	$7,740,764,906	$624,890,678	$8,365,655,584

Source: Yolo County Auditor-Controller's Office

Secured Property Tax Levies and Collections

A recent history of secured property tax levies and collections of the County of Yolo as of June 30, 1998, is provided below.

Secured Property Tax Levies And Collections
County of Yolo, California

Year Ended June 30	Total Taxes Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Taxes	Percent of Delinquent Taxes to Total Levy
1993	$84,166,206	$82,158,107	97.61%	$2,008,099	2.39%
1994	$90,566,854	$88,484,611	97.70%	$2,082,243	2.30%
1995	$95,047,759	$93,024,795	97.87%	$2,022,964	2.13%
1996	$98,314,579	$96,282,999	97.93%	$2,031,580	2.07%
1997	$100,285,396	$98,279,471	98.00%	$2,005,925	2.00%
1998	$101,855,207	$100,136,678	98.31%	$1,718,529	1.69%

Source: Yolo County Auditor-Controller's Office

Principal Taxpayers

A listing of the principal taxpayers in the County of Yolo as of June 30, 1998 is provided below.

Principal Taxpayers
County of Yolo, California

Rank	Business Name	Nature Of Business	Total Taxes Levied 1997-98
1.	Pacific Gas & Electric Company	Utility	$2,082,207
2.	Pacific Bell	Communications	$865,295
3.	Southern Pacific Land (Hunt-Wesson)	Land Rental (Tomato Products)	$574,113
4.	Walgreens	Distribution/Warehouse	$569,128
5.	Money Store	Finance	$559,097
6.	Farmers Rice Co-op	Rice Mill	$553,693
7.	Woodland Biomass	Recycling	$539,089
8.	Spieker Properties	Land Development	$537,920
9.	United Groceries Ltd.	Distribution/Warehouse	$456,495
10.	Dayton Hudson Company	Distribution/Warehouse	$393,801
	Total		$7,130,838

Source: Yolo County Auditor-Controller's Office

Largest Employers

As of June 30, 1998, the following employers in Yolo County had 100 or more employees.

Largest Employers
County of Yolo, California

No.	Employer	Location	Type of Enterprise	Total Employment
1	University of California, Davis	Davis	Education	10,964
2	County of Yolo	County-wide	Local Government	1,227
3	United Parcel Service	West Sacramento	Parcel Distribution	1,088
4	Beatrice/Hunt-Wesson, Inc.	Davis	Tomato Canning	200-1,000
5	Woodland Health Care	Woodland	Health Services	976
6	Woodland Joint Unified School District	Woodland	Education	811
7	Davis Joint Unified School District	Davis	Education	785
8	Payless Drug Stores	Woodland	Distribution Center	625
9	Washington Unified School District	West Sacramento	Education	478
10	Dayton Hudson Company (Target)	Woodland	Distribution Center	600
11	Cache Creek Indian Bingo and Casino	Cache Indian Reservation	Gaming	500
12	Valley Records	Woodland	Distribution of Record, CD's & Tapes	500
13	Mariani Nut Co.	Winters	Almond & Walnut Processing	250-500
14	Raley's Supermarkets	West Sacramento	Distribution Center	400
15	Nestlee (Contadina Div.)	Woodland	Tomato Products	125-400
16	City of Davis	Davis	Local Government	365
17	Payless Drugs Stores Northwest	Woodland	Distribution Center	350
18	Montgomery ward	West Sacramento	Distribution Center	334
19	A. Teichert & Son, Inc.	Woodland	Engineering/Construction Supplies	100-300
20	Pacific Gas and Electric	Woodland/Davis	Utilities	270
21	Fleetwood Homes	Woodland	Manufactured Housing	300
22	McKesson Drug	West Sacramento	Distribution Center	254
23	City of Woodland	Woodland	Local Government	251
24	Port of Sacramento	West Sacramento	Shipping	50-250
25	Spreckel Sugar Co.	Woodland	Beet Sugar Processing	200
26	Silvercrest/Western Homes	Woodland	Mobile Homes	200
27	Walgreens	Woodland	Distribution Center	197
28	Cotter & Company	Woodland	Hardware Distribution Center	150
29	Viking Truck Lines	West Sacramento	Freight Carrier	176
30	Petoseed Company, Inc.	Woodland	Vegetable Research	170
31	Excel Logistics	Woodland	Procter & Gamble Distribution	165
32	Pacific International Rice Mills	Woodland	Rice Mill	70-130
33	Skyline Homes	Woodland	Mobile Homes	120
34	Carlon	Woodland	Plastic Conduits	126
35	Ame Company, Inc.	Woodland	Manufacturing Valves/Water Systems	125
36	Cone Company, Inc.	Woodland	Manufacture Industrial Burners	125
37	Pacific Grain	Woodland	Rice Products	120
38	Benito Oil Company	West Sacramento	Oil Products	120
39	Cal Vet Diagnostics	West Sacramento	Pet Care	111
40	Johnson Farm Machinery	Woodland	Manufacture Farm Machines	100
41	Capital Coors	West Sacramento	Beer Distribution	100
42	Leer West Corp.	Woodland	Manufacturing Camper Shells	100

Source: Yolo County Auditor-Controller's Office

Demographic Statistics

Set forth below is a listing of demographic statistics for Yolo County as of June 30, 1998.

Demographic Statistics
County of Yolo, California

Fiscal Year	Population	Per Capita Income	Median Age	Public School Enrollment	Unemployment Rate
1989	136,985	$17,119	31.50	20,769	6.30%
1990	139,176	$18,101	28.70	21,742	6.00%
1991	145,022	$18,539	28.80	22,516	7.40%
1992	149,162	$19,615	29.05	23,690	8.00%
1993	148,758	$19,943	29.16	23,436	8.10%
1994	150,800	$21,359	29.22	23,986	7.00%
1995	156,688	$22,083	29.30	24,524	6.90%
1996	152,112	$22,747	29.40	25,107	6.60%
1997	154,482	n/a	33.40	25,903	6.00%
1998	156,800	n/a	n/a	26,442	5.80%

Sources: Population, Per Capita Income, and Median Age statistics are from the State Department of Finance. Public School Enrollment is from the Yolo County Superintendent of Schools. Unemployment statistics are from the State Department of Economic Development.

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX C

$1,690,000
COUNTY OF YOLO
NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT
LIMITED OBLIGATION IMPROVEMENT BONDS

CONTINUING DISCLOSURE CERTIFICATE OF THE COUNTY

This Continuing Disclosure Certificate (this "Disclosure Certificate"), dated April 14, 1999, is executed and delivered by the County of Yolo (the "County") in connection with the execution and delivery of the $1,690,000 aggregate principal amount of Limited Obligation Improvement Bonds (the "Bonds") for the County's North Davis Sewer Assessment District (the "Assessment District"). The Bonds are being issued pursuant to the Improvement Bond Act of 1915 and the terms of a resolution authorizing issuance of the Bonds (the "Resolution") adopted by Board of Supervisors of the County on March 16, 1999. The County hereby covenants and agrees as follows:

Section 1. **Purpose of the Disclosure Certificate**. This Disclosure Certificate is being executed and delivered by the County for the benefit of the Owners and Beneficial Owners of the Bonds and in order to assist the Underwriters (as defined below) in complying with the Rule (as defined below).

Section 2. **Definitions**. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms have the following meanings:

"**Annual Report**" means any Annual Report of the County provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"**Beneficial Owner**" means any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bond (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"**Commission**" means the Securities and Exchange Commission.

"**Disclosure Representative**" means the County Auditor-Controller or her or his designee, or such other officer or employee as the County shall designate in writing to the Dissemination Agent from time to time.

"**Dissemination Agent**" means, initially, BNY Western Trust Company, or any successor Dissemination Agent designated in writing by the County, which successor Dissemination Agent has filed with the then current Dissemination Agent a written acceptance of such designation.

"**Listed Events**" means any of the events listed in section 5(a) of this Disclosure Certificate.

"**National Repository**" means any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. Currently, the National Repositories are the four entities set forth in Exhibit A to this Disclosure Certificate.

"**Repository**" means each National Repository and each State Repository.

"**Rule**" means paragraph (b) (5) of Rule 15c2-12 adopted by the Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"**State Repository**" means any public or private repository or entity designated by the State of California as a state repository for the purpose of the Rule and recognized as such by the Commission. As of the date of this Disclosure Certificate, there is no State Repository.

"**Underwriter**" means the original purchaser of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 3. **Provision of Annual Reports**.

(a) The County shall, or shall cause the Dissemination Agent by written direction to such Dissemination Agent to, not later than the April 15 after the end of the County's fiscal year (which currently ends on June 30), commencing with the report for the fiscal year ending June 30, 1999, provide to each Repository and the Underwriter an Annual Report of the County which is consistent with the requirements of Section 4 of this Disclosure Certificate. Each Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate. The County intends to incorporate its audited financial statements in each Annual Report by reference. If the County's fiscal year changes, the County shall give notice of such change in the same manner as for a Listed Event under subsection 5(c).

(b) So long as the Dissemination Agent is an entity other than the County, then the provisions of this Section 3(b) shall apply. Not later than 15 Business Days prior to the date specified in subsection (a) above for providing each Annual Report to Repositories, the County shall provide such Annual Reports to the Dissemination Agent. If by fifteen (15) Business Days prior to such date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the County to determine if the County will be filing the Annual Report in compliance with subsection (a). The County shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the County and shall have no duty or obligation to review such Annual Report.

(c) If the County is the Dissemination Agent and the County is unable to provide to the Repositories such Annual Reports by the date specified in subsection (a) above, the County shall send a notice to each Repository and the Municipal Securities Rulemaking Board in substantially the form of Exhibit B to this Disclosure Certificate.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any;

(ii) provide the Annual Report to each Repository and the Underwriter in accordance with subsection (a) above; and

(iii) file a report with the County certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the Repositories to which it was provided.

Section 4. **Content of Annual Reports**. The Annual Reports of the County shall contain or include by reference the following:

(a) The audited financial statements of the County for the fiscal year most recently ended, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board and reporting standards as set forth by the State Controller in "State of California Accounting Standards and Procedures for Counties;" provide that, as indicated in Section 3 of this Certificate, the County intends to incorporate its audited financial statements in the Annual Reports by reference only and does not intend to physically include a copy thereof.

(b) In addition to incorporation of the County's audited financial statement by reference, the Annual Report shall contain or incorporate by reference the following information:

(i) the principal amount of Bonds outstanding as of the September 30 preceding the filing of the Annual Report;

(ii) the balance in each fund under the Resolution as of the September 30 preceding the filing of the Annual Report;

(iii) an update of the information in the Official Statement for the Bonds set forth under the caption "THE NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT – General Information Concerning the District";

(iv) an update of the information in the Official Statement for the Bonds set forth under the caption "THE NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT – Project Description"; and

(v) an update of the information in the Official Statement for the Bonds set forth in the table entitled "Assessed Valuation and Unpaid Assessments, North Davis Meadows, Assessment District Only" and the table entitled "Assessed Valuation and Unpaid Assessments, Estates of North Davis Meadows, Assessment District Only," both of which tables are set forth under the caption "THE NORTH DAVIS MEADOWS SEWER ASSESSMENT DISTRICT – Individual Parcel Information."

(vi) a list of all parcels, if any, for which any installment or portion of an installment of the unpaid assessment is delinquent, together with the following information respecting each such parcel: (A) the amount delinquent (exclusive of late charges and monthly penalties for reinstatement); (B) the date (December 10 or April 10) of the first delinquency; (C) in the event a foreclosure complaint has been filed respecting such delinquent parcel and such complaint has not been dismissed, the date on which the complaint was filed in the Yolo County Superior Court; and (D) in the event a foreclosure sale has occurred respecting such delinquent parcel, a summary of the results of such foreclosure sale.

(c) Any or all of the items listed in (a) or (b) above may be included by specific reference to other documents, including official statements or other disclosure documents of debt issues of the County or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The County shall clearly identify each such other document so included by reference.

The contents, presentation and format of the Annual Reports may be modified from time to time as determined in the judgment of the County to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the County or to reflect changes in the business, structure, operations, legal form of the County or any mergers, consolidations, acquisitions or dispositions made by or affecting the County; provided that any such modifications shall comply with the requirements of the Rule.

Section 5. **Reporting of Significant Events.**

(a) Pursuant to the provisions of this Section 5, the County shall give, or cause the Dissemination Agent to give, notice of the occurrence of any of the following events with respect to the Bonds, if material:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions or events affecting the tax status of the Bonds;

(vii) modifications to the rights of Owners of the Bonds;

(viii) unscheduled redemption of any Bond;

(ix) defeasances;

(x) any release, substitution, or sale of property securing repayment of the Bonds; and

(xi) rating changes.

(b) Whenever the County obtains knowledge of the occurrence of a Listed Event, the County shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) The County determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the County shall promptly file, or cause the Dissemination Agent to file, a notice of such event with the Municipal Securities Rulemaking Board and the State Repository, if any. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (viii) and (ix) above need not be given under this subsection any earlier than when the notice, if any, of the underlying event is given to Owners of affected Bonds pursuant to the Fiscal Agent Agreement.

(d) If the County determines that knowledge of the occurrence of a Listed Event would not be material under applicable federal securities laws and if the Dissemination Agent is other than the County, the County shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to the foregoing subsection (c).

(e) The County hereby acknowledges that the undertaking set forth in this Disclosure Certificate is the responsibility of the County, and the Dissemination Agent (if other than the County) shall not be responsible for determining whether the County's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

Section 6. **Termination of Reporting Obligation**. The obligations of the County and the Dissemination Agent (if other than the County) under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the County shall give notice of such termination in the same manner as for a Listed Event under subsection 5(c).

Section 7. **Dissemination Agent**. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing sixty (60) days written notice to the County. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Certificate.

Section 8. **Amendment; Waiver**. Notwithstanding any other provision of this Disclosure Certificate, the County may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of subsection 3(a), section 4, or subsection 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertakings, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of Owners of the Bonds, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the County shall describe such amendment in its next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under subsection 5(c), and (ii) the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. **Additional Information**. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, including the information then contained in the County's official statements or other disclosure documents relating to debt issuances, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. **Default**. In the event of a failure of the County to comply with any provision of this Disclosure Certificate, any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement with respect to the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the County to comply with this Disclosure Certificate shall be an action to compel performance, and no person or entity shall be entitled to recover monetary damages under this Disclosure Certificate.

Section 11. **Duties, Immunities and Liabilities of Dissemination Agent**. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the County agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. **Beneficiaries**. This Disclosure Certificate shall inure solely to the benefit of the County, the Dissemination Agent, the Underwriters, the Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. **Governing Law**. This certificate shall be governed by the laws of the State of California and the federal securities laws.

COUNTY OF YOLO

By:__________________________________

County Auditor-Controller

EXHIBIT A

LIST OF NATIONAL REPOSITORIES

Nationally Recognized Municipal Securities Information Repositories approved by the Securities and Exchange Commission:

Bloomberg Municipal Repositories
P.O. Box 840
Princeton, NJ 08542-0840
Phone: (609) 279-3200
Fax: (609) 279-5962 or (609) 279-5963
E-Mail: munis@bloomberg.doc

Thomson NRMSIR
Attn: Municipal Disclosure
395 Hudson Street, 3rd Floor
New York, NY 10014
Phone: (212) 807-5001 or (800) 689-8466
Fax: (212) 989-2078
E-Mail: Disclosure@muller.com

Kenny Information Systems, Inc.
65 Broadway, 16th Floor
New York, NY 10006
Attn: Kenny Repository Service
Phone: (212) 770-4595
Fax: (212) 797-7994

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
E-Mail: NRMSTR@dpcdata.com

EXHIBIT B

FORM OF NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: County of Yolo, California

Name of Issue: $1,690,000 aggregate principal amount of Limited Obligation Improvement Bonds for the County's North Davis Meadows Sewer Assessment District

Issuance Date: April 14, 1999

NOTICE IS HEREBY GIVEN that the COUNTY OF YOLO (the "County") has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate dated April 14, 1999, executed and delivered by the County. The County anticipates the Annual Report will be filed by ____________________.

Dated:______________

COUNTY OF YOLO

By:_______________________________________

Title:_____________________________________

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

APPENDIX D

April 14, 1999

Board of Supervisors
County of Yolo
625 Court Street
Woodland, CA 95695

County of Yolo
North Davis Meadows Sewer Assessment District
Limited Obligation Improvement Bonds
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the County of Yolo (the "Issuer") of $1,690,000 aggregate principal amount of the County of Yolo North Davis Meadows Sewer Assessment District Limited Obligation Improvement Bonds (the "Bonds") pursuant to the provisions of the Municipal Improvement Act of 1913 and the Improvement Bond Act of 1915 and Resolution No. 99-42, adopted by the Board of Supervisors on March 16, 1999 (the "Resolution"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Resolution.

In such connection, we have reviewed the Resolution, the Tax Certificate of the Issuer dated the date hereof (the "Tax Certificate") an opinion of counsel to the Issuer, certifications of the Issuer and others and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

Certain agreements, requirements and procedures contained or referred to in the Resolution, the Tax Certificate and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinion, referred to in the second paragraph hereof.

Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. In addition, we call attention to the fact that the rights and obligations under the Bonds, the Resolution and the Tax Certificate may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other similar laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against counties in the State of California.

We express no opinion on the plans, specifications, maps and other engineering details of the proceedings, or upon the validity of the individual separate assessments securing the Bonds which validity depends, in addition to the legal steps required, upon the accuracy of certain of the engineering details. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute valid and binding special assessment obligations of the Issuer, payable solely from and secured by the unpaid assessments and certain funds held under the Resolution.

2. The Resolution has been duly adopted and constitutes a valid and binding obligation of the Issuer.

3. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although we observe that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

Per

1228 N Street, Suite 13
Sacramento, CA 95814
(916) 444-5100

Government
Financial
Strategies
inc.