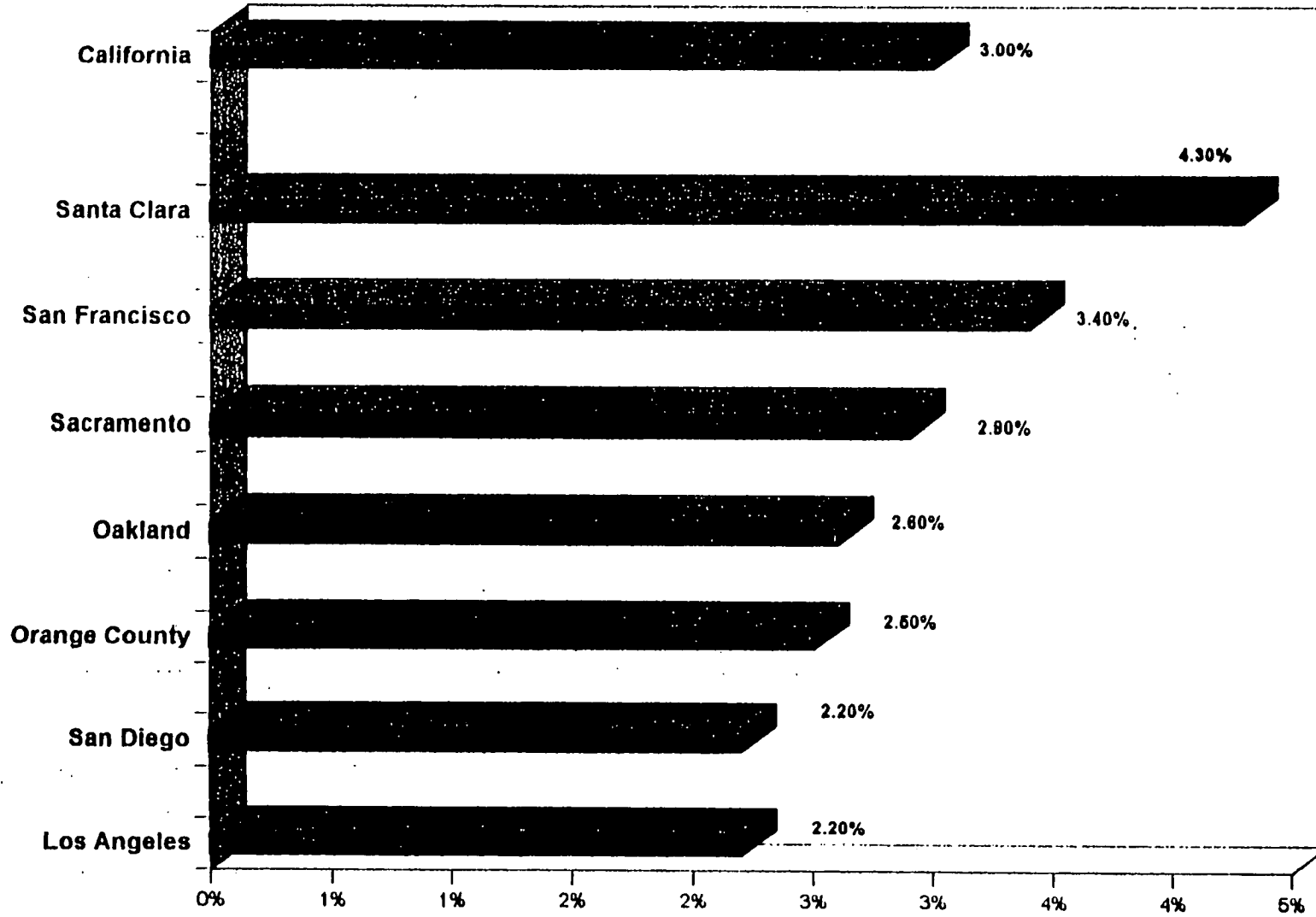
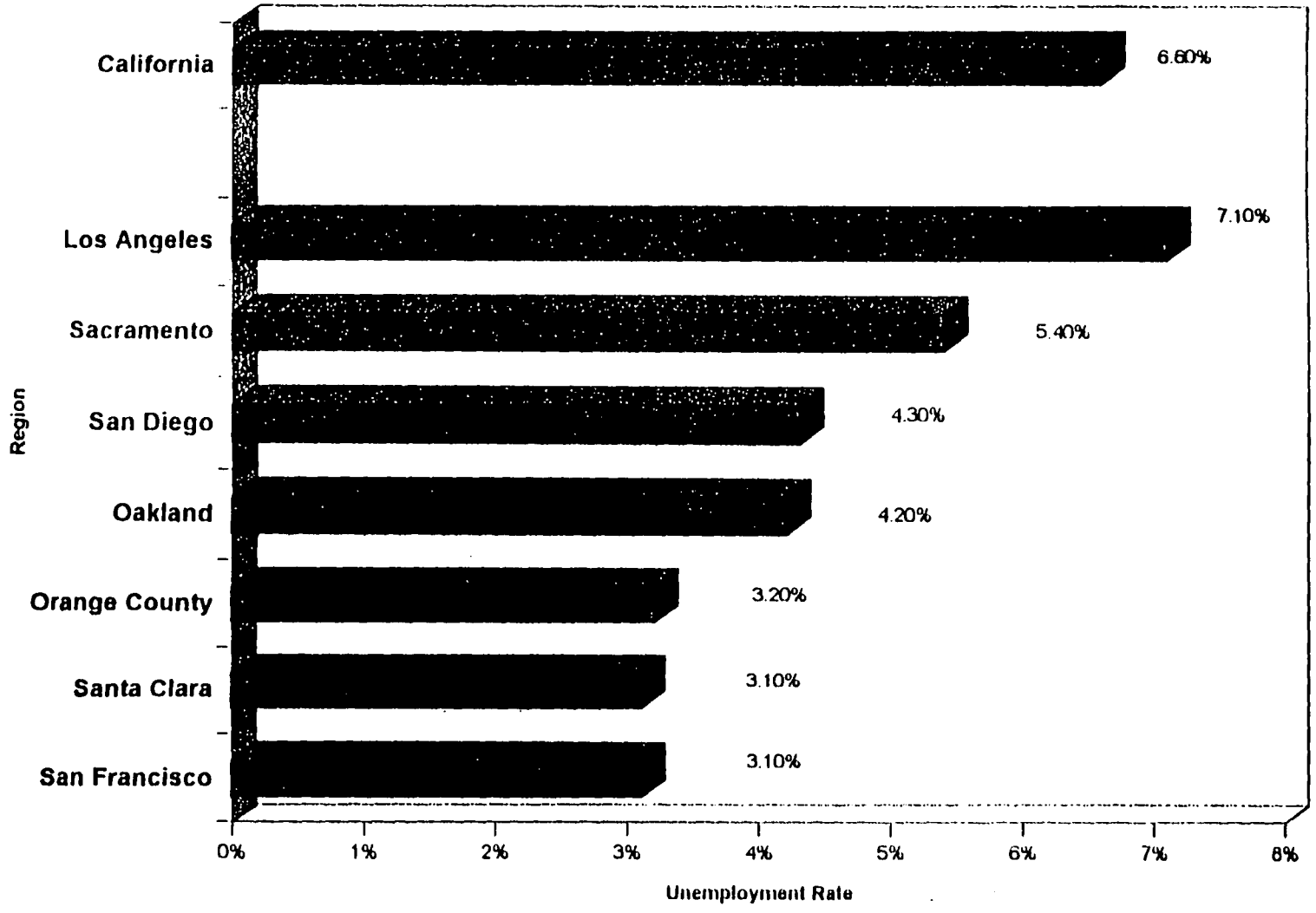


Item 2.1

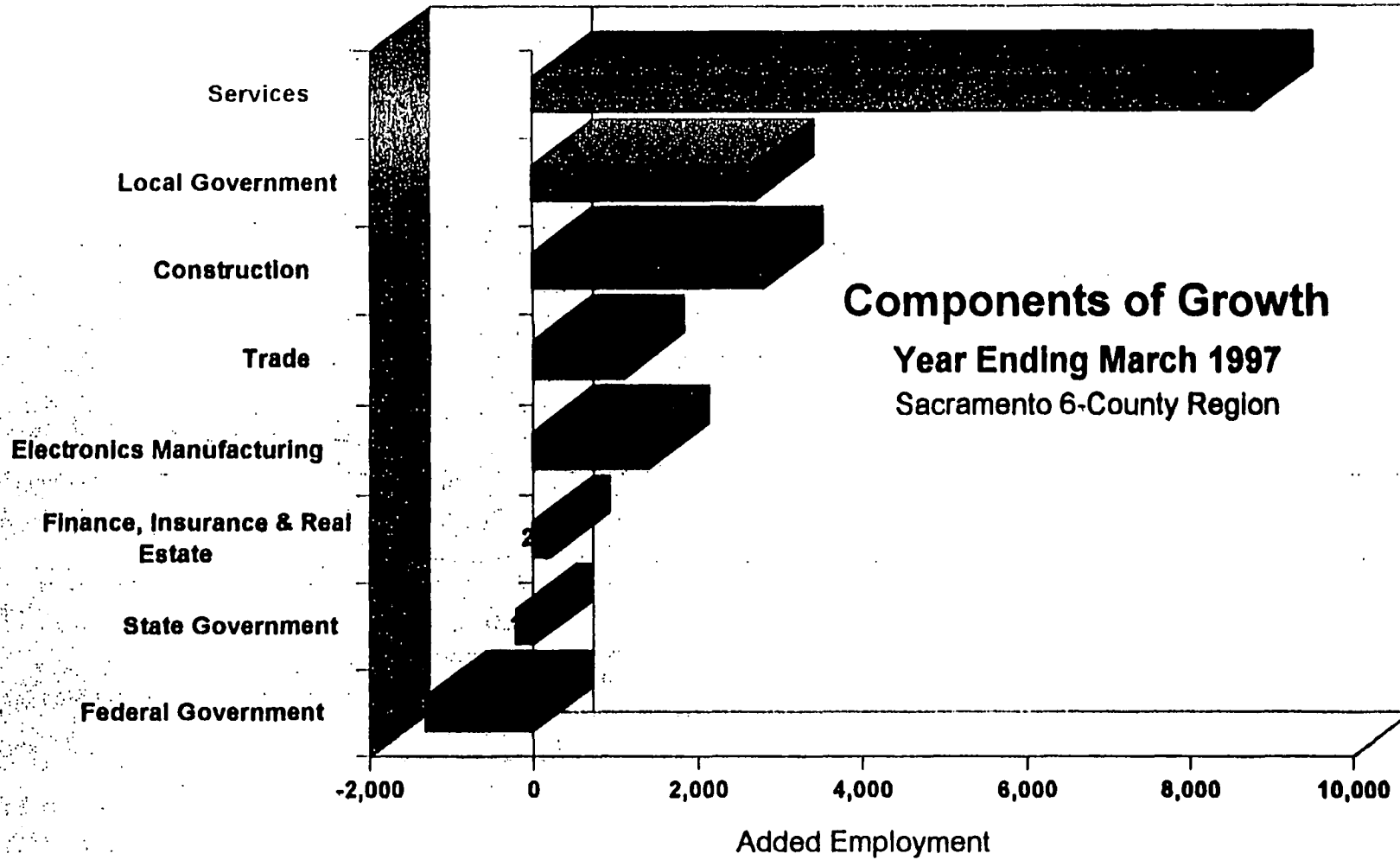
Employment Growth Rate Comparisons



Unemployment Rate Comparison



Components of Growth
Year Ending March 1997
Sacramento 6-County Region



SACTO Active Prospects

August 13, 1997

38 Call Center/Information Technology
22 Electronics
11 Software
7 Biopharmaceutical
7 Food Processing
11 Distribution
33 Other

	<i>Square Feet</i>	<i>Jobs</i>
Call Center/Information Technology	2,685,000	12,300
Electronics	1,955,000	3,100
Software	495,000	1,800
Biopharmaceutical	150,000	650
Distribution	3,200,000	850

SACTO

Sacramento Area Commerce and Trade Organization

Officers-Directors

PRESIDENT
Edward J. Hurley, M.D.
UCDMC

PRESIDENT-ELECT
James Whillock
Patterson Travel/American Express

VICE PRESIDENT and CHIEF FINANCIAL OFFICER
Neil J. Doerhoff
Raley's

VICE PRESIDENT and SECRETARY
Philip A. Stohr
Downey Brand Seymour & Rohwer

VICE PRESIDENT for DEVELOPMENT
David M. Higgins
Harbison-Mahony-Higgins

CHIEF EXECUTIVE OFFICER
Alan R. Gianini

July 23, 1997

MEMORANDUM

TO: Governmental Organization Members

FROM: Alan R. Gianini
Executive Director

RE: SACTO QUARTERLY REPORT
April, May, June 1997

Enclosed is SACTO's Quarterly Report for April, May, and June 1997.

Your thoughts are important to us. Please let us know if SACTO is accomplishing what you expect and if you would like us to include any additional information in this report.

Thank you in advance for your time.

Enclosure

Directors-at-Large

Larry Dicke
Blue Diamond Growers

Maggie Ferrari
Ferrari Color, Inc.

Richard Hall
Intel Corporation

Greg Kelly
KCRA TV - Channel 3

Sadayuki Kishi
NEC Electronics Inc.

Michael P. Lyon
Lyon & Associates Realtors

Timothy P. Madden
Fidelity National Title

Anthony Mansour
The Mansour Company

Linda M. Mattina
PG&E

Kristen E. Pigman
The Pigman Companies

Kevin M. Ramirez
Sierra College

Frank C. Ramos
Ramco Enterprises

James Shelby
Sacramento Urban League

William J. Wirt
Placer Title Company

Bob Woods
AT&T Wireless Services

Appointed Directors

Hon. Dick Akin
County of Sutter

Hon. Wes Beers
City of West Sacramento

Karal Cottrell
SMUD

Harriet Derwingson
Pacific Bell

Dr. Donald R. Gerth
CSUS

Hon. Don Nottoli
County of Sacramento

Hon. Joe Serna, Jr.
City of Sacramento

Hon. Walt Shultz
County of El Dorado

Dr. Larry N. Vanderhoef
UC Davis

Hon. James T. Williams
County of Placer

Ex-Officio Directors

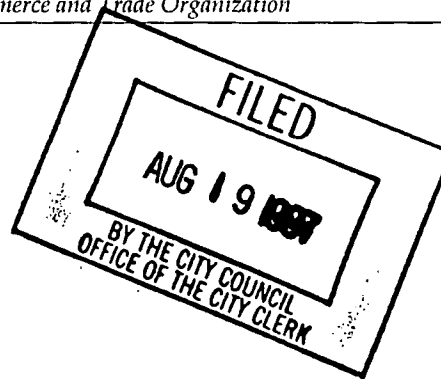
Robert W. Bell
Heiner, Stark & Marois

Elizabeth McClatchy
Safety Center Incorporated

Edward J. Quinn, Jr.
McDonough, Holland & Allen

Ralph E. Vitello
Vitello + Associates, Inc.

IMMEDIATE PAST PRESIDENT
Robert D. Dean
Grubb & Ellis Commercial
Real Estate



REPORT TO THE GOVERNMENTAL ORGANIZATION MEMBERS
by the
SACRAMENTO AREA COMMERCE AND TRADE
ORGANIZATION (SACTO)

For the Period Covering
April, May, June 1997

CONTENTS

EXECUTIVE SUMMARY

I. STATEMENT OF SERVICES

- A. Purposes of Fund Expenditures
- B. Any Direct Personal Benefits
- C. Number of Performances, Appearances, or Publications
 - 1. Performances and Appearances
 - 2. Publicity
 - 3. Publications
- D. Estimated Amount of Funds Expended Upon Services

II. ADDITIONAL INFORMATION COVERING PREVIOUS THREE MONTHS

- A. General Activities
- B. Prospect Activity

APPENDIX I Financial Statements Quarter Ending June 30, 1997

APPENDIX II Prospect Activity

SACTO
Sacramento Area Commerce and Trade Organization

EXECUTIVE SUMMARY - QUARTER ENDED JUNE 30, 1997

HIGHLIGHTS: Marketing Trips were made to the Bay Area
Attended New York Marketing Mission, April 1997
Attended NACORE Conference April 21, 1997
Shriners Hospital Tour held May 1, 1997
Attended IDRC World Congress Conference, May 1997
Inside Business '97 held May 28, 1997
Held Brown Bag Lunches, April - June, 1997

LOCATIONS: **CINTAS**, one of the leading providers of corporate identity uniform programs, will build a 48,000 square foot industrial laundry on six acres in Northgate. The facility will employ 170 people.
DFA of California, will be relocating their headquarters from Santa Clara to Sacramento. DFA has purchased approximately one acre in Northgate and will build a 6,500 square foot headquarters facility employing 20 people.
S.C. Johnson & Son, Inc., will lease a 200,000 square foot distribution facility in Woodland, California. S.C. Johnson & Son, Inc., commonly known as SC Johnson Wax, is a major manufacturer of household cleaning products such as Pledge, Windex, Raid, and Glade. The Woodland facility will employ approximately 40 people.

STATISTICAL:

	Quarter Ending <u>June 30</u>	Current <u>Year - YTD</u>	Previous <u>Year - YTD</u>
Members	392	392	378
Member Support (cash basis)			
- private	\$121,175	\$393,304	\$395,800
- public	\$107,888	\$216,776	\$155,693
- other	\$46,089	\$228,427	\$293,537
Total Receipts (cash)	\$275,152	\$838,507	\$845,030
Expenses			
- administration*	\$77,332	\$273,366	\$265,738
- marketing*	\$115,797	\$386,221	\$387,137
- membership & misc.	\$49,240	\$141,249	\$148,737
SACTO Assisted Companies Announced	3	10	4
Direct Jobs Expected	230	1,639	700
Active Prospects	131	131	110

* Includes personnel costs.

NOTES

AND DATES: Marketing Trips planned to Bay Area
Brown Bag Lunches Scheduled, July - August, 1997
Meeting of Members/Salute to New Companies Scheduled for September 4, 1997
Trainor Robertson/SACTO Golf Tournament Scheduled for September 29, 1997
Board of Directors Retreat Scheduled for October 10, 1997
Marketing Trips planned to Germany and Japan, October 1997
IDRC World Congress Conference, November 1997

SACTO
980 - 9th Street, Suite 1730
Sacramento, CA 95814
(916) 441-2144 • (916) 441-2312 FAX • email: sacto@ns.net • www.sactoe dc.org

REPORT TO GOVERNMENTAL ORGANIZATION MEMBERS
SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION
April, May, June 1997

I. STATEMENT OF SERVICES

A. Purpose of Fund Expenditure

The overall purpose of the Sacramento Area Commerce and Trade Organization (SACTO) is to encourage the economic growth of the five-county Greater Sacramento Area.

B. Any Direct Personal Benefits

SACTO bylaws prohibit any direct personal gain from any of its activities or funds. Consistent with its bylaws, no direct personal gain accrued to any individual during the reporting period, and none will accrue in future reporting periods.

C. The Number of Performances, Appearances, or Publications

1. Performances and Appearances

- Made quarterly presentation to City & County of Sacramento.
- Attended IDRC Bay Area Chapter Meeting.
- Held Four Brown Bag Lunch Sessions.
- Attended NACORE Conference April 21, 1997.
- Mission to New York held April 28 - 30, 1997.
- Attended IDRC World Congress May 10 - 13, 1997.

2. Publicity

SACTO's efforts were publicized in the following media articles:

- The Wall Street Journal, "Playing Sacramento's High-Tech Card," April 11, 1997.
- The Sacramento Bee, "Fruit Group Comes to City," April 18, 1997.
- The Sacramento Bee, "Wax Maker Takes Shine to Woodland," April 18, 1997.
- The Sacramento Bee, "Uniform Firm to Build Northgate Laundry Plant," May 12, 1997.
- The Business Journal, "Speaking of SACTO Secrets," May 26, 1997.

- The Davis Enterprise, "Group Plans for 12,000 New Jobs," May 28, 1997.
- The Sacramento Bee, "A Dash of Cold Water for Recovery," May 29, 1997.
- Appeal Democrat, "Project Aims to Create More Jobs," May 29, 1997.
- Los Angeles Times, "Finding the Perfect Match," May 31, 1997.
- The Business Journal, "Where, Exactly, is our Region?," June 2, 1997.
- The Sacramento Bee, "Quiet Giant," June 9, 1997.

3. Publications

SACTO has developed and made available a full-spectrum of publications. A description of publications and their contents and costs is available upon request.

This quarter the following publications were updated: *Political Contacts List*, *Major Employers List*, and *Located Companies List*.

D. The Estimated Amount of Funds Expended Upon Services

Appendix I will reveal the breakdown of expenditures on services.

II. ADDITIONAL INFORMATION COVERING PREVIOUS THREE MONTHS

A. General Activities

There were numerous SACTO activities during the past reporting period of interest to public sector members. SACTO met with and made presentations to elected bodies of local governments in region. Activities related to organizational management, including committee meetings, membership meetings and planning sessions were also conducted. Much time and effort is spent on research, which represents a significant portion of SACTO's activities.

B. Prospect Activity

This quarter three companies located bringing 230 jobs to the region.

REPORT TO THE GOVERNMENTAL ORGANIZATION MEMBERS

April, May, June 1997

Page 3

CINTAS, one of the leading providers of corporate identity uniform programs, will build a 48,000 square foot industrial laundry on six acres in Northgate. The facility will employ 170 people.

Contact: Ross Vanderhye
(619) 941-8422

DFA of California, will be relocating their headquarters from Santa Clara to Sacramento. DFA has purchased approximately one acre in Northgate and will build a 6,500 square foot headquarters facility employing 20 people.

Contact: Richard Novy
(408) 727-9302

S.C. Johnson & Son, Inc., will lease a 200,000 square foot distribution facility in Woodland, California. S.C. Johnson & Son, Inc., commonly known as SC Johnson Wax, is a major manufacturer of household cleaning products such as Pledge, Windex, Raid, and Glade. The Woodland facility will employ approximately 40 people.

Contact: Tom Porter
(414) 260-3470

SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
JUNE 30, 1997

ASSETS

CURRENT ASSETS:	
CASH - UNRESTRICTED	268,272
RESTRICTED RESERVES (SEE NOTE 1)	50,000
CAPITAL RESERVE	25,554
PLEDGE RECEIVABLE	13,700
PREPAID EXPENSES	4,448

TOTAL CURRENT ASSETS	361,974

PROPERTY AND EQUIPMENT	
OFFICE FURNITURE AND EQUIPMENT	123,496

	123,496
LESS ACCUMULATED DEPRECIATION	60,320

TOTAL PROPERTY AND EQUIPMENT	63,176

	425,150
	=====

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES:	
ACCOUNTS PAYABLE	916
ACCOUNTS PAYABLE-RENT	13,005
ACCRUED EXPENSES	5,094
ACCRUED EMPLOYEE VACATION LIABILITY	22,652

TOTAL CURRENT LIABILITIES	41,667
DEFERRED EARNINGS	40,549

TOTAL LIABILITIES	82,216

FUND BALANCE	
UNRESTRICTED	318,426
YEAR TO DATE EXCESS REVENUE OVER (EXPENDITURES)	24,510

ENDING FUND BALANCE	342,936

DIFFERENCE ON ROUNDING	(2)

	425,150
	=====

NOTE 1: AVAILABLE IN THE EVENT OF A REVENUE-SHORT FISCAL YEAR, SPECIAL OPPORTUNITIES OR SPECIAL PROJECTS WITH A MAJORITY VOTE OF THE BOARD OF DIRECTORS OR EXECUTIVE COMMITTEE

SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION
STATEMENT OF REVENUE COLLECTED, EXPENDITURES AND FUND BALANCE-CASH BASIS
12 MONTHS ENDED JUNE 30, 1997

	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	OVER (UNDER) BUDGET	PRIOR YEAR TO DATE
REVENUE						
PRIVATE SECTOR	30,550	21,000	334,104	327,360	6,744	321,023
TARGET 10,000*	16,700	2,500	59,200	70,475	(11,275)	74,775
PUBLIC SECTOR	65,750	5,199	215,776	189,780	26,996	155,893
MEETING REVENUE	6,723	0	164,681	155,000	9,681	201,909
PUBLICATIONS SALES	3,516	850	19,572	10,200	9,372	11,843
INTEREST INCOME	725	1,250	13,785	15,000	(1,215)	15,529
OTHER INCOME	165	100	30,289	21,200	9,189	64,237
TOTAL REVENUE	124,129	30,899	838,507	789,015	49,492	845,020
EXPENDITURES						
SALARIES	19,921	22,100	260,749	265,200	(4,451)	273,333
DISCRETIONARY EMPLOYEE COMPENSATION	24,961	26,500	24,961	26,500	(1,539)	0
EMPLOYEE BENEFITS	4,402	3,530	34,859	40,788	(5,929)	33,613
PAYROLL TAXES	3,501	1,500	20,081	18,400	1,681	19,342
TOTAL STAFF MAINTENANCE EXPENDITURES	52,785	53,730	340,650	350,888	(10,238)	326,788
INSURANCE	514	750	3,082	10,900	(2,818)	7,182
OFFICE EXPENSE	6,246	1,200	29,871	21,600	8,271	24,231
TRANSPORTATION-AUTO	2,257	650	3,934	6,300	(2,366)	7,755
EXECUTIVE COMMITTEE AND BOARD MEETINGS	425	50	3,083	4,150	(1,067)	7,342
RENT	(4,388)	3,736	36,572	44,332	(7,760)	44,755
PARKING	551	550	3,212	3,600	(388)	3,131
PROFESSIONAL SERVICES	2,111	0	3,244	3,000	2,244	4,230
PERSONAL PROPERTY TAXES	0	0	390	500	(110)	432
TOTAL ADMINISTRATIVE EXPENDITURES	7,846	7,536	102,041	97,882	4,159	102,158
POSTAGE	949	1,200	15,251	14,400	851	13,341
TELEPHONE	2,139	900	15,435	10,300	4,635	11,260
DUES AND SUBSCRIPTIONS	210	105	4,793	3,546	1,247	3,207
PRINTING	2,261	300	8,973	3,600	5,373	2,064
RESEARCH	0	0	23,729	35,449	(11,720)	38,129
PROMOTIONAL MATERIALS	17,612	500	56,275	24,000	32,275	31,413
SPECIAL PROJECTS-MKTG.	2,188	0	22,417	57,350	(34,933)	0
SPECIAL MEETINGS-PROSPECTS	11,567	0	56,372	41,200	15,172	70,508
TRAVEL	0	200	648	2,400	(1,752)	0
ADVERTISING	0	0	3,933	0	2,933	53,615
TARGET 10,000	0	0	3,460	3,000	460	0
TOTAL MARKETING EXPENDITURES	36,866	3,205	215,895	195,745	20,151	223,742

SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION

STATEMENT OF REVENUE COLLECTED, EXPENDITURES AND FUND BALANCE-CASH BASIS

12 MONTHS ENDED JUNE 30, 1997

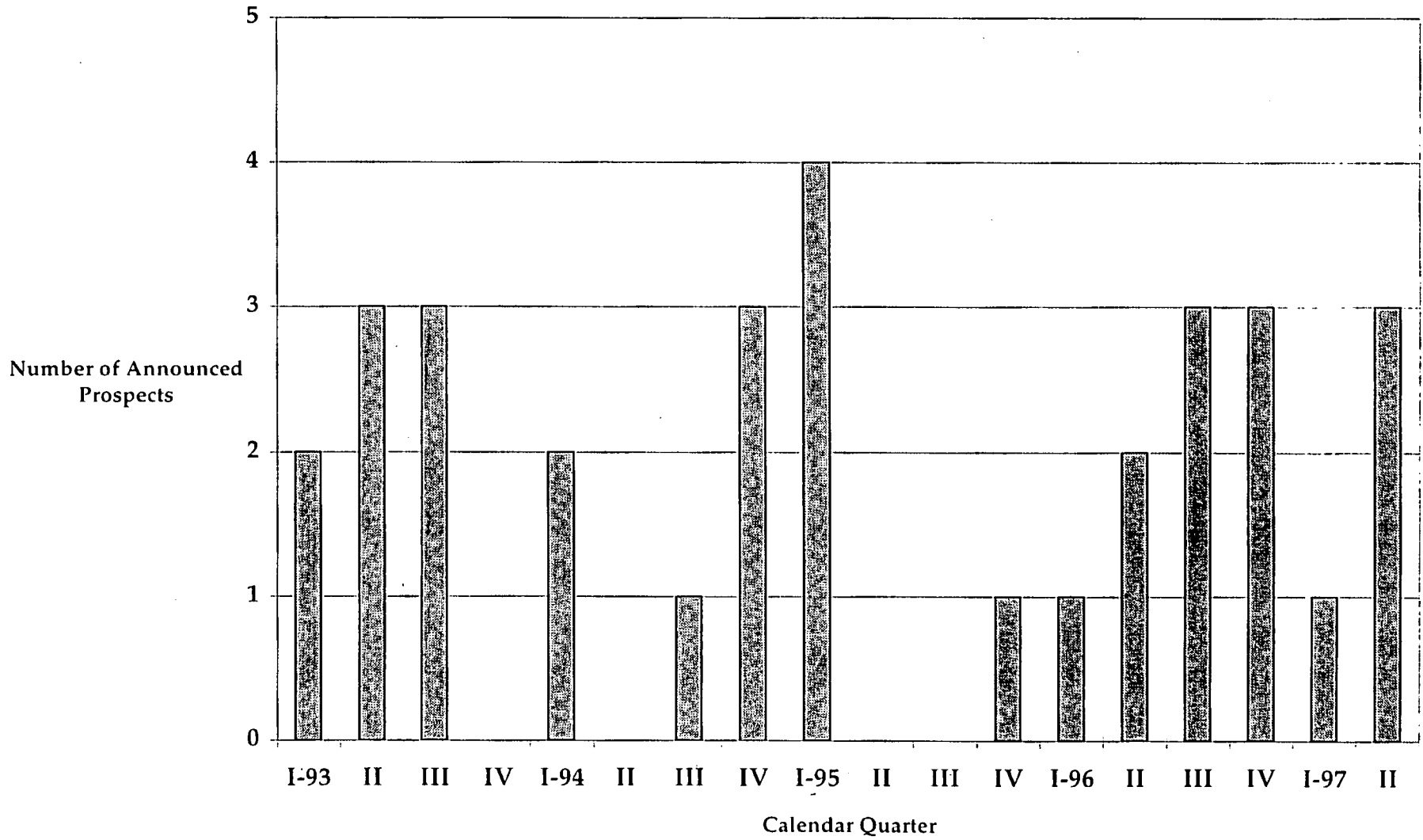
	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	OVER (UNDER) BUDGET	PRIOR YEAR TO DATE
LOCAL MEETINGS/PUBLIC RELATIONS	369	350	7,842	4,200	3,642	4,921
MEMBERSHIP PROMOTION	0	250	12,649	13,000	(351)	18,784
MEMBERSHIP MEETINGS	35	0	70,900	60,000	10,900	50,205
ANNUAL EVENT	30,784	20,000	35,911	40,000	(3,089)	55,371
OTHER MEETINGS	346	300	4,473	3,600	873	5,507
NEWSLETTER	0	1,700	5,217	10,200	(3,983)	3,726
PUBLICATIONS EXPENSE	69	300	2,257	3,600	(1,343)	3,723
MISCELLANEOUS	0	325	0	3,900	(3,900)	0
	-----	-----	-----	-----	-----	-----
TOTAL MEMBERSHIP & MISC EXPENDITURES	31,603	23,225	141,249	138,500	2,749	148,737
	-----	-----	-----	-----	-----	-----
TOTAL EXPENDITURES BEFORE DEPRECIATION	129,100	37,696	300,336	783,015	17,821	801,426
	-----	-----	-----	-----	-----	-----
DEPRECIATION	1,456	900	13,157	10,300	2,857	6,433
	-----	-----	-----	-----	-----	-----
TOTAL EXPENDITURES AFTER DEPRECIATION	130,556	38,596	314,003	793,315	20,188	807,859
	-----	-----	-----	-----	-----	-----
EXCESS OF REVENUE OVER (EXPENDITURES)	(6,427)	(57,706)	24,304	(4,300)	28,304	37,171
	=====	=====	=====	=====	=====	=====

*NOTE: THIS REVENUE IS A FIVE-YEAR COMMITMENT OF MEMBERSHIP TOWARD THE SMUD CHALLENGE TO MATCH SMUD'S DONATION OF \$37,500. YEAR TO DATE EXCESS REV/EXP MUST BE EQUAL TO OR GREATER THAN THIS AMOUNT.

**NOTE: SOME REVENUE IS BEING RECEIVED IN THIS FISCAL YEAR, HOWEVER, NO EXPENSES ARE BUDGETED FOR OR WILL BE SPENT IN THIS FISCAL YEAR RELATED TO THIS REVENUE.

SACTO Assisted Companies

January 1, 1993 - June 30, 1997



Prospect Visits and Presentations January 1, 1993 - June 30, 1997

