EXHIBIT A

City of Shoreline 1997 Budget Summary

December 16, 1996

SHORELINE

City of Shoreline 1997 Budget Summary

1997 General Fund Expenditure Summary by Service Area

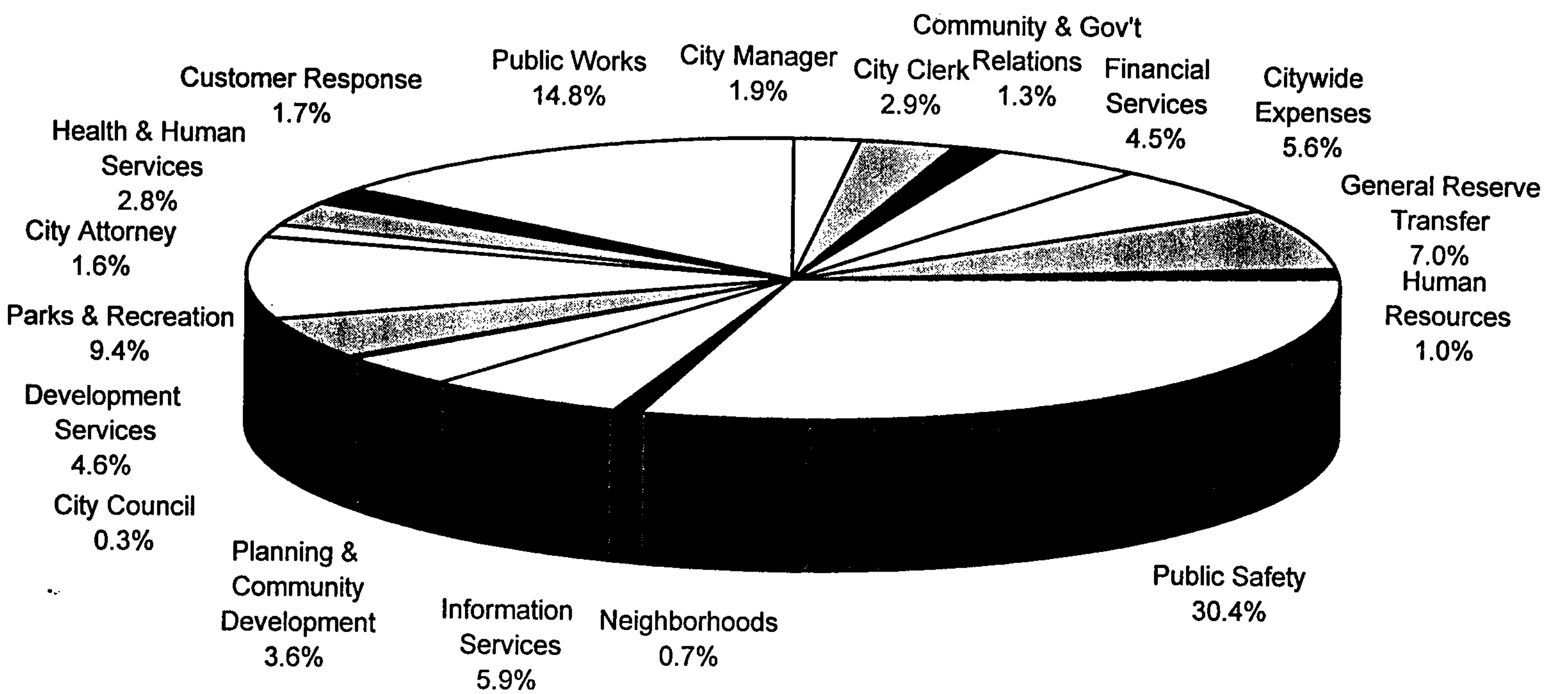
	1996 Revised Budget	1997 Proposed	Council Adjustments		1997 Adopted Budget	% of Total Budget	1997 Adopted versus 1996 Revised
City Council	$ 75,458	$ 55,800	$ 4,558	(1)	$ 60,358	0.3%	($ 15,100)
City Manager	394,196	354,813	(7,000)	(2)	347,813	1.9%	(46,383)
City Clerk	471,985	549,655	(32,425)	(3)	517,230	2.9%	45,245
City Attorney	322,094	290,621	(8,625)	(4)	281,996	1.6%	(40,098)
Community & Government Relations	127,733	237,676	0		237,676	1.3%	109,943
Financial Services	535,677	846,984	(40,643)	(5)	806,341	4.5%	270,664
Citywide Expenses	1,759,326	907,984	97,000	(6)	1,004,984	5.5%	(754,342)
General Reserve Transfer	0	1,089,140	186,599	(7)	1,275,739	7.0%	1,275,739
Human Resources	144,326	200,012	(15,000)	(8)	185,012	1.0%	40,686
Information Services	1,733,863	1,128,824	(68,441)	(9)	1,060,383	5.9%	(673,480)
Public Safety	4,983,313	5,510,423	0		5,510,423	30.4%	527,110
Neighborhoods	175,597	128,261	0		128,261	0.7%	(47,336)
Planning & Community Development	609,297	648,457	0		648,457	3.6%	39,160
Development Services	811,166	833,953	0		833,953	4.6%	22,787
Parks & Recreation	1,440,772	1,615,293	87,000	(10)	1,702,293	9.4%	261,521
Health & Human Services	424,578	520,950	(7,500)	(11)	513,450	2.8%	88,872
Customer Response	238,805	317,325	(5,000)	(12)	312,325	1.7%	73,520
Public Works	1,732,033	2,701,530	(15,000)	(13)	2,686,530	14.8%	954,497
Total	$ 15,980,219	$ 17,937,700	$ 175,523		$ 18,113,223	100%	$ 2,133,006

1997 General Fund Expenditure Summary by Service Area

Notes on Adjustments

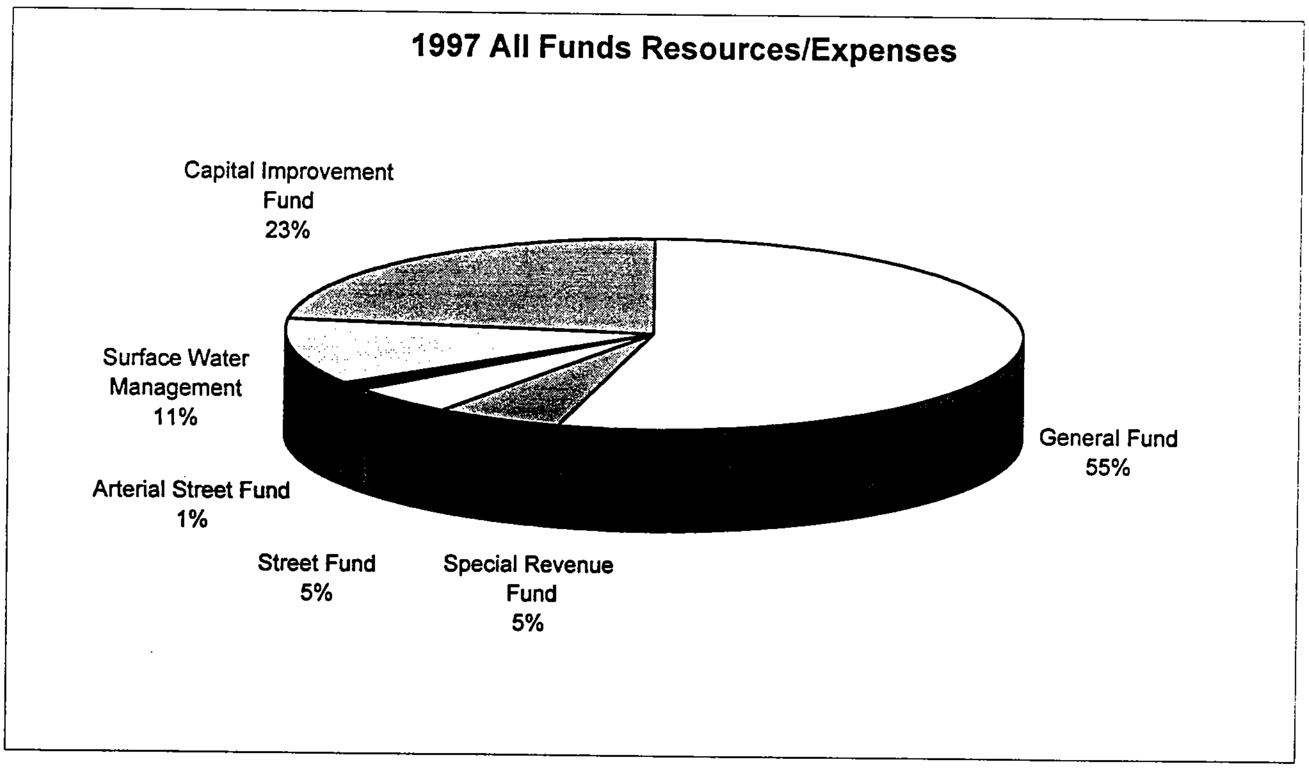
	Expenditures	Resources	Explanation of Changes to Proposed Budget
(1) City Council	$ 2,158		Funds for Councilmembers Social Security replacement
	2,400		Funds for professional service contract to audit vouchers
(2) City Manager	(7,000)		Reduce professional services for utility franchises and consultant help
(3) City Clerk	(11,200)		Remove funds for support of Council Committees
	(19,000)		Reduce estimate for Hearing Examiner Expense from 18 to 9 hearings in 1997
		3,150	Capture appeal revenue from Hearing Examiner Function
	(10,850)		Reduce by half the funds for student interns
	8,625		Transfer furniture and computer workstation from City Attorney budget
(4) City Attorney	(8,625)		Transfer furniture and computer workstation to City Clerk's budget
(5) Finance	(40,643)		Eliminate new Buyer position
(6) Citywide	(150,000)		Remove Council Discretionary Account
	(3,000)		Reduce funds for fax machine cleaning & maintenance
	250,000		Increase Operational Contingency to $400,000
(7) General Reserve Transfer	186,599		Increase General Fund Reserve to 10% of discretionary revenue
(8) Human Resources	(15,000)		Reduce advertising budget due to fewer new positions
(9) Information Services	(56,441)		Reduce Information Services by 5% (Technology Reserve)
	(12,000)		Eliminate van for multiple locations
(10) Parks & Recreation	50,000		Add funds for Shoreline Arts Council
	50,000		Add funds for Shoreline Historical Museum
	(13,000)		Reduce funds for Bike Patrol based on 1996 experience
(11) Human Services	(7,500)		Correct Human Services Director salary
(12) Customer Response Team	(5,000)		Reduce professional services for computer and printer maintenance
(13) Public Works	(15,000)		Reduce repairs and maintenance for Police Station and City Hall
		12,754	Pay for new Project Manager solely from non-General Funds
		(150,536)	Remove transfer for Surface Water Debt Service
General Fund Revenue		310,155	Increase General Fund beginning fund balance through partial funding of Police Station out of 1996 capital dollars
Total Adjustments	$ 175,523	$ 175,523	

City of Shoreline - 1997 General Fund Expenditure Summary Chart



City of Shoreline
1997 All Funds
Resource/Expense Summary

Primary Revenue Funds	Beginning Fund Balance	1997 Revenues	1997 Total Resources	1997 Expenditures	Ending Fund Balance	Total 1997 Appropriation
General Fund	$ 2,104,522	$ 16,008,701	$ 18,113,223	$ 18,113,223	$ 0	$ 18,113,223
Special Revenue Fund	294,447	1,522,938	1,817,385	1,385,099	432,286	1,817,385
Street Fund	476,942	1,121,754	1,598,696	1,138,527	460,170	1,598,697
Arterial Street Fund	104,271	360,054	464,325	369,204	95,121	464,325
Surface Water Management	1,795,229	1,914,300	3,709,529	1,003,118	2,706,411	3,709,529
Capital Improvement Fund	5,129,839	2,586,604	7,716,443	410,000	7,306,443	7,716,443
Transfer Funds						
General Reserve Fund	$ 0	$ 1,275,739	$ 1,275,739	$ 0	$ 1,275,739	$ 1,275,739
Asset Depreciation Fund	30,000	150,000	180,000	0	180,000	180,000
Equipment Rental Fund	13,400	95,066	108,466	95,066	13,400	108,466
Unemployment Fund	5,000	15,000	20,000	0	20,000	20,000
Advance Travel Fund	0	5,000	5,000	5,000	0	5,000
Agency Fund	0	228,400	228,400	228,400	0	228,400
Total City Funds	**$ 9,953,650**	**$ 25,283,556**	**$ 35,237,206**	**$ 22,747,637**	**$ 12,489,569**	**$ 35,237,207**

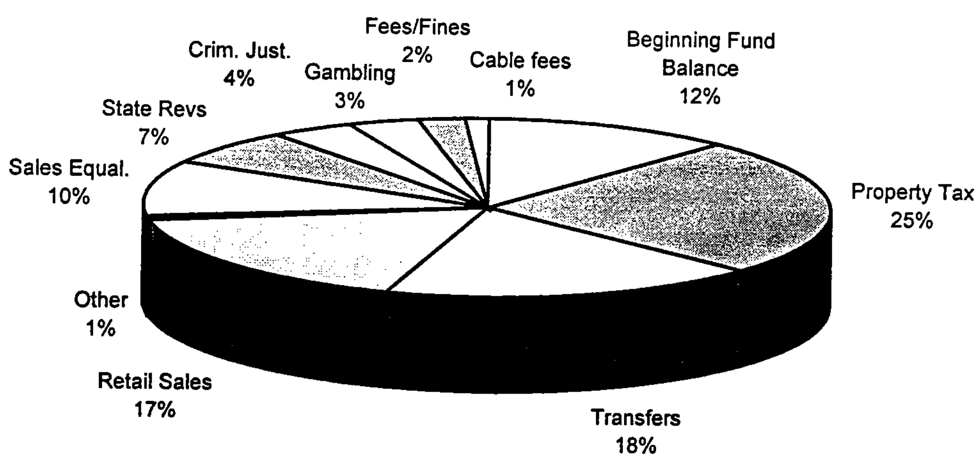


City of Shoreline
1997 General Fund

The General Fund is used to pay the expenses and liabilities of the City associated with general service functions. The primary sources of revenue are general purpose State and local taxes. Property tax and sales tax combined provide approximately 54% of the General Fund Revenue base.

Beginning Fund Balance	$ 2,104,522
1997 Revenues	16,008,701
Total Resources	$ 18,113,223
Expenditures	$ 18,113,223
Ending Fund Balance	$ 0
Total 1997 Appropriation	$ 18,113,223

1997 General Fund Resources

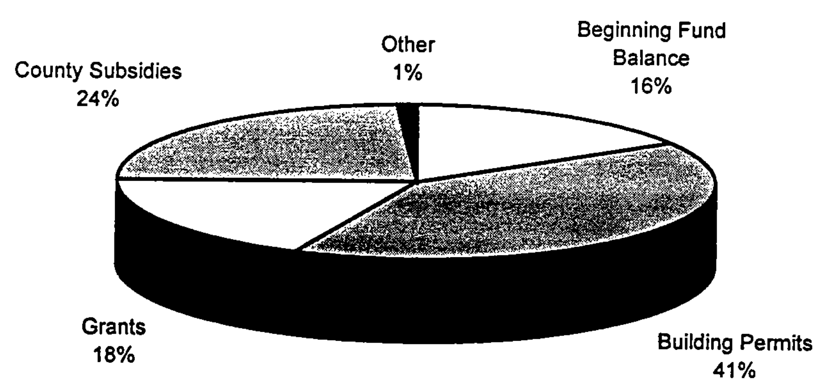


City of Shoreline
1997 Special Revenue Fund

The purpose of this Fund is to maintain accounts for special revenue sources which need to be tracked separately, expended for specified purposes, and carried over at years end. Included in this fund, are Development Services permit fees, grant resources, and County subsidies for parks and pool operations. The beginning fund balance is comprised of a portion of 1996 Development Services fees, which are held in reserve for 1997-1998 services associated with multi-year construction permits. This permit revenue must be deferred until the year that services are provided.

Beginning Fund Balance	$	294,447
Revenues		1,522,938
Total Resources	$	1,817,385
Expenditures	$	1,385,099
Ending Fund Balance	$	432,286
Total 1997 Appropriation	$	1,817,385

1997 Special Revenue Fund Resources

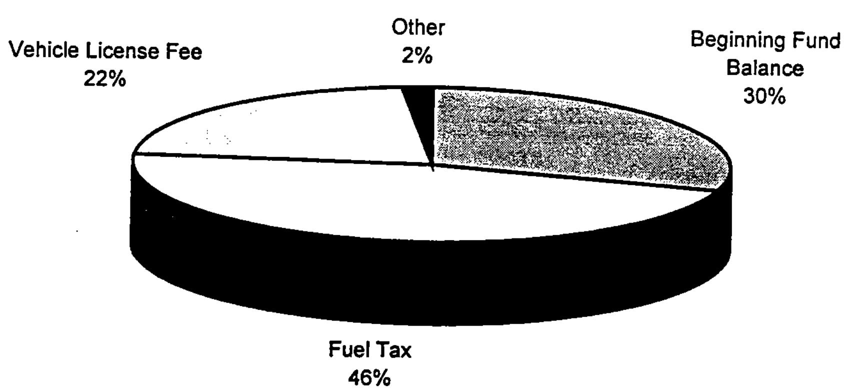


City of Shoreline
1997 Street Fund

Street Funds are used to support roads and transportation programs. Fuel tax and vehicle license fees are the two sources of ongoing support for these programs. In 1997, the Street Fund will be used to support the County roads maintenance contract as well as an assessment of the City's road conditions. The results of the assessment will be used to prioritize roads operational and capital projects.

Beginning Fund Balance	$	476,942
Revenues		1,121,754
Total Resources	$	1,598,696
Expenditures	$	1,138,527
Ending Fund Balance	$	460,170
Total 1997 Appropriation	$	1,598,697

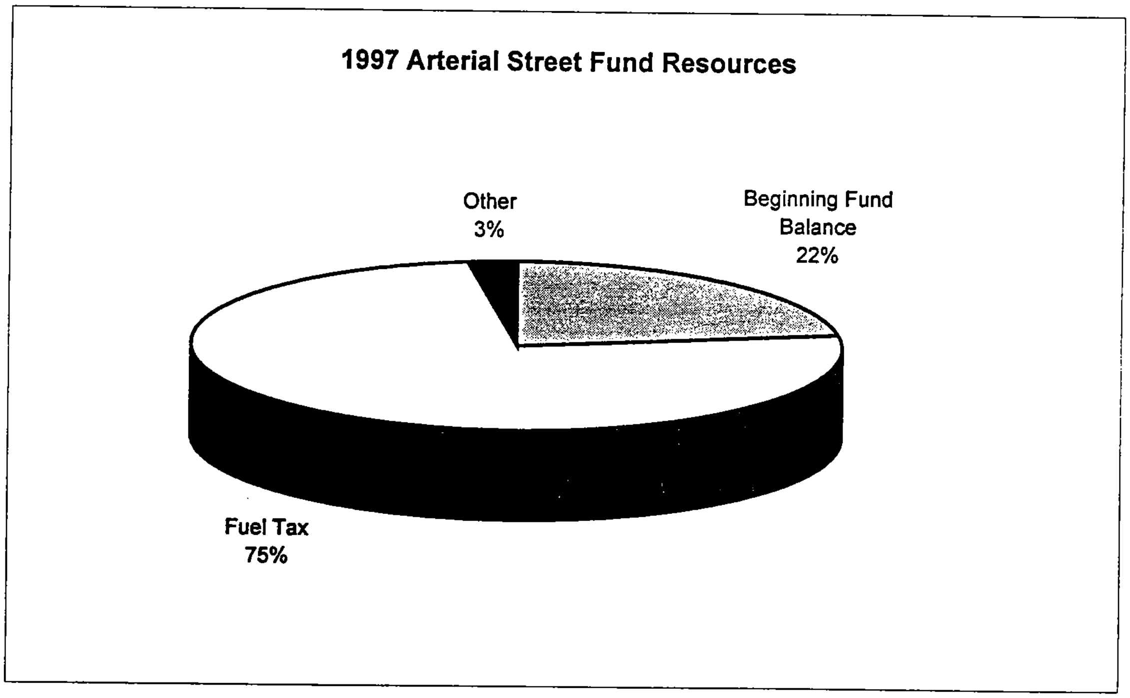
1997 Street Fund Resources



City of Shoreline
1997 Arterial Street Fund

Arterial Street Funds are used to support roads and transportation programs. Fuel tax provides the primary source of support for this Fund. These funds support a portion of the County roads maintenance contract and the 1997 Roads Conditions Assessment.

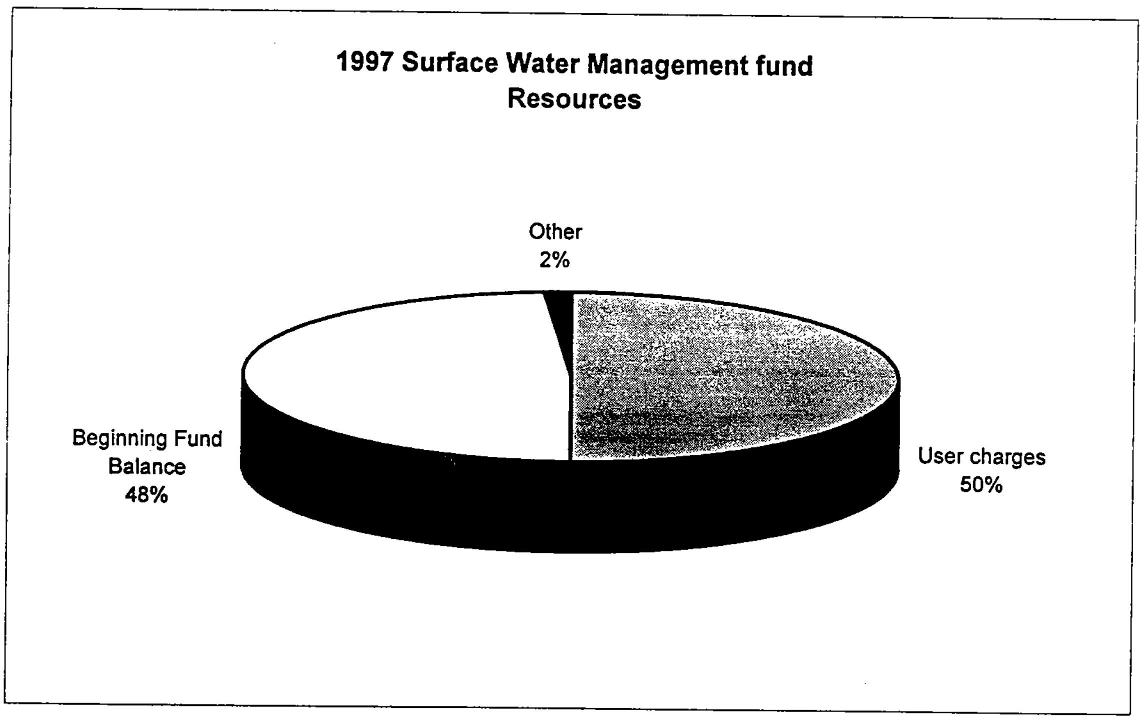
Beginning Fund Balance	$	104,271
Revenues		360,054
Total Resources	$	464,325
Expenditures	$	369,204
Ending Fund Balance	$	95,121
Total 1997 Appropriation	$	464,325



City of Shoreline
1997 Surface Water Fund

The Surface Water Management Fund is used to support the City drainage program. In 1997, these funds will be used to support the drainage program, as well as an assessment of the City's drainage needs. The results of this assessment will used to prioritize operational and capital drainage projects.

Beginning Fund Balance	$	1,795,229
Revenues		1,914,300
Total Resources	$	3,709,529
Expenditures		1,003,118
Ending Fund Balance	$	2,706,411
Total 1997 Appropriation	$	3,709,529

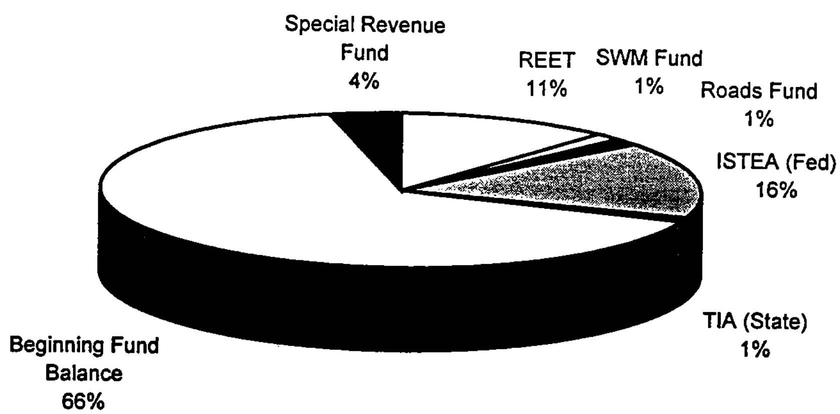


City of Shoreline
1997 Special Capital Improvement Fund

The Capital Improvement Fund receives resources which are designated specifically for capital purposes. The primary source of dedicated revenue is Real Estate Excise Tax (REET). Other revenue sources include: Street, Arterial Street and Surface Water Management Fund transfers; a Special Revenue Fund transfer; dedicated Federal ISTEA funding; and dedicated State TIA funding. The beginning balance is comprised of 1996 REET funds and of King County Road Fund transfers associated with the transfer of several capital roads projects. For a complete discussion of the 1997 Capital Program, refer to the Capital Program Report.

Beginning Fund Balance	$	5,129,839
Revenues		2,586,604
Total Resources	$	7,716,443
Expenditures		410,000
Ending Fund Balance	$	7,306,443
Total 1997 Appropriation	$	7,716,443

1997 Special Capital Fund Resources

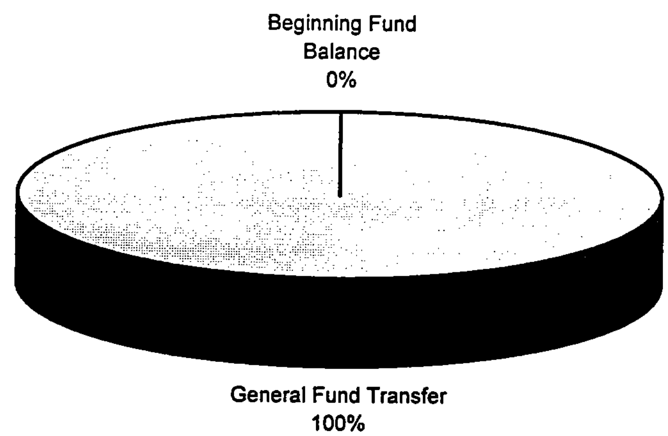


City of Shoreline
1997 General Reserve Fund

The purpose of this Fund is to maintain reserves to provide for temporary financing of unforeseen needs of an emergency nature, adverse changes in the economic environment, and to facilitate the orderly adjustment to changes resulting from termination of revenue sources through actions of other governmental bodies. The amount transferred to the Reserve Fund is an amount that, when added to the end of the year General Fund balance, will provide a total at least equal to ten percent of the discretionary General Fund revenue for the current year.

Beginning Fund Balance	$	0
Revenues		1,275,739
Total Resources	$	1,275,739
Expenditures	$	0
Ending Fund Balance	$	1,275,739
Total 1997 Appropriation	$	1,275,739

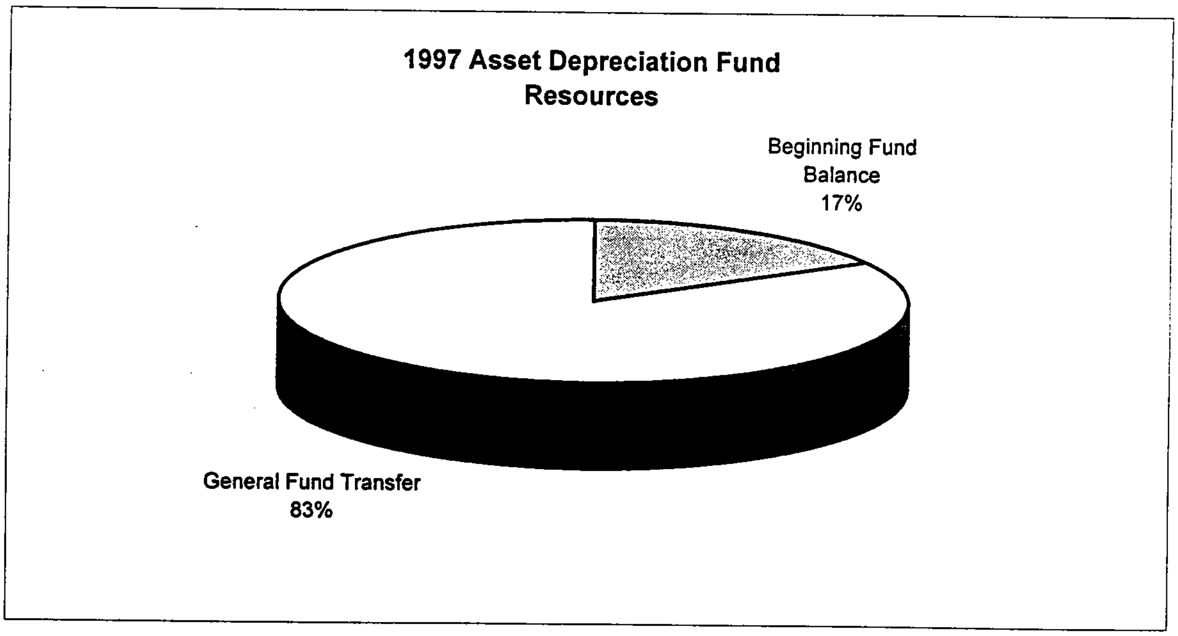
General Reserve Fund



City of Shoreline
1997 Asset Depreciation Fund

The Asset Depreciation Fund is used to account for the future replacement of all City personal property, with the exception of vehicles. This includes replacement of computers, information servers, other equipment and furniture. An annual allocation is made from the General Fund, in the Citywide budget, to support this purpose.

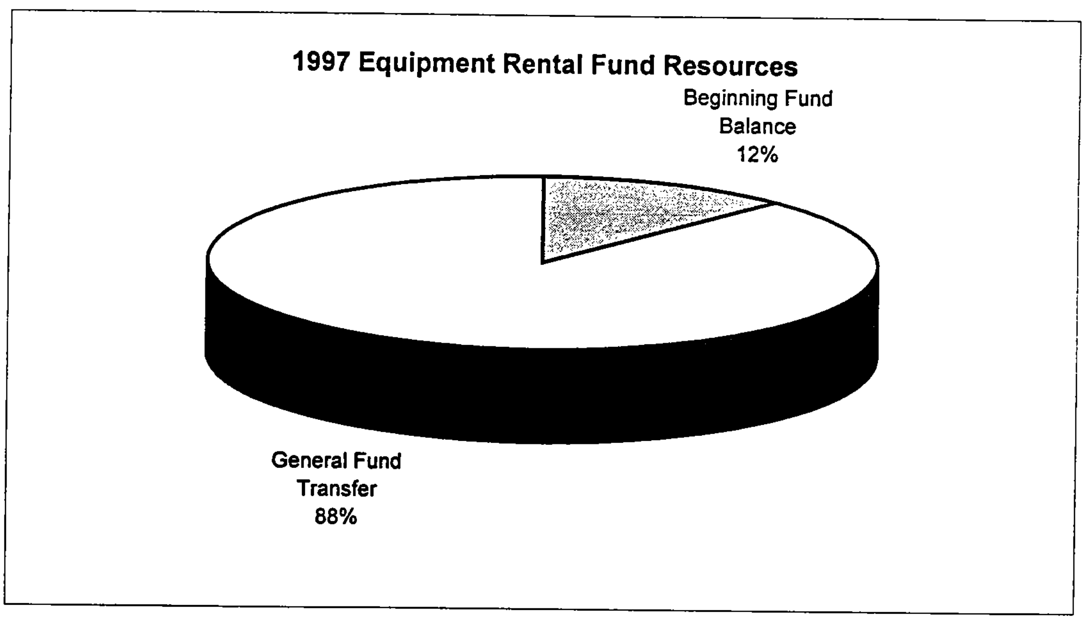
Beginning Fund Balance	$	30,000
Revenues		150,000
Total Resources	$	180,000
Expenditures		0
Ending Fund Balance	$	180,000
Total 1997 Appropriation	$	180,000



City of Shoreline
1997 Equipment Rental Fund

The Equipment Rental Fund is used to account for the costs of leasing, maintaining and replacing City vehicles and auxiliary equipment. An annual allocation from the General Fund is made to support this purpose.

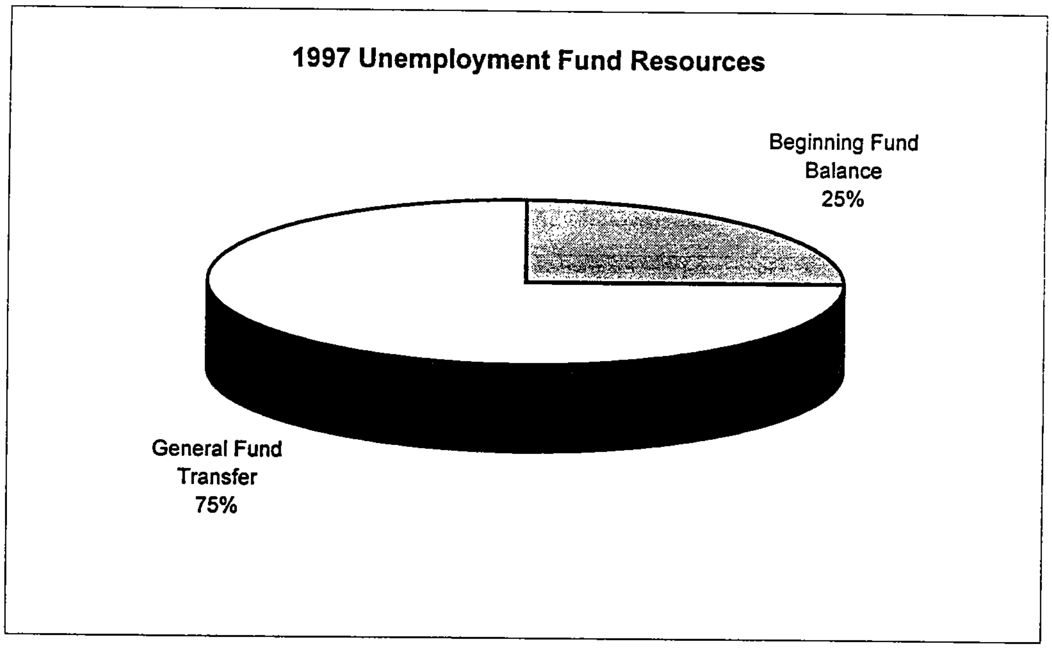
Beginning Fund Balance	$	13,400
Revenues		95,066
Total Resources	$	108,466
Expenditures	$	95,066
Ending Fund Balance	$	13,400
1997 Total Appropriation	$	108,466



City of Shoreline
1997 Unemployment Fund

An annual allocation is made to this Fund in lieu of making contributions to State unemployment insurance. These funds will be used to pay unemployment benefits to qualified City employees after they leave City employment.

Beginning Fund Balance	$	5,000
Revenues		15,000
Total Resources	$	20,000
Expenditures	$	0
Ending Fund Balance	$	20,000
1997 Total Appropriation	$	20,000

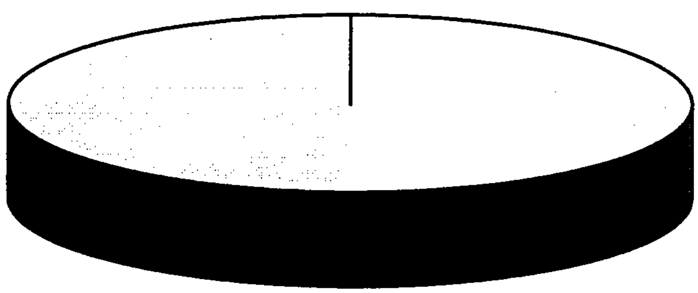


City of Shoreline
1997 Advance Travel Fund

The purpose of this Fund is to reduce the financial burden of paying for reimbursable costs out of personal resources, by providing staff who are traveling on City business with some resources in advance. Distributions are based on estimates of per diem costs.

Beginning Fund Balance	$	0
Revenues		5,000
Total Revenues	$	5,000
Expenditures	$	5,000
Ending Fund Balance	$	0
1997 Total Appropriation	$	5,000

1997 Advance Travel Fund Resources



General Fund Transfer 100%

City of Shoreline
1997 Agency Fund

In some instances, the City is liable for making payments to other agencies based on fees collected. The purpose of this Fund is to track and set aside these type of fees. The Fund includes accounts for Hazardous Material Fees, which go to the Fire District; District Court Fees, a portion of which goes to the State; Deferred Compensation Payments, which are paid to our private providers; and other similar fees.

Beginning Fund Balance	$ 0
Revenues	228,400
Total Revenues	$ 228,400
Expenditures	$ 228,400
Ending Fund Balance	$ 0
1997 Total Appropriation	$ 228,400

1997 Agency Fund Resources