

**EXHIBIT 6-D**

**2004-2005 BUDGET PROCESS  
EXPENDITURE REDUCTIONS  
MAY 27, 2004 BOARD MEETING**

|  | <u>Amount</u>             | <u>Description/Consequence</u>                                 |
|--|---------------------------|--|
| <b><u>PERSONNEL</u></b>                                |                           |  |
| Salaries   | \$0                       | Adjustment pending conclusion of labor negotiations            |
| Retirement   | 0                         | Adjustment pending conclusion of labor negotiations            |
| Employee Insurance                                     | 0                         | Adjustment pending conclusion of labor negotiations            |
| Salaries   | (101,500)                 | Delete 2 new positions in WDD                                  |
| Benefits   | (32,300)                  | Delete 2 new positions in WDD                                  |
| Workers Comp   | 17,700                    | Adjust amount budgeted   |
| Staff Development                                      | (3,400)                   | Reduce ASD budget for general staff training                   |
| Contingency  | (3,000)                   | Percentage of above  |
| <b><u>SERVICES &amp; SUPPLIES</u></b>                  |                           |  |
| Membership Dues  | 100                       | Rounding   |
| Conference Facilities                                  | (10,000)                  | Reduce rental of Board meeting facilities                      |
| Data Processing  | (22,000)                  | Reduce budget for data processing costs                        |
| Professional Fees                                      | (12,000)                  | Remove strategic planning and staff functionality facilitators |
| <b><u>FIXED ASSETS</u></b>                             |                           |  |
| Work stations for 2 new personnel                      | (6,500)                   | No new personnel in WDD  |
| 17" flat panel LCD                                     | (400)                     | Remove new/replacement computer equipment                      |
| Replacement of RAID server for new windows email       | (1,600)                   | Remove new/replacement computer equipment                      |
| Middleware hardware for database systems               | (1,100)                   | Remove new/replacement computer equipment                      |
| RAID server for WDD for imaging/filing systems         | (4,300)                   | Remove new/replacement computer equipment                      |
| Handheld PDA for prototyping field database            | (900)                     | Remove new/replacement computer equipment                      |
| RAID UNIX server to allow for web/database integration | (1,600)                   | Remove new/replacement computer equipment                      |
| Table PC for prototyping field database                | (3,200)                   | Remove new/replacement computer equipment                      |
| <b><u>PROGRAM EXPENSES</u></b>                         |                           |  |
| 1-3-1 Water supply project contingency                 | (25,000)                  | Remove funding   |
| 4-1-3 F. Commercial factor review                      | (50,000)                  | Defer  |
| 4-2-2 Educate public and enforce water waste rules     | (25,000)                  | Delete (Cal-Am should do)                                      |
| <b><u>OTHER</u></b>                                    |                           |  |
| Election Expense                                       | (85,000)                  | Remove funding   |
| Contingency  | (52,800)                  | Percentage of above  |
| Additional Expenditure Reductions                      | <b><u>(\$423,800)</u></b> |  |