

EXHIBIT 17-E

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

	<u>Amount</u>	<u>Description/Consequence</u>
<u>PERSONNEL</u>		
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
<u>SERVICES & SUPPLIES</u>		
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
<u>FIXED ASSETS</u>		
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
<u>PROGRAM EXPENSES</u>		
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)
<u>OTHER</u>		
Election Expense	(85,000)	Remove funding
Contingency	(52,800)	Percentage of above
Additional Expenditure Reductions	<u>(\$423,800)</u>	