

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
AUGUST 11, 2026**

1. **CALL TO ORDER** – The Special Budget and Finance Committee (B&F) Meeting was held in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028, with remote public participation information listed on the Agenda. The meeting was called to order at 2:30 p.m.

Directors Present: Hoffman, Townsend-Smith

Staff Present: Information Technology Manager Khattab, Finance Manager Shilkov,
District Secretary Quintanar, Chief Operations Manager Gutierrez,
Construction & Maintenance Supervisor Nunez, Engineering & CIP
Manager Williams

Additional Attendees: None

2. **PUBLIC COMMENT**

There were none.

3. **DISCUSSION ITEMS**

- A. Financial Reporting and Year-End Closing Policy

Finance Manager Shilkov explained current processes and the purpose of establishing a policy of procedure for consistent and efficient processes. The draft policy was suggested by the District's auditing firm. The Committee was in support of presentation for Board consideration.

- B. Monthly Finance Packet

Mr. Shilkov explained that this month's financials include the fiscal year-end totals. The Budget to Actuals Report reflects 3% over Budget. Overall, Operating Expenses are on target. He reviewed all of the information included in the meeting packet and answered questions. A brief discussion followed regarding the increasing wastewater treatment costs. In expectation of development in the area, staff may seek a low interest State Revolving Fund Loan to finance needed wastewater facilities.

4. **ADJOURN** - The meeting was adjourned at 3:06 p.m.