

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
SEPTEMBER 8, 2026**

1. **CALL TO ORDER** – The Regular 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 1:00 p.m.

Directors Present: Hoffman, Hamilton (Alt)

Staff Present: General Manager Wiley, Information Technology Manager Khattab,
Finance Manager Shilkov, Engineering & CIP Manager Williams, District
Secretary Quintanar, Administrative Analyst Montano,

Additional Attendees: None

2. **PUBLIC COMMENT**

There were none.

3. **DISCUSSION ITEMS**

- A. Three-Year Contract Renewal with Softchoice for the Licensing of Microsoft Office 365, Office Advanced Threat Protection, Azure Security, SQL Server, and Windows Server Licensing

Information Technology Manager Khattab reported that the District has partnered with Softchoice for its Microsoft Enterprise Agreement and Select Plus Licensing, granting all District employees access to Microsoft Office applications, including Word, Excel, PowerPoint, and Outlook. Through Softchoice, employees can utilize these Office products for cloud-based storage and collaboration through OneDrive, SharePoint, and Teams.

The District's existing three-year contract for Microsoft licensing through Softchoice will expire on January 31, 2027. A three-year extension to sustain access to Microsoft services and products was proposed. Mr. Khattab explained that the District can benefit from discounted licensing pricing by leveraging the County of Riverside Cooperative Microsoft License Contract. Softchoice provided the lowest quote under the cooperative contract, which also includes additional licenses. The Committee supported presenting the item on the Consent Calendar for the Board of Directors' consideration.

- B. Amendments to Administrative Code Sections 5.03.080 Investment Policy - Reporting and 5.03.150 Investment Policy Authorized Investments

Finance Manager Shilkov proposed amending Administrative Code Section 5.03.080 to require one consolidated monthly investment report. California Government Code allows the Board to receive the detailed report monthly rather than quarterly. The revised policy language combines the investment report with the monthly transaction report. The consolidated report must include

all information required by law and requested by the Board, eliminating duplicative reporting while providing the information monthly.

Staff also proposed amendments to Section 5.03.150, replacing the detailed list of authorized investments and local limits with a requirement that District investments comply with the California Government Code. This approach keeps the policy aligned with state law without restating provisions that may change and removes District-specific limitations. Investment activity remains subject to the Government Code and all other policy requirements, including prudence, safety, liquidity, maturity, custody, ethics, risk management, and reporting. The Committee supported presenting the item to the Board of Directors for approval.

C. Monthly Finance Packet

Mr. Shilkov presented a report on water sold, totaling 10,750 AF for the fiscal year. This is higher than the water sales for the past three years. Water and Wastewater Operating and Non-Operating revenues were reviewed, as well as the Treasury and Monthly Call Volume Reports. In July, the District utilized its CAMP account to lock in a 12-month term at a higher rate of return. The funds will remain restricted but will earn additional revenue.

4. ADJOURN - The meeting was adjourned at 1:28 p.m.