

Rod LeMond  
Financial Consultant

**March 2, 2027**

**INDEPENDENT FINANCIAL MANAGEMENT  
AND ACCOUNTING ADVISORY SERVICES**

*Engagement Term: April 1, 2026 – March 31, 2027*

Rod LeMond

Mr. Sachin Chawla  
Director of Utilities  
City of Rialto, CA

Thank you for the opportunity to propose continued financial and accounting advisory services to the Utility.

**I. INTRODUCTION**

I have provided independent financial management and accounting advisory services to the Utility since February 2025.

My initial engagement focused on understanding and documenting the financial terms and related compliance requirements of the Utility's Concession Agreement and related Trust Agreements. As that work progressed, additional areas of financial management review and advisory support were identified.

During the course of this engagement, my work has included:

- Assessment of accounting processes and reporting routines at both the Concession and City levels, including payables, receivables, and financial reporting.
- Development and refinement of structured reporting routines.
- Advisory support related to Combined Remedy billing and related compliance matters.
- Direction and assistance with Concession-level budget development and integration of Concession financial elements into the City's broader budget framework.

Much of this effort remains in process. Certain initiatives require continued refinement and implementation, while others involve ongoing coordination and reporting responsibilities. This proposal formalizes continuation of advisory services to support that ongoing work during the proposed engagement term, including anticipated related assignments as identified by management.

## **II. SCOPE OF SERVICES**

### **1. Implementation of Accounting Function Improvements**

Continued refinement and implementation of previously identified accounting process improvements and reporting routines, including supporting staff as redesigned workflows are translated into operational practice.

### **2. Financial Reporting and Oversight Development**

Ongoing refinement of structured reporting routines, including:

- Quarterly budget-to-actual reporting.
- 680 Fund financial reporting.
- Monthly trustee cash balance and transfer review.
- Standardized report-out formats for management review.

### **3. Combined Remedy and Complex Arrangement Support**

Advisory support related to Combined Remedy billing, payables, and budgeting matters, including participation in discussions regarding invoicing practices and financial compliance.

### **4. Concession Agreement and Trust Accounting Advisory**

As-needed advisory support related to financial management and compliance matters arising under the Concession Agreement and related trust accounting activity.

### **5. Annual Budget Process Direction and Support**

Direction and assistance with Concession-level budget development and integration of Concession financial requirements into the City's annual budget process.

### **6. Capital Financing Advisory Support**

Provide analytical support to the Utility Department in its evaluation of capital financing alternatives for water and wastewater infrastructure projects. Support may include review of financing options, analysis of financial implications, preparation of supporting financial information, and coordination of information required for financing evaluations

### **7. Additional Financial Management Matters**

Advisory support for related financial management matters identified during the engagement term, including ad hoc assignments and emerging issues as directed by the Utility Director or designated management. Such matters are expected to be consistent with the general advisory scope described above.

## **III. CONTINUITY AND INSTITUTIONALIZATION**

Over the past year, I have provided advisory support to the Utility across multiple areas of financial management, including accounting process review, reporting refinement,

Rod LeMond  
Financial Consultant

interpretation of Concession and Trust Agreement financial provisions, coordination related to Combined Remedy matters, and budget integration at both the Concession and City levels. Some of this work has involved structured assessment and process refinement, while other efforts have arisen in response to evolving operational and contractual circumstances.

Many of these matters remain ongoing. Certain initiatives require continued refinement and implementation of improved practices, while others benefit from consistent interpretation of governing agreements and familiarity with established financial structures and reporting routines.

Continuation of advisory support during this period promotes stability, informed decision-making, and efficient progression of work already underway. This engagement is intended to provide that continuity as the Utility advances its financial management responsibilities during the proposed term.

#### **IV. ENGAGEMENT STRUCTURE AND COMPENSATION**

Hourly Rate: \$210 per hour.

Anticipated Effort: Approximately 45–50 hours per month during the engagement term of April 1, 2026 through March 31, 2027.

Total fees shall not exceed \$120,000 during the engagement term without prior Board authorization.

The anticipated level of effort and fee estimate are based on the scope of services described above and the reasonably expected continuation of related advisory matters. Should the nature or volume of services materially expand beyond what is presently contemplated, any adjustment to the not-to-exceed amount would require prior Board authorization.

#### **NATURE OF ENGAGEMENT**

Services provided under this engagement are advisory in nature. I will serve as an independent consultant and not as an employee, officer, or agent of the Utility. Responsibility for management decisions and policy determinations remains with management.

I will rely upon information provided by management and will not be engaged to examine, audit, review, or independently verify such information unless specifically agreed to in writing.

Rod LeMond  
Financial Consultant

### TERMINATION

This engagement may be terminated by either party, with or without cause, upon one week (7 calendar days) written notice. Compensation shall be due only for services performed through the effective date of termination.

### ACCEPTANCE

Accepted and approved:

\_\_\_\_\_

Director of Utilities, City of Rialto, CA

Date: \_\_\_\_\_



\_\_\_\_\_

Rod LeMond, CPA

Independent Financial Consultant

Date: March 2, 2027