

Green Valley Domestic Water Improvement District
BOARD OF DIRECTORS
MEETING MINUTES
Wednesday, February 25, 2026
Conducted at the Green Valley Water District Conference Room

Directors	Eric Sullwold, Chair	John Green
Present:	Edwin (Ed) Storey	Randall (Randy) Howard
	George (Doctor) Orndorff - via Zoom	
Board Absent:	Lee Lemas, Vice Chair	Joseph (Hart) Krumrine
District Staff	Matthew (Matt) Rivera, District Manager	
Present:	Mike Brady, Operations Manager	
	Olvia Santiago, Full-Charge Bookkeeper	
Board Clerk:	Luis Rodriguez	
Advisors Present:	April Boysen	
Public Present:	Patricia (Pat) Carlstad	

1. Call to Order and Roll Call – Board Chair, Eric Sullwold. The meeting was called to order at 9:00 AM. Roll was taken and a quorum announced with five (5) directors present.
2. Consent Agenda
 - Motion to approve January 28, 2026, Board of Directors meeting minutes as presented
 Moved: Ed Storey 2nd: Randy Howard Approved: 4/0 Abstain: Chair
3. Administrative – Board Chair, Eric Sullwold
 - A. Chair's comments. Pat Carlstad was given formal appreciation for her outstanding performance and leadership as Interim District Manager.
 - Motion to recognize the efforts of Interim District Manager Pat Carlstad as presented in the chair's letter of appreciation.
 Moved: Randy Howard 2nd: Ed Storey Approved: 4/0 Abstain: Chair
 - B. District fraud update. Eric Sullwold contacted Mike Wilson, Lead Detective with the Pima County Sheriff's Department, for the status of the criminal case against Lora Burruel. Detective Wilson's response is, "Unfortunately, the entire unit is currently assigned to the Nancy Guthrie investigation, and it is likely to remain that way for a bit longer. All other cases have been placed in a secondary status as a result."
4. General Business
 - A. Technical Advisory Committee – Committee Chair, Ed Storey. No report.
 - B. Finance Advisory Committee – Committee Chair, John Green
 1. FY 2024-25 Financial Audit Report. John Green presented the June 30, 2025, Draft Financial Audit Report prepared by BeachFleischman.
 - a. The report delivered a clean opinion of the district's financial position as of June 30, 2025
 - b. The audit reported a net loss for the fiscal year of \$385,935, which includes Theft loss for the year of \$775,164. In addition, the previously reported asset for Water Supply and Recharge Credit was written off for \$1,237,842. This operating loss and write-off leaves our net position at \$1,993,868, down from the previous year's restated net position of \$3,617,645.
 - c. The report on Internal Controls noted three material weaknesses and five significant deficiencies. All these weaknesses have been corrected.

- d. The report presents no liability for state sales tax collected and not paid.
- e. The auditors calculated that the district is within the 120% debt covenant requirement if the embezzlement expense is not included.
- f. If the draft audit report is approved, the auditor will present the final report at the March 25, 2025, Board of Directors meeting, and Lydia Hunter, Partner, BeachFleischman, will be here to present.

● Motion to adopt the FY 2024-25 Draft Financial Audit Report.

Moved: John Green 2nd: Ed Storey Approved: 4/0 Abstain: Chair

● Motion effective immediately, the district will no longer collect state sales tax (Transaction Privilege Tax) and report no tax liability.

Moved: Randy Howard 2nd: Ed Storey Approved: 4/0 Abstain: Chair

2. December 2025 Financial Statements – Olivia Santiago.

- a. YTD Net Income is \$61K, operating loss
- b. The January 2026 Financial Statements will be completed shortly and will include the internal debt covenant calculation.
- c. Financial Statements are expected to be updated and current by the March 19, 2025, finance committee meeting.

3. Internal Controls – John Green. Matt Rivera will present a draft of Internal Control procedures at the March 25, 2026, finance committee meeting.

4. FY 2026-27 Budget timetable - John Green. The preliminary operating and capital budget will be presented for the March committee and board meetings. Final approval will be made at the May 20, 2025, board of directors meeting.

5. Call the public. No comments.

6. Announcements – Clerk of the Board

- A. The next Technical Advisory Committee meeting is scheduled for 9:00 AM, Friday, March 13, 2026.
- B. The next Finance Advisory Committee meeting is scheduled for 9:00 AM, Thursday, March 19, 2026.
The next Board of Directors meeting is scheduled for 9:00 AM, Wednesday, March 25, 2026.


7. Adjournment

● Motion to adjourn the meeting.

Moved: Randy Howard 2nd: Ed Storey Approved: 4/0 Abstain: Chair

The meeting was adjourned at 10:37 AM.

Green Valley Domestic Water Improvement District

Prepared by: 
Luis Rodriguez
Clerk of the Board of Directors

Approved by: 
Eric Sullwold
Chair, Board of Directors