



County of Onondaga

Office of the
County Comptroller

Martin D. Masterpole
Comptroller

James D. Conroy
Chief of Staff

John H. Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202-2998

(315) 435-2130 – Fax (315) 435-2250
www.ongov.net

Philip M. Brit
Deputy Comptroller / Accounting

Peter J. Headd
Deputy Comptroller / Audit

August 8, 2025

Onondaga County Soil and Water Conservation District
Attn: Mr. Mark Burger
6680 Onondaga Lake Parkway
Liverpool, NY 13088

Dear Board Members,

Pursuant to Resolution 19-2016 of the Onondaga County Legislature, the Onondaga County Comptroller's Office performed an audit of the financial information presented in the Onondaga County Soil and Water Conservation District Annual Report of the Treasurer as of and for the year ended December 31, 2024. The Annual Report is prepared by the District and submitted to the New York State Soil and Water Conservation Committee. The objective of our audit was to ensure the Annual Report of the Treasurer was fairly presented in all material respects.

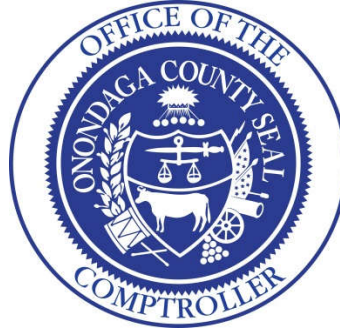
Our work included testing the accounting records and internal controls of the Onondaga County Soil and Water Conservation District which we deemed relevant to ensure the Treasurer's report is fairly presented. Our findings and recommendations are included in the enclosed report.

Also included in this report are the District's supplemental informational reports. We have not audited the contents of these reports. Therefore any assertions made are strictly the responsibility of District management.

We would like to thank the District for working cooperatively with us during this engagement.

A handwritten signature in blue ink that reads "Martin D. Masterpole". The signature is written in a cursive style with a large, stylized "M" and "D".

Martin D. Masterpole
Onondaga County Comptroller



**Report on
Onondaga County Soil & Water Conservation District
Annual Report of the Treasurer for the year ended 12/31/2024
By Onondaga County Comptroller Martin D. Masterpole**

Report Index

Report Section	Section Name	Page Number
I	Introduction and Executive Summary	2
II	Background	3
III	Annual Report of the Treasurer	5
IV	Findings and Recommendations	7
V	Status of Prior Year Findings	9
VI	Management Response	11
VII	Supplemental Unaudited Information	12

Section I

Introduction and Executive Summary

Introduction

The Onondaga County Soil and Water Conservation District (District) is required per Soil and Water Conservation Districts Law, Chapter 9-B of the Consolidated Laws, §8. (2) to provide for an annual audit of the accounts of receipts and disbursements. The receipts and disbursements are summarized in the Annual Report of the Treasurer filed with the New York State Comptroller's Office.

County Resolution #19 of February 2, 2016 requires the County Comptroller's Office to conduct an annual financial audit for the Onondaga County Soil and Water Conservation District.

As such, we have audited the Annual Report of the Treasurer (ART) of the District for the year ended December 31, 2024.

Executive Summary

1. The 2024 Annual Report of the Treasurer submitted to the State was fairly presented in all material respects.
2. The Escrow savings account has accumulated a large amount of interest.

Our high level recommendations to District management include:

- District administration should revisit their Escrow policy to address the outcome of interest.

Section II Background

Background

On March 6, 1944 the Onondaga County Board of Supervisors adopted Resolution No. 60 which created the Onondaga County Soil Conservation District in accordance with the provision of the Soil Conservation Districts Law, Chapter 727, and Laws of 1940.

The Onondaga County Soil and Water Conservation District (District) is a special purpose district created to develop and implement programs of soil, water and related natural resource conservation. The District offers a number of natural resources, programs and services, including technical assistance to farmers and landowners, training programs, environmental education programs and the annual Tree & Shrub sale. The District is governed by a Board of Directors who set program policy implemented by the District staff. The District staff consists of an Executive Director, Program Manager, Resource Conservation Specialists, support staff and various volunteers and interns. The District is funded largely through state grants and county and city appropriations. During 2024, the District has recognized approximately \$1,196,683 in funding from Onondaga County for various projects and expenses.

The mission of the Onondaga County Soil and Water Conservation District is to promote excellence in the wise use of rural/urban natural resources. This is accomplished by:

- Reducing erosion and nutrient runoff from agricultural and non-agricultural nonpoint sources by the use of best management practices.
- Providing information and education to the public on sound natural resource conservation principles and practices.
- Promoting the improvement, protection, restoration, and maintenance of surface and ground water quality.

Onondaga County Soil and Water Conservation District's vision per their web site is to live in a society in which future generations will have natural resources necessary to sustain and enrich their quality of life.

Scope:

The scope of our audit was the financial accounts, the internal controls and policies and procedures associated with the accounting records related to the 2024 Annual Report of the Treasurer.

Our objectives were to:

- Determine if the Onondaga County Soil and Water Conservation District's Annual Report of the Treasurer was fairly presented in all material respects.
- Determine if established fiscal policies and procedures were operating effectively.
- Provide District management with information and recommendations related to their financial operations and other areas to improve internal controls, effectiveness and efficiency.

Methodology:

In order to complete our objective we:

- Reviewed relevant District policies and procedures to determine if intended expectations were being met.
- Interviewed various staff responsible for fiscal operations and program controls to determine specific practices of these areas.
- Performed various audit steps on the accounting records as we deemed necessary.
- Discussed draft recommendations with District management for their input and practicality evaluation.
- Finalized recommendations and included them in this report.

Section III

Annual Report of the Treasurer

The following pages illustrate a comparative 2024 and 2023 operating fund balance sheet and schedule of revenues, expenditures and changes in fund balance. These statements are presented on the modified accrual basis of accounting.

ONONDAGA COUNTY SOIL AND WATER CONSERVATION DISTRICT OPERATING FUND BALANCE SHEET DECEMBER 31, 2024 AND 2023				
ASSETS	2024	2023	Dollar Change	Percentage Change
Cash	\$ 1,677,253	\$ 1,432,402	\$ 244,851	17%
Designated Cash	2,615,028	1,952,090	662,938	34%
Accounts Receivable	1,119,908	1,001,037	118,871	12%
Prepaid Expenses	5,938	5,112	826	16%
Total Assets	\$ 5,418,127	\$ 4,390,641		
LIABILITIES				
Accounts Payable	\$ 7,270	\$ 22,821	\$ (15,551)	-68%
Accrued Liabilities	639,879	674,777	(34,898)	-5%
Accrued Payroll	5,437	-	5,437	100%
Accrued Vacation	30,090	18,737	11,353	61%
Deferred Revenue	2,098,652	1,689,265	409,387	24%
Due to Contractors	583,523	24,072	559,451	2324%
Due to Other Governments	65,245	-	65,245	100%
Payroll Withholdings	7,170	6,293	877	14%
Total Liabilities	\$ 3,437,266	\$ 2,435,965		
Fund Balance				
Assigned Appropriated Fund Balance	\$ 1,980,861	\$ 1,954,676		
Total Liabilities and Fund Balance	\$ 5,418,127	\$ 4,390,641		

**ONONDAGA COUNTY SOIL AND WATER CONSERVATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2024 And 2023**

General Fund				
Revenues	2024	2023	Dollar Change	Percentage Change
Grants from Local Governments	\$ 2,028,241	\$ 1,815,494	\$ 212,747	12%
State sources	1,456,395	2,033,281	(576,886)	-28%
Federal sources	51,564	74,377	(22,813)	-31%
Hydro Seeding	16,605	5,555	11,050	199%
Workshop Income	14,874	12,725	2,149	17%
Equipment Rental	7,406	5,482	1,924	35%
Tree & Shrub Sales	26,669	14,851	11,818	100%
Miscellaneous sources	3,933	6,545	(2,612)	-40%
Sale of Equipment	157	309	(152)	-49%
Gifts & Donations	450	700	(250)	-36%
Interest income	53,207	92,867	(39,660)	-43%
Total Revenues	\$ 3,659,501	\$ 4,062,186	\$ (402,685)	-10%
Expenditures				
Contractual	\$ 2,371,732	\$ 2,891,168	\$ (519,436)	-18%
Personnel	794,718	733,983	60,735	8%
Employee Benefits	335,728	289,560	46,168	16%
Equipment	131,138	69,599	61,539	88%
Total Expenditures	\$ 3,633,316	\$ 3,984,310	\$ (350,994)	-9%
Changes in fund balances	\$ 26,185	\$ 77,876		
Beginning Fund Balance	\$ 1,954,676	\$ 1,883,884		
Prior period Adjustment	-	(7,084)		
Adjusted beginning Fund Balance	\$ 1,954,676	\$ 1,876,800		
Ending Fund Balance	\$ 1,980,861	\$ 1,954,676		

Section IV

Findings and Recommendations

Landowners Escrow:

The District has an Agricultural Environmental Management (AEM) & Implementation Program Escrow Policy as revised and adopted June 7, 2024 which states the following:

For all AEM, and other projects that require a landowner/producer cash match, the landowner/producer is required to provide *a check (personal, business or certified), money order, or guaranteed letter of credit from a lending institution* to the Onondaga County Soil and Water Conservation District in an amount equal to the cash match, as per the approved funding agreement. The escrow payment due date has been established as the date of the signing of the Landowner/Contractor contract.

The overall concept of the above requirement is to ensure contractors will be paid in full and the District is kept in good graces with contractors.

Escrowed funds are deposited into a special interest bearing Escrow bank account and transferred to the District's checking account to pay the contractor once the project is completed.

- A. We noted this policy does not address the disposition of interest earned on funds held in trust and this bank account has accumulated approximately \$4,834 of interest since 2018. Presented below is a synopsis of the interest rate reported on the December's statement, the number of deposits made during the year, the summation of those deposits, the largest deposit and the average deposited amount along with the yearly interest earned. During the first five years interest rates and earnings were minimal compared to the deposited activity. However the growth in rates and an increase in deposits warrants revisiting this policy and addressing the outcome of accumulated interest.

Summarized Activity of the Escrow Bank Account

Year	Interest rate on December's Statement	Number of Deposits	Sum of Deposits	Largest Single Deposit	Average Deposited Amount	Interest
2018	0.05%	8	\$52,232	\$21,834	\$6,529	\$ 22.82
2019	0.05%	15	\$214,185	\$114,940	\$14,279	29.99
2020	0.05%	20	\$408,809	\$224,634	\$20,440	25.41
2021	0.01%	24	\$383,431	\$260,945	\$15,976	5.07
2022	.10% ~ 1.00%	11	\$553,125	\$361,901	\$50,284	73.92
2023	3.50%	25	\$302,155	\$126,445	\$12,086	1,436.98
2024	2.75% ~ 2.50%	26	\$940,161	\$572,286	\$36,160	3,240.08
						<u>\$ 4,834.27</u>

Recommendations:

- We recommend District administration consider updating this policy to address the outcome of interest earned and consideration be given to placing these funds in a primary bank account which segregates the landowner deposits and respective interest earned into sub-accounts.*

Section V

Status of Prior Year Findings

Accounts Receivable Balance

- A. We noted the Accounts Receivable balance was over stated by net of \$73,282.

The Accounts Receivable balance was properly stated.

Deferred Revenue

- B. We noted the deferred revenue balance for SLWAP Implementation (City) Funds was again over stated by \$114,620.51 due to an unsupported adjustment to the opening balance reported on the AR/DEF REV schedule from 2022 and has carried over to 2023.

District administration has maintained their confidence in the manner in which this amount was determined.

Interest Income

- C. We noted District Interest Income was overstated by \$52,990 due to the recognition of interest earnings on funds provided by New York State Agriculture & Markets.

Interest Income was properly stated and interest earned on NYS Agriculture & Markets' funds was recorded as a liability.

Deferred Revenue

- D. We noted differences when comparing the deferred revenue Quick Class balance to the bank balance at 12/31/23. These differences indicate funds which have been paid from the District's checking account are not being transferred from a dedicated grant bank account into the District's accounts. The estimated amount of funds which can be transferred to reimburse District expenses, net of funds deemed non-transferrable per District administration until the grant is closed, is \$153,738.80.

District administration has maintained their comfort level in transferring salaries and fringes from dedicated bank accounts after the project has been closed out. Unless there is a cash flow issue this practice should be revisited by the Board of Directors.

Subsequent Disbursements

- E. We noted a payment made to the Town of Pompey Highway Department was not based on an actual invoice but an Appropriation Account Capital Fund Report which did not clearly define the project or the amount requested for reimbursement. This resulted in the wrong balance of the report being used to determine the payment to the town causing an over payment of \$1,471.

In 2025 the Director was able to obtain the proper documentation and recouped the over payment.

SLWAP OPS

- F. We noted the District over charged the City a net of \$9,925 for the 1st and 2nd quarter of SLWAP OPS 2023 expenses. The City's June 2024 invoice was adjusted to address the overage.

The City's receivable was properly stated.

Section VI

Management Response



Onondaga County Soil & Water Conservation District

6680 Onondaga Lake Parkway, Liverpool, New York 13088
Phone: 315-457-0325 • fax: 315-457-0410 • e-mail: info@ocswcd.org
Website: www.ocswcd.org

Response to the 2024 audit recommendations

1. The District will follow the recommendation to update District policy pertaining to the outcome of interest earned on Escrowed funds. The District is working with the bank to open a new “Lease Security Escrow” account which will allow the District to more effectively manage individual landowner escrow funds by means of sub-accounts, including calculating and returning any earned interest to the landowner. The District is drafting policy language to be approved at the August 2025 Board meeting.

Section VII

Supplemental Unaudited Information

Year in Review 2024

In many ways, 2024 was a year of firsts. First time we had to take shelter in the lower portion of the building countless times because of the number of tornado warnings. First time we had to use all of the protections that we had in place to make sure that the company and its records were secure and not compromised. It was also the first time that our Ag Spill Response team (the only coordinated team in NYS!) was recognized on an international platform (Manure Expo in Auburn, NY). The first time our staff, BOD, and their families got to see an enhanced solar eclipse; it had been 25 years since an eclipse of this magnitude occurred in our area. It was also a year of firsts with multiple clean water plans being approved for many bodies of water in and around CNY (Skaneateles Lake, DeRuyter Reservoir, and Oneida Lake).

In 2024 our organization was operating more efficiently than in the past. To get to this point, we have made many changes in our organizational and operational structure over the past few years. We reassigned the workload of our administrative team so that they have more manageable workloads, giving them more time to think about how to improve and make changes to things that were not working optimally. These changes have made a difference and I believe that it is starting to show in the results of the audit of our 2024 books.

Our organization was humbly reminded in many ways that people are human and that we are all susceptible to challenging and difficult times. We made sure to stand by all of our employees and to make sure that we were there to support them and to build them up. We also experienced first-hand that accidents can and do happen, that one mistake can lead to serious consequences, and that we need to remember not take short cuts, but follow protocol, and to make sure that safety is our first priority, at all times.

We could not do our jobs without a great team of full-time employees, seasonal aides, and great leadership from our BOD! We thank all of you for coming to work each day, being the best that you can be, and working hard to make tomorrow's future bright ! We thank the BOD for their continued support in helping our team to perfect their craft and to do their job better each and every day!

A Look Ahead – 2025 and Beyond

In 2025 and beyond, we need to recognize that our organization, its work, and financial well-being is built upon a fragile system. One decision, or multiple decisions by other organizations or

leaderships, could and will change the financial structure, workload and future of our organization.

To address this, we need to continue our strategic planning, which focuses on the future and looking five years down the road. We need to take on new contracts for new workloads now, even if we are really busy, so that when changes come forward, when existing contracts end, we have the new opportunities in place to carry us through. This model is no different than the model used by small, private environmental consulting firms. We are organized similarly to them and pride ourselves on working close to the speed of private business.

We need to also start finding ways to get back to securing 75% to 100% of the grants that we apply for, because for about five years, we have only been getting ~50% of those grants. That will not support the new changes that we have made to the implementation team; the three-legged stool, (that mimics the positive changes that we have made to the administrative team over the past few years). It may mean that we have to find new / more diverse grant funding sources to go after and secure to be able to stay in business. It may mean that the types of projects we seek funding for may have to change as well (manure nutrient storage cover and flares?).

In 2025, the district embarked upon the “three-legged stool” concept as the management plan for the future of the District. There is so much going on, project wise, in the organization, the decision was made to have a Program Manager of Planning and a Program Manager of Implementation. Also, because of the on-going shortage of Engineers in the agricultural arena, the BOD selected an employee with the necessary credentials to move forward and become the District’s engineer. This process to achieve Licensed Professional Engineer will take a few years to come to fruition, but once it does it will enable the District to move conservation projects forward in a more efficient and effective manner. The Program Managers and Engineer will also start learning and providing leadership roles to support the future of our organization. The theory is that should one leg of the stool not exist in the future, we will still have remaining legs of the stool to rely upon. We no longer will have “all of our eggs in one basket”.

Change will continue to be all around us. Up next, our organization is working to fill vacancies created by long-serving, hardworking BOD members who have decided to retire; these folks who have been the visionaries of the organization. We will need to educate and train and get up to speed the new BOD members so that they can be fully contributing members to our organization in a short amount of time. We will continue to seek out folks who will help us continue to follow our mission and vision and to continue to make the best decisions, not just the easy decisions.

The ongoing changes to environmental regulations and permitting at the NYS DEC will also continue to be a challenge for us. Ideally, many of these changes will prove to be positive in the future, but in the short-term, it could take a few years for the DEC staff, and our staff, to get into a new rhythm on what to expect (timelines, decisions, etc.) as we work to move important conservation projects forward. Let’s not forget to add in all the changes that the federal government is embarking upon that may also change our course of action.

In the future, time will continue to be our most limiting resource. We will need to use it wisely and to determine and prioritize what we participate in and when we participate. This will likely require our leaders at SWCD to make some tough and unpopular decisions. Accomplishments happen when BMPs are implemented in the field, not by sitting in meetings all day long.

For the future, we need to continue to keep doing what we do at the highest level of safety possible. When you look at our operation, and all that we do, in reality what we do can be dangerous. Every day we arrive at work, our staff needs to be as refreshed as they can be, ready to take on the challenges of the day. To take safety to a new level in 2025, the BOD approved the purchase of manure gas meters for agriculture and hydroseeding team members. We learn best from the others around us and in respect to the sacrifices made in 2024 by Tyler Memory and Nathan Doody, our District purchased and will train and wear these gas meters each time we are out on an agricultural project to enhance the level of protection of our team members.

In summary, we have a GREAT Team! This team is made up of our full-time and part-time staff, the BOD, our insurance agents (both liability and medical benefits), the County Attorney, and all who work in and provide advisory roles for our teams. Our folks all work together as one great team and we could not do what we do each and every day without you; THANK YOU!