

# KANSAS WATER OFFICE

## FY 2022 – FY 2024 BUDGET ANALYSIS

FIGURE 1  
**BUDGET OVERVIEW, FY 2022 – FY 2024**

	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
<b>Operating Expenditures:</b>					
State General Fund	\$ 949,337	\$ 1,067,936	\$ 1,067,936	\$ 1,074,617	\$ 1,074,617
Federal Funds	1,043,825	563,287	563,287	445,829	445,829
All Other Funds	6,048,716	14,990,372	14,990,372	14,266,772	14,266,772
<i>Subtotal</i>	<u>\$ 8,041,878</u>	<u>\$ 16,621,595</u>	<u>\$ 16,621,595</u>	<u>\$ 15,787,218</u>	<u>\$ 15,787,218</u>
<b>Capital Improvements:</b>					
State General Fund	\$ 77,011,750	\$ 2,988,250	\$ 55,988,250	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	5,183,168	-	-	-	-
<i>Subtotal</i>	<u>\$ 82,194,918</u>	<u>\$ 2,988,250</u>	<u>\$ 55,988,250</u>	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL</b>	<u><b>\$ 90,236,796</b></u>	<u><b>\$ 19,609,845</b></u>	<u><b>\$ 72,609,845</b></u>	<u><b>\$ 15,787,218</b></u>	<u><b>\$ 15,787,218</b></u>
<b>Percentage Change:</b>					
State General Fund	7,591.4 %	(94.8) %	(26.8) %	(73.5) %	(98.1) %
All Funds	780.8 %	(78.3) %	(19.5) %	(19.5) %	(78.3) %
FTE Positions	18.0	19.0	19.0	19.0	19.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

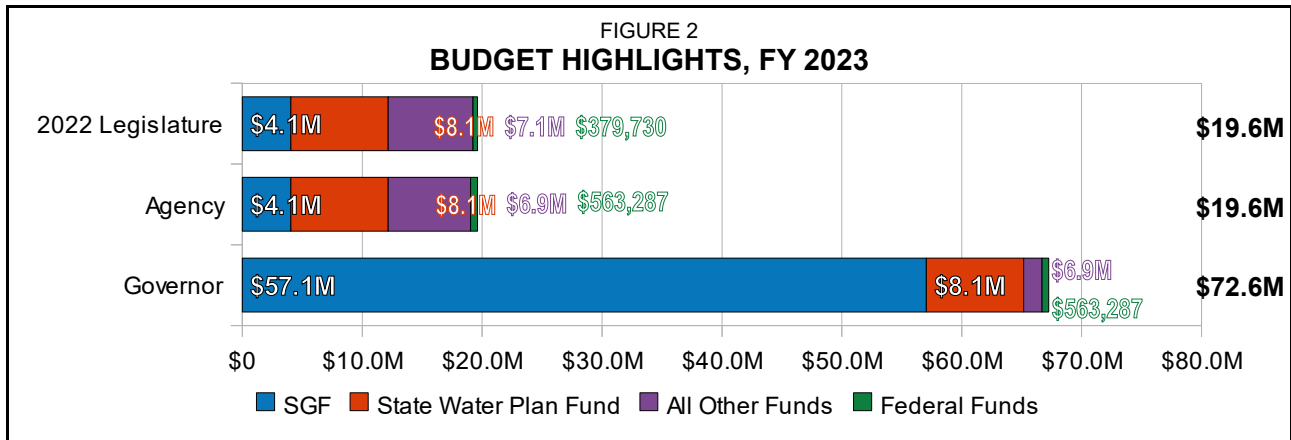
The Kansas Water Office is the water planning, policy, and coordination agency for the State. The agency, in conjunction with the Kansas Water Authority, develops water policies through an open planning process; facilitates the coordination of agencies' activities regarding water; and operates a raw water marketing program to ensure an adequate supply for the citizens, municipalities, environment, and industries in the state.

Through the agency's operation and the guidance of the Kansas Water Authority, the Kansas Water Office focuses on water policy planning, including developing the State Water Plan, which details the management, conservation, and development of water resources for the state. Working with the 12 major river basins, the agency develops basin planning sections for the State Water Plan, which documents objectives and critical issues occurring in each of the basins. Additionally, the agency provides the coordination function in focusing action on priority issues as identified in the basin sections of the Kansas Water Plan.

The Kansas Water Authority provides water policy advice to the Governor, Legislature, and the Director of the Kansas Water Office. Its 24-member board is responsible for approving water storage sales, the State Water Plan, federal contracts, and regulations and legislation proposed by the Kansas Water Office.

### EXECUTIVE SUMMARY

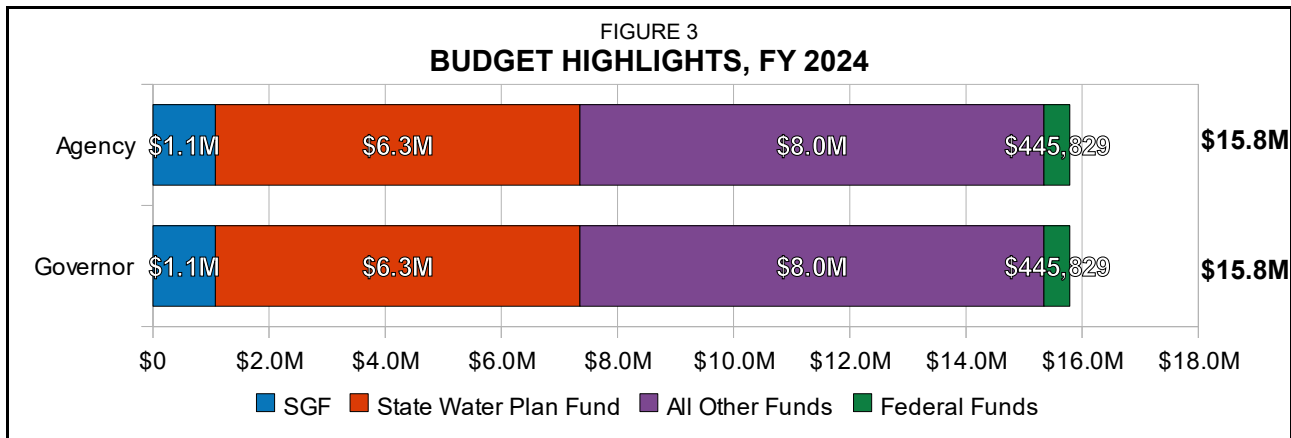
The 2022 Legislature approved a budget of \$13.9 million, including \$1.1 million from the State General Fund (SGF), for the Kansas Water Office for FY 2023. Two adjustments have been made subsequently to that amount, which changes the current year approved amount without any legislative action required. Those changes include reappropriations from the SGF totaling \$3.0 million and reappropriations from the State Water Plan Fund totaling \$2.7 million.



The **agency** submits a revised estimate of \$19.6 million, including \$4.1 million SGF, and 19.0 FTE positions in FY 2023. The revised estimate is equal to the agency's approved budget. Included in the agency's approved budget are reappropriations totaling \$3.0 million from the SGF and reappropriations totaling \$2.7 million from the State Water Plan Fund.

The agency also requests 1.0 additional FTE position above the agency's FY 2023 approved number. The increase is due to the agency filling a previously vacant position.

The **Governor** concurs with the agency's revised estimate and adds an additional \$53.0 million SGF for future use for water storage debt payoff associated with Milford and Perry Lakes reservoirs.



The **agency** requests \$15.8 million, including \$1.1 million SGF, and 19.0 FTE positions for FY 2024. This is an all funds decrease of \$3.8 million, or 19.5 percent, including an SGF decrease of \$3.0 million, or 73.5 percent, below the FY 2023 revised estimate. The decreases are attributable to the absence of SGF and State Water Plan Fund reappropriations totaling \$3.0 million and \$2.7 million, respectively, which do not reoccur for FY 2024. These decreases are partially offset by two agency enhancement requests totaling \$900,000 for FY 2024. The enhancements requested by the agency would expand partnerships for water quality and the High Plains Aquifer.

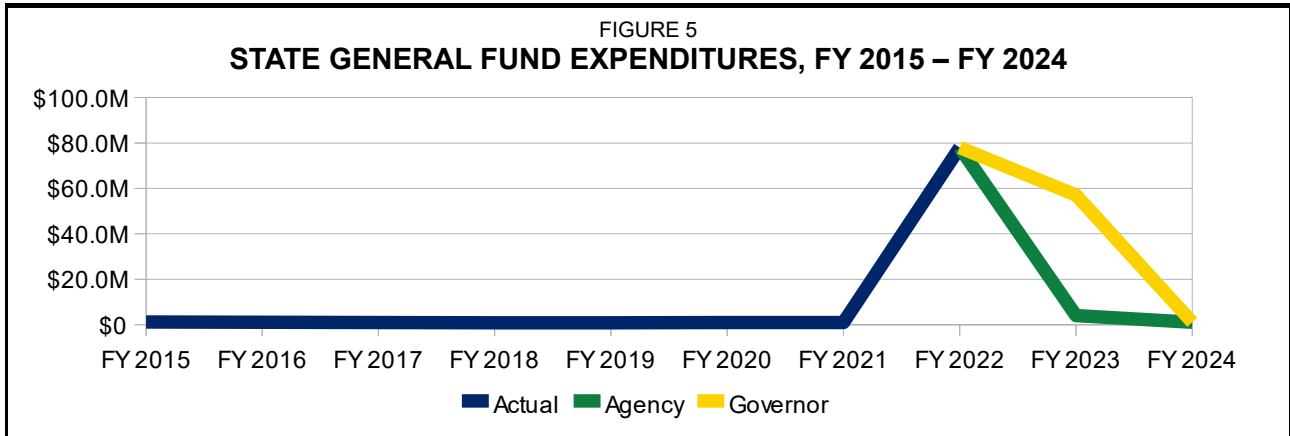
The **Governor** concurs with the agency's FY 2024 request, which includes recommending the adoption of the agency's enhancement requests for FY 2024.

# EXPENDITURES AND FINANCING

FIGURE 4  
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2022 – FY 2024

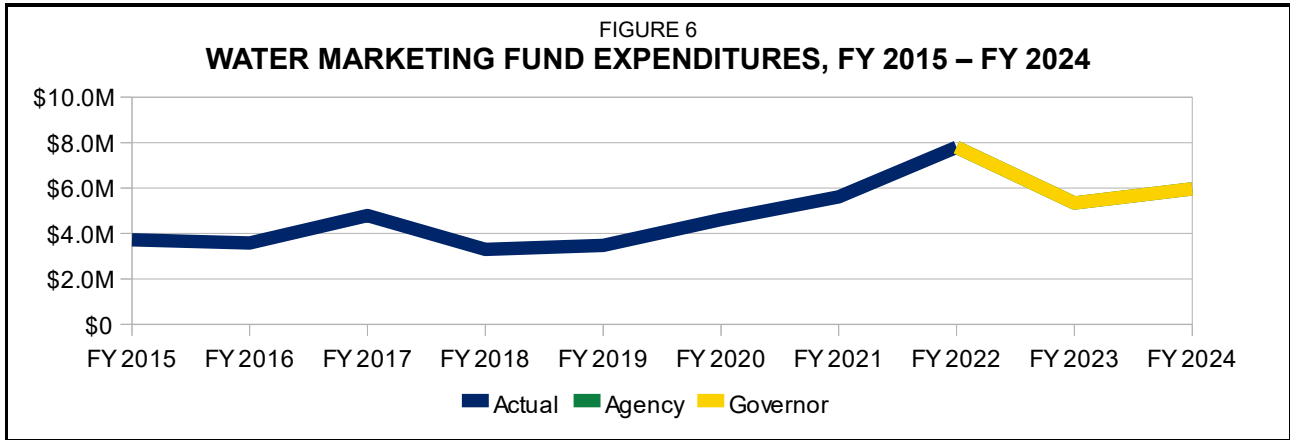
Category of Expenditure:	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Salaries and Wages	\$ 1,372,423	\$ 1,775,405	\$ 1,775,405	\$ 1,800,656	\$ 1,800,656
Contractual Services	5,769,726	10,333,788	10,333,788	9,095,061	11,988,661
Commodities	19,761	126,225	126,225	136,225	136,225
Capital Outlay	5,761	26,700	26,700	27,500	27,500
Debt Service Interest	315,508	2,777,497	2,777,497	2,893,600	-
<i>Subtotal</i>	<i>\$ 7,483,179</i>	<i>\$ 15,039,615</i>	<i>\$ 15,039,615</i>	<i>\$ 13,953,042</i>	<i>\$ 13,953,042</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	558,699	1,581,980	1,581,980	1,834,176	1,834,176
<i>Subtotal—Operating</i>	<i>\$ 8,041,878</i>	<i>\$ 16,621,595</i>	<i>\$ 16,621,595</i>	<i>\$ 15,787,218</i>	<i>\$ 15,787,218</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	82,194,918	2,988,250	55,988,250	-	-
<b>TOTAL</b>	<b>\$ 90,236,796</b>	<b>\$ 19,609,845</b>	<b>\$ 72,609,845</b>	<b>\$ 15,787,218</b>	<b>\$ 15,787,218</b>
<b>Financing:</b>					
State General Fund	\$ 77,961,087	\$ 4,056,186	\$ 57,056,186	\$ 1,074,617	\$ 1,074,617
State Water Plan Fund	2,468,624	8,116,219	8,116,219	6,278,122	6,278,122
Federal Funds	1,043,825	563,287	563,287	445,829	445,829
All Other Funds	8,763,260	6,874,153	6,874,153	7,988,650	7,988,650
<b>TOTAL</b>	<b>\$ 90,236,796</b>	<b>\$ 19,609,845</b>	<b>\$ 72,609,845</b>	<b>\$ 15,787,218</b>	<b>\$ 15,787,218</b>
FTE Positions	18.0	19.0	19.0	19.0	19.0

## STATE GENERAL FUND



For the Kansas Water Office, SGF expenditures increased from FY 2021 to FY 2022 when the 2022 Legislature added \$80.0 million SGF to pay off water supply storage debt for Big Hill, Clinton, and Hillsdale reservoirs.

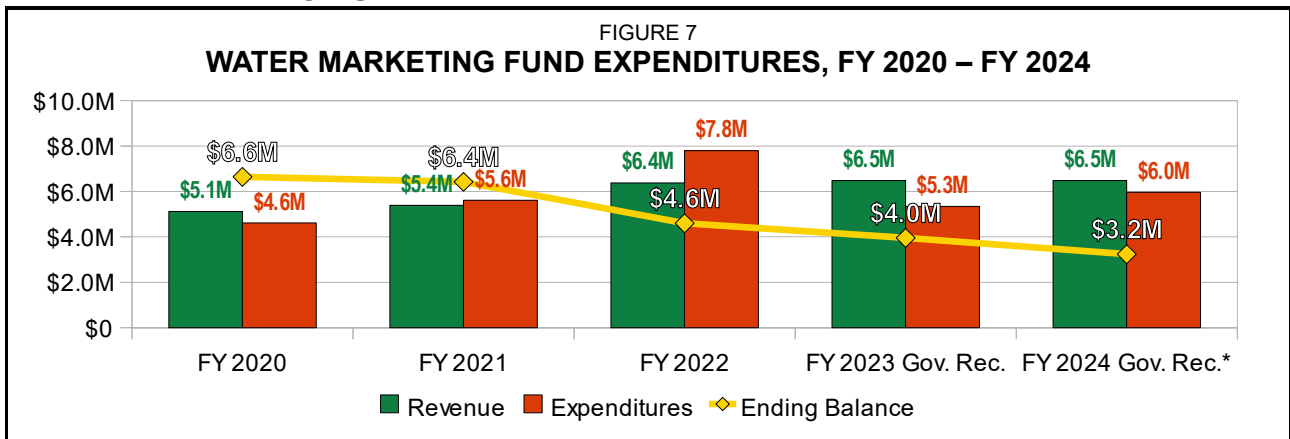
**WATER MARKETING FUND**



Under the federal Water Supply Act of 1958, federal reservoirs constructed in Kansas for the purpose of flood control were authorized to include storage space for municipal and industrial water supplies. In 1961, the Legislature provided financial assurance for inclusion of water storage in the federal reservoirs constructed in the state. In 1974, the Legislature passed the State Water Plan Storage Act, which authorizes the agency to contract with water purchasers for the sale of water from any reservoir included in the Kansas Water Marketing program. The Water Marketing Fund was created by the 1991 Legislature.

Revenue for the Water Marketing program is generated by the sale of water supplied under contracts with public water suppliers and industries from state-owned storage in federal lakes purchased from the U.S. Army Corps of Engineers. The price for water is set annually according to an established formula and is not negotiable. The fund is then used to meet the State’s contractual water storage obligations to the federal government through transfers to the State Conservation Storage Water Supply Fund.

**WATER MARKETING FUND**



\* For FY 2024, the lowest month ending balance for the Water Marketing Fund will occur in June, with a balance of \$3.2 million.

The Water Marketing Fund expenditures are estimated to decrease in FY 2023, because the agency anticipates decreased expenditures from the fund for debt service interest and principal payments when compared to FY 2022 actual expenditures.

## FY 2023 ANALYSIS

FIGURE 8  
**SUMMARY OF BUDGET REQUEST, FY 2023**

	SGF	Special Revenue Funds	All Funds	FTE
<b>Legislative Approved:</b>				
Amount Approved by 2022 Legislature	\$ 1,067,460	\$ 12,815,562	\$ 13,883,022	18.0
1. SGF Reappropriations	2,988,726	-	2,988,726	--
2. State Water Plan Fund Reappropriations	-	2,738,097	2,738,097	--
<i>Subtotal—Legislative Approved</i>	<u>\$ 4,056,186</u>	<u>\$ 15,553,659</u>	<u>\$ 19,609,845</u>	<u>18.0</u>
<b>Agency Revised Estimate:</b>				
3. FTE Addition	-	-	-	1.0
<i>Subtotal—Agency Revised Estimate</i>	<u>\$ 4,056,186</u>	<u>\$ 15,553,659</u>	<u>\$ 19,609,845</u>	<u>19.0</u>
<b>Governor's Recommendation:</b>				
4. Future Use Storage Debt Payoff	\$ 53,000,000	-	\$ 53,000,000	--
<b>TOTAL</b>	<u><b>\$ 57,056,186</b></u>	<u><b>\$ 15,553,659</b></u>	<u><b>\$ 72,609,845</b></u>	<u><b>19.0</b></u>

### **LEGISLATIVE APPROVED**

Subsequent to the 2022 Session, two adjustments were made to the \$13.9 million, including \$1.1 million SGF, appropriated to the Kansas Water Office for FY 2023. These adjustments change the current year approved amount without any legislative action required and include the following:

1. **SGF REAPPROPRIATIONS.** The agency carried over \$3.0 million SGF in unspent moneys from FY 2022 into FY 2023.
2. **STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency carried over \$2.7 million from the State Water Plan Fund in unspent moneys from FY 2022 into FY 2023.

### **AGENCY ESTIMATE**

The **agency** submits a revised estimate of \$19.6 million, including \$4.1 million SGF, in FY 2023. The amount requested is equal to the agency's approved FY 2023 budget. One adjustment was made by the agency in the FY 2023 revised estimate.

The **agency** estimate includes the following adjustment:

3. **FTE POSITION ADDITION.** The agency's revised estimate includes the addition of 1.0 FTE position above the agency's approved number. The additional position is related to the agency filling a previously vacant Water Resource Planner position.

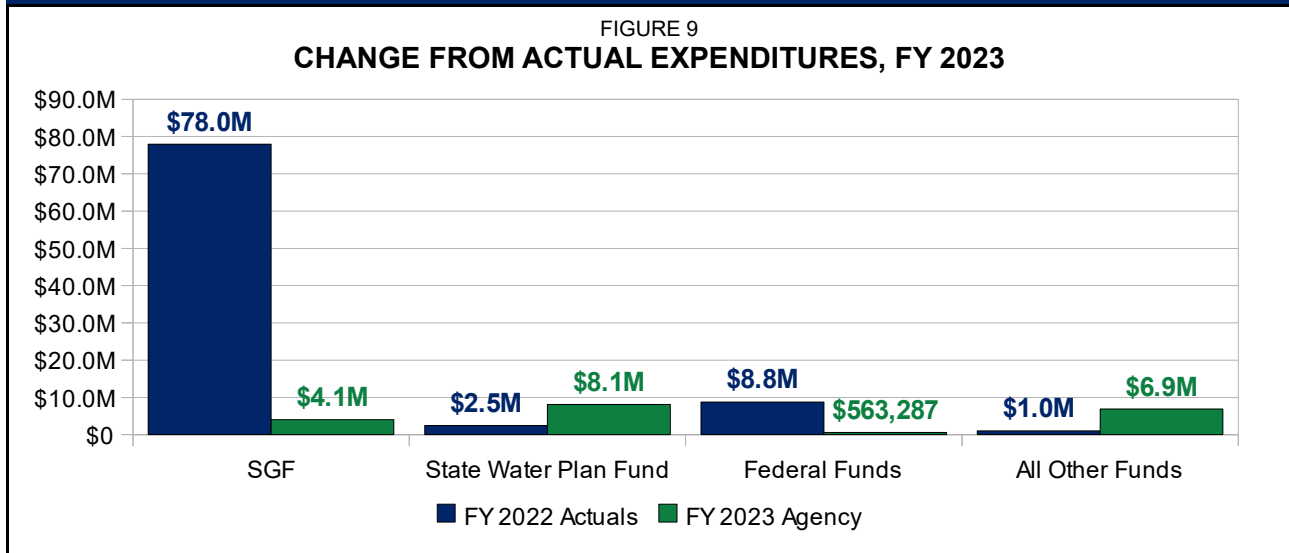
### **GOVERNOR'S RECOMMENDATION**

The **Governor** recommends expenditures of \$72.6 million, including \$57.1 million SGF, in FY 2023. The amount recommended by the Governor includes one change from the agency's FY 2023 revised estimate.

The **Governor's** recommendation includes the following adjustment:

4. **FUTURE USE STORAGE DEBT PAYOFF.** The Governor recommends adding \$53.0 million, all SGF, to pay off remaining future use storage debt associated with Milford and Perry Lakes reservoirs.

# FY 2023 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$19.6 million, including \$4.1 million SGF, in FY 2023. This is an all funds decrease of \$70.6 million, or 78.3 percent, including an SGF decrease of \$73.9 million, or 94.8 percent, below FY 2022 actual expenditures. Much of the change from actual FY 2022 expenditures and the agency's revised estimate is related to \$80.0 million SGF being appropriated to the agency by the 2022 Legislature to pay off water supply storage debt for Big Hill, Clinton and Hillsdale reservoirs.

# FY 2024 ANALYSIS

FIGURE 10  
SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	Special Revenue Funds	All Funds	FTE
<b>Agency Revised Estimate, FY 2023</b>	\$ 4,056,186	\$ 15,553,659	\$ 19,609,845	19.0
<b>Agency Request:</b>				
1. Enhancement—Water Quality Partnerships	\$ -	\$ 450,000	\$ 450,000	--
2. Enhancement—High Plains Aquifer Partnerships	-	450,000	450,000	--
3. SGF Reappropriations	(2,988,726)	-	(2,988,726)	--
4. State Water Plan Fund Reappropriations	-	(2,738,097)	(2,738,097)	--
5. Other Assistance	-	252,196	252,196	--
6. Debt Service Interest	-	116,103	116,103	--
7. All Other Adjustments	7,157	628,740	635,897	--
<b>Subtotal—Agency Estimate</b>	<b>\$ 1,074,617</b>	<b>\$ 14,712,601</b>	<b>\$ 15,787,218</b>	<b>19.0</b>
<b>Governor's Recommendation:</b>				
8. No Changes	\$ -	\$ -	\$ -	--
<b>TOTAL</b>	<b>\$ 1,074,617</b>	<b>\$ 14,712,601</b>	<b>\$ 15,787,218</b>	<b>19.0</b>

## AGENCY REQUEST

The **agency** requests FY 2024 expenditures of \$15.8 million, including \$1.1 million SGF. This is an all funds decrease of \$3.8 million, or 19.5 percent, including an SGF increase of \$7,157, or less than 0.1 percent, from the FY 2023 revised estimate.

The **agency** request includes the following adjustments:

- ENHANCEMENT—WATER QUALITY PARTNERSHIPS.** The agency requests \$450,000, all from the State Water Plan Fund, to expand Water Quality Partnerships in FY 2024.
- ENHANCEMENT—HIGH PLAINS AQUIFER PARTNERSHIPS.** The agency requests \$450,000, all from the State Water Plan Fund, to expand High Plains Aquifer Partnerships in FY 2024.
- SGF REAPPROPRIATIONS.** The agency's FY 2023 revised estimate includes reappropriations from the SGF totaling \$3.0 million. The agency estimates spending those dollars in FY 2023 and does not anticipate carrying any money into FY 2024.
- STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency's FY 2023 revised estimate includes reappropriations from the State Water Plan Fund totaling \$2.7 million. The agency estimates spending those dollars in FY 2023 and does not anticipate carrying any money into FY 2024.
- OTHER ASSISTANCE.** The agency's request for FY 2024 includes additional expenditures for other assistance when compared to the agency's revised FY 2023 estimate totaling \$252,196. Expenditures for other assistance include state aid payments related to the Kansas Reservoir Protection Initiative, the Equus Beds Chloride Plume Remediation project and the High Plains Aquifer Partnerships.

6. **DEBT SERVICE INTEREST.** The agency's FY 2024 request includes increased expenditures totaling \$116,103 for debt service interest payments when compared to FY 2024.
7. **ALL OTHER ADJUSTMENTS.** The remaining changes include the addition of \$635,897, including \$7,157 SGF, for FY 2024. The adjustments are primarily attributable to contractual services expenditures. Most contractual services expended by the agency are related to projects aimed at supporting public water supply programs and managing existing water resources. The majority of the increase is in memorandums of understanding (MOUs) Storage in Council Grove and Elk City, and Technical Assistance to Water Users.

## **GOVERNOR'S RECOMMENDATION**

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The **Governor** concurs with the agency's FY 2024 request.

8. **NO CHANGES.** The Governor recommends no changes to the agency's FY 2024 request.



## ENHANCEMENT REQUESTS

<b>State Water Plan Fund Enhancement Requests, FY 2024</b>	
Item	FY 2024
Water Quality Partnerships	\$ 450,000
High Plains Aquifer Partnerships	450,000
<b>TOTAL</b>	<b>\$ 900,000</b>

### **WATER QUALITY PARTNERSHIPS**

The agency indicates it has been working since January 2018 to coordinate project activities in association with the Milford Lake Watershed Regional Conservation Partnership Project (RCPP) (which is now called Water Quality Partnerships). For FY 2024, the agency requests enhancement funding of \$450,000 from the State Water Plan Fund to support the establishment of new water quality partnerships in southwest Kansas along the Arkansas River and increase support for nutrient reduction efforts within the Milford Lake Watershed.

### **HIGH PLAINS AQUIFER PARTNERSHIPS**

The agency indicates High Plains Aquifer Partnerships include showcasing conservation efforts that benefit the overall viability of the High Plains Aquifer for multiple water use groups. Funding for the project is used to develop new partnerships to demonstrate emerging tools and technologies that promote water user reduction in the High Plains Aquifer Region of Kansas. For FY 2024, the agency requests enhancement funding of \$450,000 from the State Water Plan Fund to further efforts to conserve and extend the High Plains Aquifer.

**The Governor recommends adoption of these requests.**

## PROGRAM AND PERFORMANCE MEASURES OVERVIEW

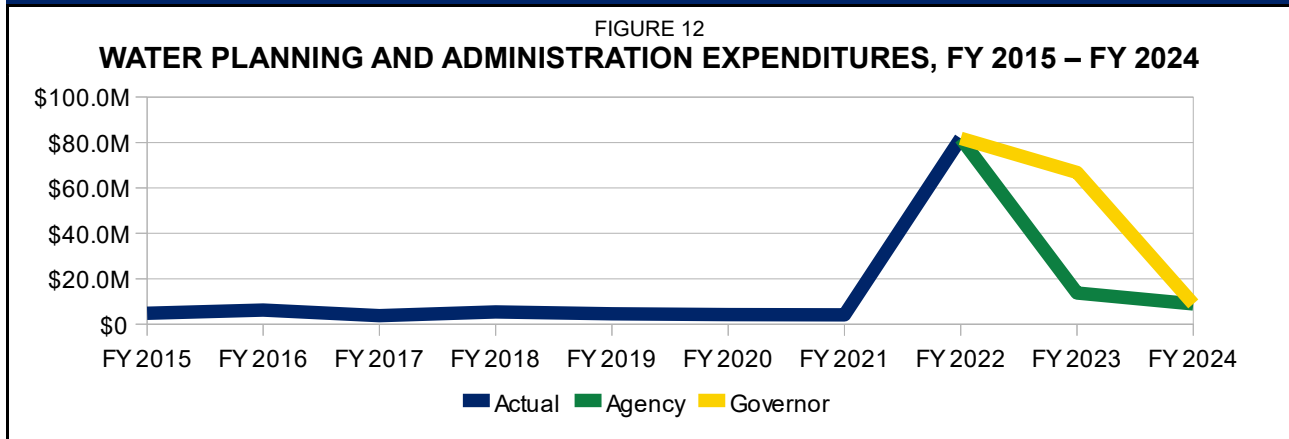
FIGURE 11  
**EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2022 – FY 2024**

Programs	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
<b>Expenditures:</b>					
Water Planning and Administration	\$ 81,790,492	\$ 13,766,985	\$ 66,766,985	\$ 9,013,418	\$ 9,013,418
Public Water Supply	8,446,304	5,842,860	5,842,860	6,773,800	6,773,800
<b>TOTAL</b>	<b><u>\$ 90,236,796</u></b>	<b><u>\$ 19,609,845</u></b>	<b><u>\$ 72,609,845</u></b>	<b><u>\$ 15,787,218</u></b>	<b><u>\$ 15,787,218</u></b>
<b>FTE Positions:</b>					
Water Planning and Administration	8.0	9.0	9.0	9.0	9.0
Public Water Supply	10.0	10.0	10.0	10.0	10.0
<b>TOTAL</b>	<b><u>18.0</u></b>	<b><u>19.0</u></b>	<b><u>19.0</u></b>	<b><u>19.0</u></b>	<b><u>19.0</u></b>

### PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

## WATER PLANNING AND ADMINISTRATION



- STATUTORY BASIS:** • KSA 74-2622; 82a-901 *et seq.*; 82a-1301 *et seq.*; 82a-1330 *et seq.*; 82a-1401 *et seq.*; 82a-2301 *et seq.*; 74-2613; 74-2608; 82a-220; 82a-733; 82a-901 *et seq.*; 82a-1101 *et seq.*; 82a-1401 *et seq.*; 82a-1501a; 82a-1801 *et seq.*; 82a-2101
- PROGRAM GOALS:**
- Develop and propose water policies that are long-term in scope.
  - Identify and address priority water resource issues in Kansas.
  - Support the Kansas Water Authority in its role of making policy recommendations to the Governor and Legislature.
  - Measure the condition of the water resources in the state.
  - Provide adequate technical analysis and background to support the development of policy and priority issues.
  - Measure and assess the status of effectiveness of practices and policies implemented through the State Water Plan.
  - Be an active participant in water resources policy formation and recommendations that result in legislation.
  - Foster a trust in the planning process that is conducted in an open public forum based on sound research.
  - Involve the public and stakeholders in the development of proposed policy initiatives.
  - Create electronic and written publications in a format and style that the public finds accessible.
  - Annually host the Governor's Conference on the Future of Water in Kansas to disseminate information and encourage public engagement in water issues.

The Water Planning and Administration program covers the major agency responsibility for the development of the Kansas Water Plan. The administration of the Kansas Water Planning Act, Kansas Weather Modification Act, and portions of the Water Appropriations and Water Transfer acts are housed in this program. The Water Planning and Implementation program also houses the Kansas Water Authority, which is statutorily within the Kansas Water Office. The Authority is responsible for advising the Governor, Legislature, and the Director of the Kansas Water Office on water

policy issues; approving the Kansas Water Plan; accounting for and making recommendations on the expenditures of State Water Plan Fund moneys; and approving water storage sales, water marketing rates, federal contracts, administrative regulations, and legislation proposed by the Kansas Water Office. The Authority is composed of 24 members that represent stakeholder groups and are informed of water-related issues representing water users, water interests, environmental interests, and the general public.

FIGURE 13

**WATER PLANNING AND ADMINISTRATION, PERFORMANCE MEASURES**

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
<b>Outcome Measure:</b>					
1. Vision Action Items Underway or Completed	258	262	258	262	262
2. Number of People Engaged in Public Meetings and Conferences	2,947	1,725	2,526	3,000	3,250
3. Number of Digital Interactions*	524,239	306,000	551,262	525,000	575,000
<b>Output Measure:</b>					
4. State of the Resource Reports Underway or Completed*	14	14	14	14	14
5. Research and Technical Studies Underway and Completed	16	16	16	16	16
<b>Financing</b>	<b>Actual FY 2021</b>	<b>Actual FY 2022</b>		<b>Governor FY 2023</b>	<b>Governor FY 2024</b>
SGF	\$ 1,013,608	\$ 77,961,087		\$ 57,056,186	\$ 1,074,617
Federal Funds	167,086	1,043,825		563,287	445,829
All Other Funds	2,965,049	2,785,580		9,147,512	7,492,972
<b>TOTAL</b>	<b>\$ 4,145,743</b>	<b>\$ 81,790,492</b>		<b>\$ 66,766,985</b>	<b>\$ 9,013,418</b>
<b>Percentage Change:</b>					
SGF	(0.6) %	7,591.4 %		(26.8) %	(98.1) %
All Funds	(2.9) %	1,872.9 %		(18.4) %	(86.5) %
FTE Positions	6.0	8.0		9.0	9.0

\* The Governor's Office does not use this measure for evaluation purposes.

**BUDGET ANALYSIS**

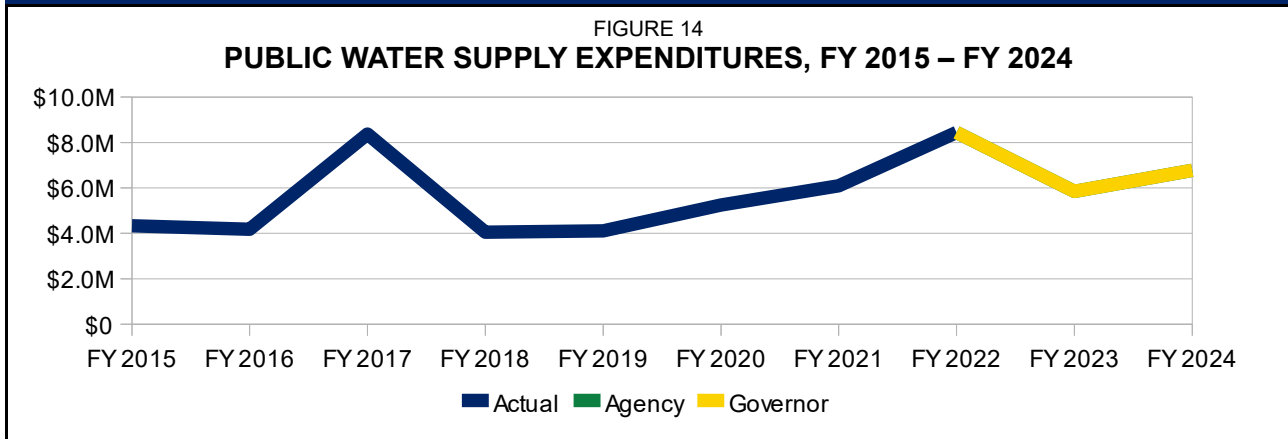
The **agency** requests FY 2024 Water Planning and Administration program expenditures of \$9.0 million, including \$1.1 million SGF. This is an all funds decrease of \$4.8 million, or 34.5 percent, including an SGF decrease of \$3.0 million, or 73.5 percent, below the program's FY 2023 revised estimate. The decreases are attributable to the agency's FY 2022 reappropriations into FY 2023 from the SGF and State Water Plan Fund. The agency estimates spending all reappropriated moneys in FY 2023 and does not plan to carry any balances into FY 2024. These reductions are

partially offset by various increases in expenditures and the agency's enhancement requests for FY 2024.

The agency request includes two enhancements adding \$900,000, all from the State Water Plan Fund, to expand Water Quality and High Plains Aquifer partnerships as described above.

The **Governor** concurs with the agency's FY 2024 Water Planning and Administration program request.

## PUBLIC WATER SUPPLY



**STATUTORY BASIS:** • KSA 82a-1301 *et seq.*; 82a-1330 *et seq.*; 82a-1604 *et seq.*; 82a-2301 *et seq.*; 82a-2401 *et seq.*

- PROGRAM GOALS:**
- Ensure that the water supply needs of the citizens of Kansas are met in an economical and efficient manner.
  - Ensure that municipal, industrial, and irrigation water rights on the major rivers have an adequate water supply during drought conditions.
  - Effectively utilize storage to lengthen support during low flow conditions.

The Public Water Supply program administers supply programs to ensure an adequate supply of water for Kansans receiving water from state-owned storage in federal and state reservoirs. These programs include the water marketing, water assurance, Lower Smoky Hill access district, and the public water

supply components of the Multipurpose Small Lakes program (KSA 82a-1601 *et seq.*). The Kansas Water Office negotiates with the federal government for water supply storage in federal lakes and coordinates reservoir operations to meet multiple uses, primarily benefiting municipal and industrial customers.

FIGURE 15  
**PUBLIC WATER SUPPLY, PERFORMANCE MEASURES**

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
<b>Outcome Measure:</b>					
1. Number of People Directly Served (Based on Population Estimates)*	1,258,914	1,272,084	1,262,260	1,344,078	1,388,409
2. Number of Industrial Customers Directly Served*	15	15	15	16	17
3. Number of Irrigation Water Rights Directly Served	51	51	51	56	56
<b>Output Measure:</b>					
4. Percent of Time Demands of All Public Water Supply Programs Are Met	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
<b>Financing</b>					
	Actual FY 2021	Actual FY 2022		Governor FY 2023	Governor FY 2024
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	6,098,589	8,446,304		5,842,860	6,773,800
<b>TOTAL</b>	<u>\$ 6,098,589</u>	<u>\$ 8,446,304</u>		<u>\$ 5,842,860</u>	<u>\$ 6,773,800</u>
<b>Percentage Change:</b>					
SGF	-- %	-- %		-- %	-- %
All Funds	16.1 %	38.5 %		(30.8) %	15.9 %
FTE Positions	10.0	10.0		10.0	10.0

\* The Governor's Office does not use this measure for evaluation purposes.

**PERFORMANCE AND BUDGET ANALYSIS**

The agency requests FY 2024 Public Water Supply program expenditures of \$6.8 million, all from special revenue funds. This is an increase of \$930,940, or 15.9 percent, above the program's FY 2023 revised estimate. The increase is primarily due to estimated increases in contractual service expenditures and the

agency budgeting for higher debt service interest payments in FY 2024 when compared to FY 2023.

The **Governor** concurs with the agency's FY 2024 Public Water Supply program request.

## CAPITAL IMPROVEMENTS

FIGURE 16  
**CAPITAL IMPROVEMENTS, FY 2022 – FY 2024**

	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
<b>Debt Service Principal:</b>	\$				
Future Use Storage Debt Payoff (Milford and Perry Lake)	-	2,988,250	55,988,250	-	-
Future Use Storage Debt Payoff (Hillsdale, Clinton and Big Hill Lakes)	82,194,918	-	-	-	-
<i>Subtotal–Debt</i>	<b>\$ 82,194,918</b>	<b>\$ 2,988,250</b>	<b>\$ 55,988,250</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL</b>	<b>\$ 82,194,918</b>	<b>\$ 2,988,250</b>	<b>\$ 55,988,250</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Financing:</b>					
SGF	\$ 77,011,750	\$ 2,988,250	\$ 55,988,250	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	5,183,168	-	-	-	-
<b>TOTAL</b>	<b>\$ 82,194,918</b>	<b>\$ 2,988,250</b>	<b>\$ 55,988,250</b>	<b>\$ -</b>	<b>\$ -</b>

### **FY 2023 CAPITAL IMPROVEMENTS**

The **agency** estimates revised debt service expenditures of \$3.0 million, all from the SGF. This is an increase of \$3.0 million above the FY 2023 approved debt service amount. This increase is due to the agency previously not budgeting debt service principal amounts in FY 2023. The State is obligated to fully pay the capital costs of the water supply storage reserved by Kansas in federal reservoirs.

These payments have been delayed until the additional storage is needed and the storage is called into service. Additional storage has not been needed from Hillsdale Reservoir since 2014. However, future debt service payments on additional storage have continued to accrue interest. The agency is requesting \$3.0 million, all SGF, to mitigate some of this interest and decrease the amount being compounded.

The **Governor** concurs with the agency request and recommends an additional \$53.0 million SGF to pay off future use storage debt associated with Milford and Perry Lakes.