

MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET

The meeting was called to order by Chairperson Larry Powell at 1:43 P.M. on February 20, 2008 in Room 431-N of the Capitol.

All members were present except:

Carl Holmes - excused

Vaughn Flora - excused

Committee staff present:

Heather O'Hara, Kansas Legislative Research Department

Joyce Bishop, Committee Secretary

Conferees appearing before the committee:

Mary Jane Stankiewicz, Chief Legal Officer & Vice President, Kansas Grain & Feed Association

Constantine Cotsoradis, Assistant Secretary, Department of Agriculture

Greg Foley, Executive Director, State Conservation Commission

RoxAnne Miller, Kansas Land Trust

Pat Lehman, Kansas Association of Conservation Districts

Others attending:

See attached list.

Mary Jane Stankiewicz, Chief Legal Officer & Vice President of Kansas Grain & Feed Association, presented information regarding **SB 447**, concerning the Agricultural and specialty chemical remediation act; increasing reimbursement limits; extending the deposit loan program. The bill had passed the Senate 40-0.

Representative Sharon Schwartz made the motion **SB 447** be approved and put on the consent calendar. John Grange seconded the motion. The motion passed unanimously.

The committee considered budget recommendations for the Department of Agriculture.

Chairperson Powell suggested removing the request for one new truck.

Representative Schwartz recommended setting aside the funding for the larger truck until more information was provided.

Chairperson Powell said he had a call from a constituent regarding problems with his experience at a weight station. The employee working there had his own vehicle in the shop working on it and did not give appropriate customer service.

Constantine Cotsoradis, Assistant Secretary, Department of Agriculture, said he would investigate the situation. Chairperson Powell said he would have the constituent contact Constantine by telephone.

Representative Schwartz asked for information regarding the subbasin plan resource management. She said this is a program we fund and never hear about.

Constantine Cotsoradis said it has existed since 1991 or 1992. They work with stakeholders to develop plans. He was not sure if it had a sunset date.

Chairperson Powell suggested the committee remove funding for the subbasin plan resource management and look at it during Omnibus.

Representative Schwartz asked Constantine to appear before the full Appropriations Committee to discuss the program.

CONTINUATION SHEET

MINUTES OF THE House Agriculture and Natural Resources Budget at 1:30 P.M. on February 20, 2008 in Room 431-N of the Capitol.

Heather O'Hara presented budget information on the State Conservation Commission (Attachment 1).

Greg Foley, Executive Director of the State Conservation Commission, presented budget information on the Commission (Attachment 2 & Attachment 3).

Representative Schwartz asked if there was pending legislation regarding the state water settlement.

Greg said **SB 538** and **HB 2626** deal with this issue.

Roxanne Miller, Kansas Land Trust, presented information regarding the Fort Riley Army Compatible Use Buffer Project (Attachment 4).

Pat Lehman, representing the Kansas Association of Conservation Districts, presented information on Resolution #5 for Fiscal Year 2009 State Conservation Commission Budget (Attachment 5).

The meeting adjourned at 2:55pm.

The next meeting is scheduled for February 21, 2008.

HOUSE AG & NATURAL RESOURCES BUDGET COMMITTEE GUEST LIST

DATE: February 20, 2008

[illegible]

STATE CONSERVATION COMMISSION

Expenditure	Actual FY 2007	Agency Est. FY 2008	Gov. Rec. FY 2008	Agency Req. FY 2009	Gov. Rec. FY 2009
Operating Expenditures:					
State General Fund	\$ 1,237,022	\$ 1,218,474	\$ 1,218,474	\$ 1,203,094	\$ 1,222,898
Other Funds	10,549,692	21,537,492	20,966,382	17,260,510	14,877,578
TOTAL	<u>\$ 11,786,714</u>	<u>\$ 22,755,966</u>	<u>\$ 22,184,856</u>	<u>\$ 18,463,604</u>	<u>\$ 16,100,476</u>
Percentage Change:					
Operating Expenditures:					
State General Fund	97.7%	(1.5)%	(1.5)%	(1.3)%	0.4%
All Funds	16.9	93.1	88.2	(18.9)	(27.4)
FTE Positions	13.0	14.0	14.0	14.0	14.0
Non-FTE Perm. Uncl. Pos.	9.0	8.0	8.0	8.0	8.0
TOTAL	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>

AGENCY OVERVIEW

The State Conservation Commission was established in 1937 to promote soil and water conservation. The mission of the State Conservation Commission is to administer conservation programs designed to enable local entities and individuals to protect and enhance Kansas' natural resources. Approximately 94.0 percent of the agency's funding is obtained from the State Water Plan Fund. The recommendations of the Kansas Water Authority on State Water Plan Fund expenditures has a major impact on the agency's budget and activities. Administration of the agency is funded primarily through the State General Fund.

MAJOR ISSUES FROM PRIOR YEARS

The **2002 Legislature** created the Natural Resources Legacy Alliance with the charge of creating a vision for the state's natural resources. The final report of the Alliance to the Governor and the Legislature was submitted on December 1, 2003.

The **2003 Legislature** approved the expenditure of up to \$300,000 from encumbrances released by the agency from the State Water Plan Fund for the Multipurpose Small Lakes Program for the construction of Horsethief Reservoir. The reservoir is located on Buckner Creek in Hodgeman County, approximately eight miles west of Jetmore, and the reservoir provides flood control and recreation.

The **2004 Legislature** approved the creation of the Horsethief Reservoir Benefit District. The Benefit District is comprised of Finney, Ford, Gray, and Hodgeman counties. The Benefit District Board has the authority to impose a district-wide sales tax, issue bonds to finance construction of the reservoir, and manage recreational facilities within the district. If the sales tax is imposed, it cannot exceed 0.25 percent and can be used to pay the costs of the project.

State Conservation Commission

HOUSE AG & NATURAL RESOURCES
BUDGET COMMITTEE
DATE: 2/20/08
ATTACHMENT: 1 - 1

the project, and to make debt service payments on bonds related to the project. A bond issue proposal was adopted by voters in the Benefit District on April 5, 2005. The bonds will be retired from the proceeds of a 0.15 percent sales tax. The Board estimates that the bonds would retire in about 12 years and the sales tax will sunset at that time.

The **2004 Legislature** authorized expenditure authority for the agency to implement a pilot program for irrigation transition grants consistent with federal legislation in FY 2005. The **2004 Legislature** also eliminated 1.5 FTE positions beginning in FY 2005. These positions were vacant and reported as no longer necessary due to reorganization and computerization of agency operations.

The **2005 Legislature** approved expenditures of \$750,000 from the State Water Plan Fund in FY 2006 for the agency to provide cost-share grants for the repair of high hazard dams. The **2005 Legislature** provided funding of \$31,250 from the State Economic Development Initiatives Fund (EDIF) to match conservation easements funding in the United States Department of Agriculture (USDA) Farm and Ranchlands Protection Program.

The **2006 Legislature** added a maximum of \$5.0 million from the State Water Plan Fund, with \$4.6 million from the Water Conservation Reserve account and \$411,571 from released encumbrances for the Conservation Reserve Enhancement Program (CREP) in FY 2007, including language suspending expenditures unless a bill is passed during the regular session of the 2007 Legislature to establish the program. The **2006 Legislature** also added \$786,268 from the State Water Plan Fund for the Water Transition Assistance Program (Water TAP) in FY 2007, along with \$311,500 from the State General Fund in FY 2007, for conservation easements with first priority to the Army Compatible Use Buffer (ACUB) Program and second priority to the USDA Farm and Ranchlands Protection Program.

The **2007 Legislature** added \$4,915,867, all from the State Water Plan Fund, in FY 2008. The amount included \$1,000,000 for the Conservation Reserve Enhancement Program (CREP), limited to an enrollment of 20,000 acres in both FY 2007 and FY 2008, not to exceed 40,000 acres. The amount also included \$1,086,154 for 2007 HB 2048, which raised the limit on authorized state assistance to conservation districts from \$10,000 per district to a maximum of \$25,000 per district, beginning in FY 2008. Also included was \$2,719,713 for lake restoration projects, including the City of Horton Mission Lake project and the Washington County Rural Water District No. 1 Low Head Dam project; \$60,000 for CREP well plugging; and \$50,000 for salt cedar eradication; and 1.0 FTE Water Conservation Program Manager position for the Water Transition Assistance Program (WTAP).

BUDGET SUMMARY AND KEY POINTS

FY 2008 – Current Year. The **agency** estimates a revised FY 2008 budget totaling \$22.8 million, an increase of \$3.2 million, or 16.2 percent, above the amount approved by the 2007 Legislature. Requested State General Fund expenditures total \$1.2 million, an increase of \$4,814, or 0.4 percent, above the approved amount. The increase is due to the reappropriation of \$3.2 million in FY 2007 funding from the State Water Plan Fund. The request would fund the currently approved 14.0 FTE positions.

The **Governor** recommends a revised FY 2008 budget totaling \$22.1 million, a decrease of \$571,110, or 2.5 percent, below the agency's FY 2008 revised estimate. The Governor concurs with the agency's operating expenditures budget with the exception of lapsing \$571,110 from the State Water Plan Fund that was reappropriated from FY 2007, which is included in the agency's revised estimate.

FY 2009 – Budget Year. The **agency** requests a FY 2009 budget of \$18.5 million, a decrease of \$4.3 million, or 18.9 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$1.2 million, a decrease of \$15,380, or 1.3 percent, below the revised current year estimate. The request would fund the 14.0 FTE positions. The request also includes enhancement funding of \$119,765, all from the State Water Plan Fund.

The **Governor** recommends a FY 2009 budget of \$16.1 million, a decrease of \$6.1 million, or 67.4 percent, below the FY 2008 recommendation and a decrease of \$2,363,128, or 12.8 percent, below the agency's FY 2009 request. The recommendation includes the agency's enhancement request of \$119,765, all from the State Water Plan Fund, for the Aid to Conservation Districts Program and \$31,653, including \$19,804 from the State General Fund, for the Governor's pay plan. Reductions to the agency's request include \$2,395,602 for other assistance programs financed by the State Water Plan Fund.

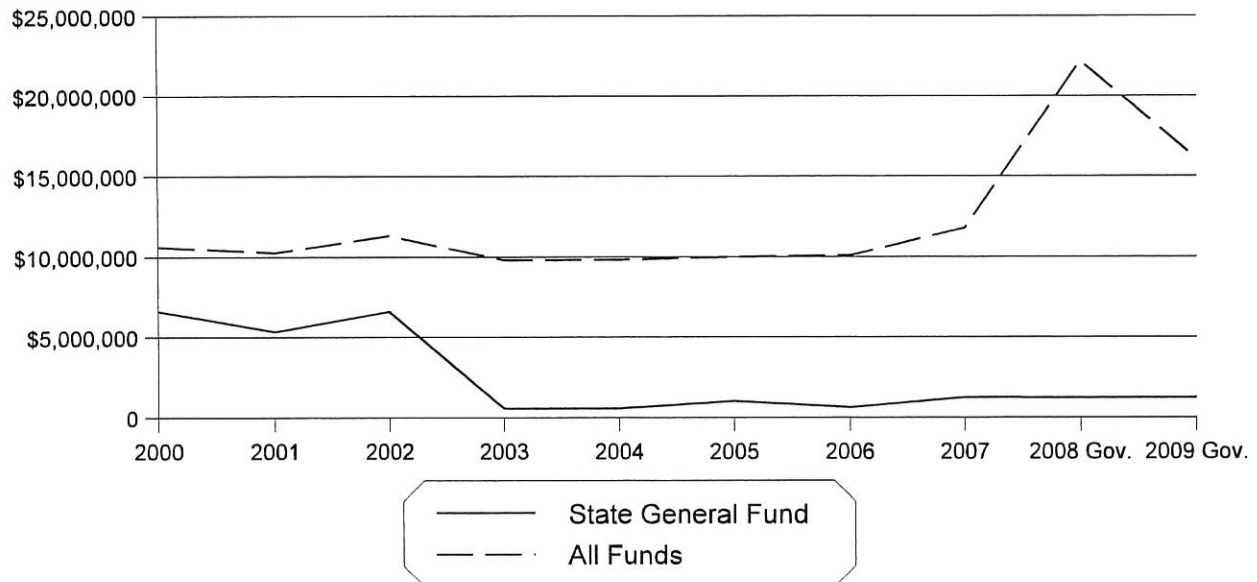
BUDGET TRENDS

OPERATING EXPENDITURES FY 2000–FY 2009

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2000	\$ 6,611,465	(0.4)%	\$ 10,605,811	3.8%	13.5
2001	5,344,441	(19.2)	10,263,390	(3.2)	13.5
2002	6,591,867	23.3	11,313,423	10.2	15.5
2003	559,620	(91.5)	9,788,207	(13.5)	15.5
2004	564,578	0.9	9,806,838	0.2	15.5
2005	1,022,721	81.1	9,997,475	1.9	13.0
2006	625,793	(38.8)	10,080,372	0.8	13.0
2007	1,237,022	97.7	11,786,714	16.9	13.0
2008 Gov. Rec.	1,218,474	(1.5)	22,184,856	88.2	14.0
2009 Gov. Rec.	1,222,898	0.4	16,100,476	(27.4)	14.0
Ten-Year Change					
Dollars/Percent	\$ (5,388,567)	(81.5)%	\$ 5,494,665	51.8%	0.5

- **FY 2005:** The 2004 Legislature appropriated \$440,491 from the State General Fund in FY 2005 for the construction of Horsethief Reservoir. The 2004 Legislature eliminated 1.5 FTE positions which were vacant and reported as no longer necessary due to reorganization and computerization of agency operations. In addition, a correction was made to the agency's FTE positions count with the Division of Personnel Services, resulting in the reduction of 1.0 FTE position.
- **FY 2006:** The 2005 Legislature did not approve an agency request to shift Aid to Conservation District funding of \$1,043,000 from the State Water Plan Fund to the State General Fund.
- **FY 2008:** The 2007 Legislature increased funding from the State Water Plan Fund by \$4.5 million in FY 2008. The agency also included \$3.2 million in FY 2007 reappropriated funding from the State Water Plan Fund in its FY 2008 budget, of which the Governor recommends lapsing \$571,110.

OPERATING EXPENDITURES FY 2000–FY 2009



Summary of Operating Budget FY 2007-FY 2009

	Actual FY 2007	Agency Request					Governor's Recommendation			
		Estimate FY 2008	Request FY 2009	Dollar		Percent Change from FY 08	Rec. FY 2008	Rec. FY 2009	Dollar	
				Change	Change				Change	Change
				from FY 08	from FY 08				from FY 08	from FY 08
By Program: Conservation of Natural Resources										
Administration	\$ 1,237,060	\$ 1,241,290	\$ 1,203,094	\$ (38,196)	(3.1)%		\$ 1,241,290	\$ 1,224,872	\$ (16,418)	(1.3)%
Aid to Conservation Districts	1,048,000	2,136,154	2,255,919	119,765	5.6		2,136,154	2,255,919	119,765	5.6
Watershed Dam Construction	1,265,970	1,140,529	1,055,000	(85,529)	(7.5)		1,140,529	1,055,000	(85,529)	(7.5)
Water Resources Cost-Share	3,530,060	5,819,470	3,660,339	(2,159,131)	(37.1)		5,583,360	3,576,864	(2,006,496)	(35.9)
Multipurpose Small Lakes	1,100,000	4,304,713	4,019,012	(285,701)	(6.6)		3,969,713	3,836,938	(132,775)	(3.3)
Non-Point Source Pollution	2,414,318	4,038,284	3,668,854	(369,430)	(9.1)		4,038,284	2,045,000	(1,993,284)	(49.4)
Riparian and Wetland Protection	470,241	591,373	469,399	(121,974)	(20.6)		591,373	469,399	(121,974)	(20.6)
Land Reclamation	117,238	136,388	133,987	(2,401)	(1.8)		136,388	136,616	228	0.2
Water Quality Buffer Initiatives	538,971	729,060	500,000	(229,060)	(31.4)		729,060	500,000	(229,060)	(31.4)
Water Transition Assistance Prg.	64,856	2,618,705	1,498,000	(1,120,705)	(42.8)		2,618,705	999,868	(1,618,837)	(61.8)
TOTAL	\$ 11,786,714	\$ 22,755,966	\$ 18,463,604	\$ (4,292,362)	(18.9)%		\$ 22,184,856	\$ 16,100,476	\$ (6,084,380)	(27.4)%
By Major Object of Expenditure:										
Salaries and Wages	\$ 1,108,635	\$ 1,177,620	\$ 1,164,989	\$ (12,631)	(1.1)%		\$ 1,177,620	\$ 1,196,642	\$ 19,022	1.6%
Contractual Services	1,365,347	1,421,416	1,272,696	(148,720)	(10.5)		1,421,416	1,272,696	(148,720)	(10.5)
Commodities	11,933	13,837	14,395	558	4.0		13,837	14,395	558	4.0
Capital Outlay	18,632	35,111	3,000	(32,111)	(91.5)		35,111	3,000	(32,111)	(91.5)
Subtotal - Operations	\$ 2,504,547	\$ 2,647,984	\$ 2,455,080	\$ (192,904)	(7.3)%		\$ 2,647,984	\$ 2,486,733	\$ (161,251)	(6.1)%
Aid to Local Units	3,492,168	7,708,296	7,397,831	(310,465)	(4.0)		7,373,296	7,215,757	(157,539)	(2.1)
Other Assistance	5,789,999	12,399,686	8,610,693	(3,788,993)	(30.6)		12,163,576	6,397,986	(5,765,590)	(47.4)
TOTAL	\$ 11,786,714	\$ 22,755,966	\$ 18,463,604	\$ (4,292,362)	(18.9)%		\$ 22,184,856	\$ 16,100,476	\$ (6,084,380)	(27.4)%
Financing:										
State General Fund	\$ 1,237,022	\$ 1,218,474	\$ 1,203,094	\$ (15,380)	(1.3)%		\$ 1,218,474	\$ 1,222,898	\$ 4,424	0.4%
State Water Plan Fund	9,577,983	20,558,558	16,515,785	(4,042,773)	(19.7)		19,987,448	14,126,461	(5,860,987)	(29.3)
All Other Funds	971,709	978,934	744,725	(234,209)	(23.9)		978,934	751,117	(227,817)	(23.3)
TOTAL	\$ 11,786,714	\$ 22,755,966	\$ 18,463,604	\$ (4,292,362)	(18.9)%		\$ 22,184,856	\$ 16,100,476	\$ (6,084,380)	(27.4)%

BUDGET OVERVIEW

A. FY 2008 – Current Year

CHANGE FROM APPROVED BUDGET					
	Approved 2007 Legislature	Agency Estimate FY 2008	Agency Change from Approved	Governor Rec. FY 2008	Governor Change from Approved
State General Fund	\$ 1,213,660	\$ 1,218,474	\$ 4,814	\$ 1,218,474	\$ 4,814
All Other Funds	18,368,201	21,537,492	3,169,291	20,966,382	2,598,181
TOTAL	\$ 19,581,861	\$ 22,755,966	\$ 3,174,105	\$ 22,184,856	\$ 2,602,995
FTE Positions	14.0	14.0	0.0	14.0	0.0

The **agency** estimates a revised FY 2008 budget totaling \$22.8 million, an increase of \$3.2 million, or 16.2 percent, above the amount approved by the 2007 Legislature. The request would fund the currently approved 14.0 FTE positions.

The State General Fund revised estimate totals \$1.2 million, which is an increase of \$4,814, or 0.4 percent, above the approved amount. The increase is due to a reappropriation of the same amount from FY 2007.

The State Water Plan Fund revised estimate totals \$20.6 million, which is an increase of \$3,205,470, or 18.5 percent, above the approved amount. The increase is due to a reappropriation of funds of the same amount from FY 2007, primarily in other assistance and aid to local units in the Water Rights Purchase Program, the Water Resources Cost-Share Program, the Multipurpose Small Lakes Program, and the Non-Point Source Pollution Program.

Absent the State Water Plan Fund revised estimate, the all other funds revised estimate totals \$978,934, which is a decrease of \$36,179, or 3.6 percent, below the approved amount. The agency's revised estimate adjusts for available federal funds and other minor changes in fee fund revenues.

The **Governor** recommends a revised FY 2008 budget totaling \$22.2 million, an increase of \$2.6 million above the amount approved by the 2007 Legislature and a decrease of \$571,110, or 2.5 percent, below the agency's FY 2008 revised estimate. The Governor concurs with the agency's operating expenditures budget, except that the Governor recommends lapsing \$571,110 from the State Water Plan Fund that was reappropriated from FY 2007.

Kansas Savings Incentive Program (KSIP) Expenditures

The agency has not budgeted for any KSIP expenditures in FY 2008.

B. FY 2009 – Budget Year

FY 2009 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 18,463,604	\$ 16,100,476	\$ (2,363,128)
Change from FY 2008:			
Dollar Change:			
State General Fund	\$ (15,380)	\$ 4,424	
All Other Funds	(4,276,982)	(6,088,804)	
TOTAL	<u>\$ (4,292,362)</u>	<u>\$ (6,084,380)</u>	
Percent Change:			
State General Fund	(1.3)%	0.4%	
All Other Funds	(19.9)	(29.0)	
TOTAL	<u>(18.9)%</u>	<u>(27.4)%</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests a FY 2009 budget of \$18.5 million, a decrease of \$4.3 million, or 18.9 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$1.2 million, a decrease of \$15,380, or 1.3 percent, below the revised current year estimate. The request also includes enhancement funding of \$119,765, all from the State Water Plan Fund. The enhancement requests are detailed in the next section of this budget analysis. Absent the enhancement request, the FY 2009 requested budget would total \$18.3 million, a decrease of \$4.4 million, or 19.4 percent, below the revised current year estimate. The request would continue to fund the 14.0 FTE positions.

The State General Fund request totals \$1.2 million, which is a decrease of \$15,380, or 1.3 percent, below the FY 2008 revised request. The decrease is a result of adjustments made for salaries and wages, contractual services, and capital outlay.

The State Water Plan Fund request totals \$16.5 million, which is a decrease of \$4.0 million, or 19.7 percent, below the FY 2008 revised request. The decrease is primarily the result of decreases in the Water Resources Cost-Share Program and the Water Rights Purchase Program due to reappropriated funds from FY 2007 that are budgeted by the agency for expenditures in FY 2008, resulting in a decrease for FY 2009 expenditures.

Absent State Water Plan Fund expenditures, the all other funds expenditures request totals \$744,725, which is a decrease of \$234,209, or 23.9 percent, below the FY 2008 revised request. The decrease reflects an overall reduction in federal funds, primarily due to new priorities and changes in current federal programs.

The **Governor** recommends a FY 2009 budget of \$16.1 million, a decrease of \$6.1 million, or 27.4 percent, below the FY 2008 recommendation and a decrease of \$2,363,128, or 12.8 percent,

below the agency's FY 2009 request. The recommendation includes \$1.2 million from the State General Fund, which is an increase of \$19,804, or 1.6 percent, above the agency's FY 2009 request. The recommendation also includes enhancement funding of \$119,765, all from the State Water Plan Fund, for matching funds for local conservation districts. In addition, the Governor recommends \$31,653, including \$19,804 from the State General Fund for the Governor's pay plan.

The State General Fund recommendation totals \$1,222,898, which is an increase of \$19,804, or 1.6 percent, above the agency's FY 2009 request. The increase reflects the State General Fund portion of the Governor's pay plan.

The State Water Plan Fund recommendation totals \$14.1 million, which is a decrease of \$2,389,324, or 14.5 percent, below the agency's FY 2009 request. The Governor recommends decreases in the Water Resources Cost Share Program (\$91,542), Multipurpose Small Lakes Program (\$182,074), Non-Point Source Pollution Program (\$1,623,854), and the Water Transition Assistance Program (\$498,132).

Absent State Water Plan Fund expenditures, the all other funds expenditures recommendation totals \$751,117, which is an increase of \$6,392, or 0.8 percent, above the agency's FY 2009 request. The increase is attributed to increases in the Land Reclamation Fund (\$3,163) and in federal funds (\$3,229).

FY 2009 ENHANCEMENTS						
Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Aid to Conservation Districts	\$ 0	\$ 119,765	0.0	\$ 0	\$ 0	0.0

Enhancements Detail

Aid to Conservation Districts Program. The agency requests \$119,765, all from the State Water Plan Fund, to provide a match to local conservation districts' funds in accordance with K.S.A. 2-1907(c). The 2007 Legislature amended the statute to raise the limit of authorized state assistance from \$10,000 per district to a new maximum of \$25,000 per district and the agency requests an increase in the state match for local conservation districts.

The **Governor** recommends the enhancement for FY 2009.

FY 2009 REDUCED RESOURCES						
Enhancement	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Conservation Easements	\$ (24,062)	\$ (24,062)	0.0	\$ 0	\$ 0	0.0

FY 2009 Reduced Resources

Conservation Easements. The **agency** submits a reduced resources budget of \$24,062, all from the State General Fund, that reduces conservation easements payments by \$24,062.

The **Governor** does not recommend the reduced resources budget for FY 2009.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Governor's FY 2009 recommendation includes a 2.5 percent base salary adjustment for all employees for the entire fiscal year. The Governor's total recommendation for the pay increase is \$55.2 million, including \$27.1 million from the State General Fund. (This amount assumes that the Regents will elect to provide the same salary increases provided to other state agencies. Funding for the Regents portion of the increase which totals \$27.4 million, including \$12.5 million from the State General Fund, is included in the Regents operating grant increase recommended by the Governor.) **For this agency**, the recommended pay increase totals \$26,389, including \$16,514 from the State General Fund.

Classified Employee Pay Plan. During the 2007 interim, the State Employee Compensation Oversight Commission was charged with the development of a new pay plan for classified employees for the Governor, Chief Justice of the Supreme Court and 2008 Legislature to consider. The Commission endorsed the recommendation of the Hay Group that five separate pay plans be created for state employees in the classified service, with different opportunities for pay increases to acknowledge the different types of work performed. The five pay plans recommended include: a **management pay plan** for the limited number of classified employees (i.e. Public Service Executive III, Public Service Executive IV, Corrections Manager I) involved in managerial functions (pay increases will be solely based on performance); a **professional individual contributor** pay plan for employees (i.e. Public Service Executive II, Registered Nurse Senior, Applications Developer II) in positions requiring knowledge of principles and theories of a professional discipline that is normally obtained through a college curriculum (pay for this group will be set within broad bands to reflect different levels of work and performance against established standards); a **protective service** pay plan for uniformed officers of the Department of Corrections, Juvenile Justice Authority, Highway Patrol troopers and all other positions that meet the definition of police or law enforcement officer (pay increases would be based on achievement of milestone and certification events as well as time on the job and performance); a **basic vocational pay plan** for employees (i.e. Senior Administrative Assistant, Administrative Assistant, Custodial Specialist) assigned to positions that perform routine, structured, work where performance can be measured on a pass/fail basis (pay increases will be based on the traditional step movement approach, based on time on the job); and a **general** classified pay plan for those employees (i.e. Administrative Specialist, Human Service Specialist, Mental Health/Developmental Disability Technician) who do not fall within the parameters of the other four plans (the pay ranges will have steps below the market rate and an open range above the market rate).

The time frame to fully implement the recommended plan is five years. Under the Governor's recommendations, the classified employees will be divided into three groups to first address those with the greatest salary disparity to the market rate. In the first year, FY 2009, the basic vocational classes, as well as what *Volume 1 of the Governor's Budget Report* characterizes as "isolated worst cases" will be addressed. For FY 2009, the Governor recommends \$16.0 million, including \$8.5 million from the State General Fund, to finance the first year. The Governor also recommends that estimated future costs for the market adjustments be appropriated during the 2008 Legislative Session through a multi-year appropriation. **For this agency**, the Governor recommends \$5,264, including \$3,290 from the State General Fund, to finance the FY 2009 plan for the basic vocational classes and for those positions identified as having the most disparity relative to market rate.

FY 2008 One-Time Bonus Payment. The 2007 Legislature authorized a one-time bonus payment of \$860 for all classified employees. Unclassified employees' appointing authority received a salary pool equivalent to the bonus payment. The bonus payment was made on December 14, 2007, and was included in employees' retirement calculations. **For this agency**, the bonus payment of \$19,077, including \$10,566 from the State General Fund, was not continued in FY 2009.

Longevity Bonus Payments. The Governor recommends continuation of the current "temporary" longevity bonus payment program. The recommendation provides for a bonus of \$50 per year of service, with a 10-year minimum (\$500) and a 25-year maximum (\$1,250). The current statutory provisions of the longevity bonus payment are \$40 per year of service, with a 10-year minimum (\$400), and a 25-year maximum (\$1,000). The estimated cost for the recommended FY 2009 payments is \$14.7 million, including \$7.0 million from the State General Fund. **For this agency**, the Governor recommends longevity funding totaling \$5,250, including \$4,000 from the State General Fund.

Kansas Public Employees Retirement System (KPERs) Rate Adjustments. A total of \$7.5 million, including \$3.4 million from the State General Fund, is included in the Governor's FY 2009 recommendations for KPERs adjustments. The FY 2009 rate for KPERs regular and school members will increase by 0.6 percent, from 6.37 percent to 6.97 percent, when compared to FY 2008. This increase is attributable to the annual statutory increase for financing the unfunded liability of the KPERs fund.

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2009	Gov. Rec. Percent of Total FY 2009
State General Fund	6.6%	7.7%
State Water Plan Fund	90.8	89.3
All Other Funds	2.6	3.0
TOTAL	100.0%	100.0%

Fee Fund Analysis

State Water Plan Fund.

The State Water Plan Fund is a statutory fund (K.S.A. 82a-951) that was created by the 1989 Legislature for the purpose of implementing the State Water Plan. Subject to appropriation acts, the Fund may be used for the establishment and implementation of water-related projects or programs and related technical assistance. State Water Plan Funds may not be used to replace FTE positions or for recreational projects that do not meet the goals or objectives of the State Water Plan (K.S.A. 82a-903).

Revenue for the Fund is generated by a water protection fee levied on public, industrial, and stock water users; a per ton tax on fertilizer; a registration fee on pesticides; certain fines levied by the Kansas Department of Health and Environment (KDHE); sand royalty receipts; public water suppliers; funding from litigation with other states; and annual transfers of \$6,000,000 from the State General Fund and \$2,000,000 from the State Economic Development Initiatives Fund (EDIF).

Beginning in FY 2008, 101/106 of the Clean Drinking Water Fee receipts will be deposited in the State Water Plan Fund. Of the funding received from the Clean Drinking Water Fee, 85.0 percent is to be used to renovate and protect lakes which are used directly as a source of water for public water supply systems. The remaining 15.0 percent is to be used to provide on-site technical assistance for public water supply systems.

State Water Plan Fund Expenditures						
Expenditures	Actual FY 2007	Agency Est. FY 2008	Gov. Rec. FY 2008	KWA Rec. FY 2009	Agency Req. FY 2009	Gov. Rec. FY 2009
Water Resources Cost-Share	\$ 3,323,365	\$ 3,559,475	\$ 3,323,365	\$ 3,412,218	\$ 3,412,218	\$ 3,326,594
Non-Point Source Pollution Assistance	2,388,592	3,992,784	3,992,784	3,623,854	3,623,854	2,000,000
Aid to Conservation Districts	1,048,000	2,136,154	2,136,154	2,136,154	2,255,919	2,255,919
Watershed Dam Construction	1,265,970	1,140,529	1,140,529	1,055,000	1,055,000	1,055,000
Water Quality Buffer Initiative	265,437	391,720	391,720	350,000	350,000	350,000
Riparian and Wetland Protection	88,013	364,478	364,478	251,782	251,782	251,782
Multipurpose Small Lakes	1,100,000	1,250,000	1,250,000	1,123,176	1,123,176	1,123,176
Water Transition Assistance Program	64,856	2,618,705	2,618,705	1,498,000	1,498,000	1,000,228
Salt Cedar Control Demonstrations	33,750	50,000	50,000	50,000	50,000	50,000
Conservation Reserve Enhancement Prg.	0	2,000,000	2,000,000	0	0	0
Lake Restoration/Management	0	3,054,713	2,719,713	2,895,836	2,895,836	2,713,762
TOTAL	\$ 9,577,983	\$ 20,558,558	\$ 19,987,448	\$ 16,396,020	\$ 16,515,785	\$ 14,126,461

For FY 2008, the **agency** estimates State Water Plan Fund expenditures of \$20,558,558, which is an increase of \$10,980,575, or 114.6 percent, above actual FY 2007 expenditures. Of the increase, \$3.2 million is attributed to reappropriated funds from FY 2007. Absent the reappropriated funds, the request would be \$17.4 million, which is the same as the amount approved for FY 2008 by the 2007 Legislature.

The **Governor** recommends revised FY 2008 State Water Plan Fund expenditures of \$19,987,448, which is a decrease of \$571,110, or 2.8 percent, below the agency's revised estimate. The recommendation includes lapsing \$571,110 of reappropriated funding from FY 2007 in the State Water Plan Fund.

For FY 2009, the **agency** requests State Water Plan Fund expenditures of \$16,515,785, which is a decrease of \$4,042,773, or 19.7 percent, below the FY 2008 revised estimate. The decrease is attributed to one-time funds appropriated by the 2007 Legislature for FY 2008, including \$1,000,000 for the Conservation Reserve Enhancement Program (CREP) and \$1.0 million of reappropriated funds from FY 2007, totaling the \$2.0 million revised estimate in FY 2008, and other reappropriated funds that are budgeted to be expended in FY 2008.

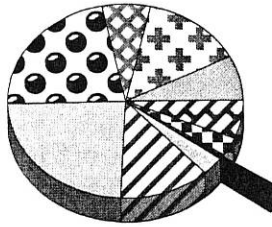
The agency's FY 2009 request is \$119,765, or 0.7 percent, above the Kansas Water Authority recommendation. The increase is attributed to the agency's one enhancement request providing additional matching funds to local conservation districts' funds in accordance with legislation passed by the 2007 Legislature (see K.S.A. 2-1907(c)).

The **Governor** recommends FY 2009 State Water Plan Fund expenditures of \$14,126,461, which is a decrease of \$5,860,987 below the FY 2008 recommendation and a decrease of \$2,389,324, or 14.5 percent, below the agency's FY 2009 request. The Governor recommends decreases in the Water Resources Cost Share Program (\$91,542), Multipurpose Small Lakes Program (\$182,074), Non-Point Source Pollution Program (\$1,623,854), and the Water Transition Assistance Program (\$498,132).

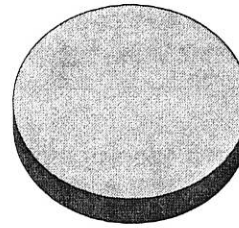
Expenditures by Subprogram

Governor's FY 2009 Recommendation

All Funds



State General Fund



- | | |
|--|-------------------------------------|
| Administration | Aid to Conservation Districts |
| Watershed Dam Construction | Water Resources Cost-Share |
| Multipurpose Small Lakes | Non-Point Source Pollution |
| Kansas Water Quality Buffer Initiative | Riparian and Wetland Protection |
| Land Reclamation | Water Transition Assistance Program |

Subprogram	Gov. Rec. All Funds FY 2009	Percent of Total	Gov. Rec. SGF FY 2009	Percent of Total
Administration	\$ 1,224,872	7.6%	\$ 1,222,898	100.0%
Aid to Conservation Districts	2,255,919	14.0	0	0.0
Watershed Dam Construction	1,055,000	6.6	0	0.0
Water Resources Cost-Share	3,576,864	22.2	0	0.0
Multipurpose Small Lakes	3,836,938	23.8	0	0.0
Non-Point Source Pollution	2,045,000	12.7	0	0.0
Kansas Water Quality Buffer Initiative	469,399	2.9	0	0.0
Riparian and Wetland Protection	136,616	0.8	0	0.0
Land Reclamation	500,000	3.1	0	0.0
Water Transition Assistance Program	999,868	6.2	0	0.0
TOTAL	\$ 16,100,476	100.0%	\$ 1,222,898	100.0%

FTE POSITIONS BY PROGRAM – FY 2007- FY 2009

Subprogram	Actual FY 2007	Agency Est. FY 2008	Gov. Rec. FY 2008	Agency Req. FY 2009	Gov. Rec. FY 2009
Administration	11.0	11.0	11.0	11.0	11.0
Aid to Conservation Districts	0.0	0.0	0.0	0.0	0.0
Watershed Dam Construction	0.0	0.0	0.0	0.0	0.0
Water Resources Cost-Share	0.0	0.0	0.0	0.0	0.0
Multipurpose Small Lakes	0.0	0.0	0.0	0.0	0.0
Non-Point Source Pollution	0.0	0.0	0.0	0.0	0.0
Kansas Water Quality Buffer Initiative	0.0	0.0	0.0	0.0	0.0
Riparian and Wetland Protection	0.0	0.0	0.0	0.0	0.0
Land Reclamation	2.0	2.0	2.0	2.0	2.0
Water Transition Assistance Program	0.0	1.0	1.0	1.0	1.0
TOTAL	13.0	14.0	14.0	14.0	14.0

A. Conservation of Natural Resources Program

The State Conservation Commission currently has one program, the Conservation of Natural Resources Program. In FY 2007, the program supported 13.0 FTE positions and 9.0 non-FTE positions. The 2007 Legislature approved the transfer of 1.0 non-FTE position to a regular unclassified FTE position, which is reflected in the agency's request for 14.0 FTE positions and 8.0 non-FTE positions in FY 2008 and FY 2009. Within the Conservation of Natural Resources Program, the agency administers two statewide initiatives (Total Maximum Daily Loads and the Watershed Restoration and Protection Strategy) and 10 subprograms, which are detailed below.

The two statewide initiatives administered by the agency are as follows:

- **Total Maximum Daily Loads (TMDLs).** Total Maximum Daily Loads (TMDLs) were established as a result of a lawsuit settlement between the State of Kansas, the Environmental Protection Agency (EPA), and the Sierra Club. TMDLs are required by federal law to limit the amount of pollutants in streams, rivers, and lakes. They have been established in 11 of the 12 Kansas river basins. TMDLs cost-share funds are allocated in the Water Resources Cost-Share and the Non-Point Source Pollution subprograms.
- **Watershed Restoration and Protection Strategy (WRAPS).** The Watershed Restoration and Protection Strategy (WRAPS) is a planning and management framework intended to provide a means of engaging local watershed stakeholders in a process to determine watershed restoration and protection needs, as well as establish management goals, and to identify a cost effective strategy to achieve those goals. WRAPS will address a variety of water quality and water resource concerns, such as TMDLs, protection of public water supply reservoirs, and protection or restoration of wetlands and riparian habitats. WRAPS-related funding may be allocated from the Water Resources Cost-Share, Non-Point Source Pollution, Riparian and Wetland Protection, Water Quality Buffer Initiative, Multipurpose Small Lakes, and Watershed Dam Construction subprograms.

The 10 subprograms within the agency's Conservation of Natural Resources Program are as follows:

- **Administration.** The Administration Subprogram is headed by an executive director and provides administrative, clerical, and accounting support. The subprogram also provides guidance and planning assistance to conservation districts, watershed districts, and other local units of government.
 - For FY 2008, the **agency** estimates Administration operating expenditures of \$1,241,290, including \$1,218,474 from the State General Fund. The revised estimate is an increase of \$4,230, or 0.3 percent, above FY 2007 actual expenditures, and State General Fund expenditures are \$18,548, or 1.5 percent, below FY 2007 actual State General Fund expenditures. The increase is attributed to capital outlay expenditures for vehicle replacement, which is partially offset by decreases in contractual services. The **Governor** concurs with the agency's FY 2008 revised estimate.
 - For FY 2009, the **agency** requests Administration operating expenditures of \$1,203,094, all from the State General Fund, which is a decrease of \$38,196, or 3.1 percent, below the FY 2008 revised estimate. The decrease is attributed to one-time capital outlay expenditures in FY 2008, in addition to decreases in salaries and wages and contractual services. The **Governor** recommends FY 2009 Administration operating expenditures of \$1,224,872,

including \$1,222,898 from the State General Fund. The increase is attributed to \$21,778, including \$19,804 from the State General Fund, for the Governor's pay plan.

- **Aid to Conservation Districts.** The Aid to Conservation Districts Subprogram provides a match for contributions to the operating budget of the 105 local conservation districts (K.S.A. 2-1907(c)). The maximum amount of state assistance is limited by statute to \$25,000 per district, increased from \$10,000 by 2007 HB 2048.
 - For FY 2008, the **agency** estimates Aid to Conservation Districts operating expenditures of \$2,136,154, all from the State Water Plan Fund, which is an increase of \$1,088,154, or 103.8 percent, above FY 2007 actual expenditures. The revised estimate includes only funding from the State Water Plan Fund and reflects an increased appropriation from the 2007 Legislature to fund 2007 HB 2048, which raises the limit of authorized state assistance from the current \$10,000 per conservation district to a new maximum of \$25,000 per district. The **Governor** concurs with the agency's FY 2008 revised estimate.
 - For FY 2009, the **agency** requests Aid to Conservation Districts operating expenditures of \$2,255,919, all from the State Water Plan Fund, which is an increase of \$119,765, or 5.6 percent, above the FY 2008 revised estimate. The increase is attributed to the agency's one enhancement request to provide a match to local conservation districts' funds in accordance with 2007 HB 2048, which raises the limit of authorized state assistance from the current \$10,000 per conservation district to a new maximum of \$25,000 per district. The **Governor** concurs with the agency's FY 2009 request.
- **Watershed Dam Construction.** The Watershed Dam Construction Subprogram provides cost share assistance to watershed and drainage districts in the construction of flood detention or grade stabilization dams. The subprogram assists in watershed planning and develops non-structural projects that reduce flood damage.
 - For FY 2008, the **agency** estimates Watershed Dam Construction operating expenditures of \$1,140,529, all from the State Water Plan Fund, which is a decrease of \$125,441, or 9.9 percent, below FY 2007 actual expenditures. The revised estimate includes \$453,501 for construction and rehabilitation of dams located above federal reservoirs, \$351,499 for construction of flood control dams, \$335,529 for rehabilitation and inundation mapping, as well as \$85,529 of reappropriated funding from FY 2007. The **Governor** concurs with the agency's FY 2008 revised estimate.
 - For FY 2009, the **agency** requests Watershed Dam Construction operating expenditures of \$1,055,000, all from the State Water Plan Fund, which is a decrease of \$85,529, or 7.5 percent, below the FY 2008 revised estimate. The decrease is attributed to the reappropriated funding from FY 2007 that is budgeted for expenditures in FY 2008. The **Governor** concurs with the agency's FY 2009 request.
- **Water Resources Cost-Share.** The Water Resources Cost-Share Subprogram utilizes funding from the State Water Plan Fund, the State General Fund, and matching federal funds to focus on four areas: addressing Total Maximum Daily Loads (TMDLs) and other water quality issues in priority areas; continuation of base-level funding to address priority state and local water resource problems

identified by conservation districts; provide technical assistance funds to the Natural Resources Conservation Service to provide landowners with technical assistance to implement Best Management Practices (BMPs); and target drainage areas above public water supply lakes to reduce sedimentation.

- For FY 2008, the **agency** estimates Water Resources Cost-Share operating expenditures of \$5,819,470, including \$5,559,475 from the State Water Plan Fund. The revised estimate is an increase of \$2,289,410, or 64.9 percent, above FY 2007 actual expenditures. The increase is attributed to \$2,000,000 appropriated by the 2007 Legislature for the Conservation Reserve Enhancement Program (CREP). Other increases are attributed to increases in federal funding and matching funding from the State Water Plan Fund, as well as reappropriated funding from FY 2007 of \$142,063 from the State Water Plan Fund. The **Governor** recommends revised FY 2008 Water Resources Cost-Share operating expenditures of \$5,583,360, including \$5,323,365 from the State Water Plan Fund, which is a decrease of \$236,110, or 4.1 percent, below the agency's FY 2009 request. The decrease is attributed to a reduction in other assistance.
- For FY 2009, the **agency** requests Water Resources Cost-Share operating expenditures of \$3,660,339, including \$3,412,218 from the State Water Plan Fund. The request is a decrease of \$2,159,131, or 37.1 percent, below the FY 2008 revised estimate. The decrease is attributed to one-time Conservation Reserve Enhancement Program (CREP) funding of \$2.0 million from the State Water Plan Fund in FY 2008. The agency also anticipates decreases in available federal funding, with corresponding decreases in matching funding from the State Water Plan Fund. The **Governor** recommends FY 2009 Water Resources Cost-Share operating expenditures of \$3,576,864, including \$3,326,074 from the State Water Plan Fund, which is a decrease of \$2,006,496, or 35.9 percent below the Governor's FY 2008 recommendation, and a decrease of \$83,475, or 2.3 percent, below the agency's FY 2009 request. The decrease is attributed to a decrease in other assistance, which is partially offset by an increase in salaries and wages of \$5,378, including \$2,689 from the State Water Plan Fund, for the Governor's pay plan.
- **Multipurpose Small Lakes.** The Multipurpose Small Lakes Subprogram assists local entities in need of water supply, flood reduction, and recreational facilities by providing state financial assistance for the full development of a planned flood control or water supply site.
 - For FY 2008, the **agency** estimates Multipurpose Small Lakes operating expenditures of \$4,304,713, all from the State Water Plan Fund, which is an increase of \$3,204,713, or 291.3 percent, above the FY 2007 actual expenditures. The increase is attributed an appropriation of \$2,719,713 for Lake Restoration by the 2007 Legislature, in addition to a reappropriation of \$335,000 from FY 2007. The **Governor** recommends revised FY 2008 Multipurpose Small Lakes operating expenditures of \$3,969,713, which is a decrease of \$335,000, or 7.8 percent, below the agency's FY 2008 revised estimate. The decrease is attributed to a reduction in aid to local units.
 - For FY 2009, the **agency** requests Multipurpose Small Lakes operating expenditures of \$4,019,012, all from the State Water Plan Fund, which is a decrease of \$285,701, or 6.6 percent, below the FY 2008 revised estimate. The decrease reflects the reappropriation of funds from FY 2007 that the agency has budgeted in FY 2008, as well as a decrease in the state

obligation toward the construction of Horsethief Reservoir. The **Governor** recommends FY 2009 Multipurpose Small Lakes operating expenditures of \$3,836,938, which is a decrease of \$132,775, or 3.3 percent, below the Governor's FY 2008 recommendation, and a decrease of \$182,074, or 4.5 percent, below the agency's FY 2009 request. The decrease is attributed to a reduction in aid to local units.

- **Non-Point Source Pollution.** The Non-Point Source Pollution Subprogram provides assistance to locally developed voluntary programs, targeted specifically at non-point source pollutants. The subprogram provides financial assistance to local landowners for projects and provides technical assistance to develop area non-point source control programs.
 - For FY 2008, the **agency** estimates Non-Point Source Pollution operating expenditures of \$4,038,284, including \$3,992,784 from the State Water Plan Fund. The revised estimate is an increase of \$1,623,966, or 67.3 percent, above FY 2007 actual expenditures. The revised estimate is an increase of \$414,430 above the amount approved by the 2007 Legislature. The increase from the approved amount is attributed to a reappropriation of \$368,930 from FY 2007 in funding from the State Water Plan Fund and to \$45,500 in additional federal funding. The **Governor** concurs with the agency's FY 2008 revised estimate.
 - For FY 2009, the **agency** requests Non-Point Source Pollution operating expenditures of \$3,668,854, including \$3,623,854 from the State Water Plan Fund. The request is a decrease of \$369,430, or 9.1 percent, below the FY 2008 revised estimate. The decrease is attributed to the reappropriated funds from FY 2007 that are budgeted for expenditure in FY 2008, as well as a \$500 decrease in federal funding expenditures. The **Governor** recommends FY 2009 Non-Point Source Pollution operating expenditures of \$2,045,000, including \$2.0 million from the State Water Plan Fund. The recommendation is \$1,993,284, or 49.4 percent, below the Governor's FY 2008 recommendation and a decrease of \$1,623,854, or 44.3 percent, below the agency's FY 2009 request. The decrease is attributed to a reduction in other assistance.
- **Riparian and Wetland Protection.** The Riparian and Wetland Subprogram promotes the voluntary protection and restoration of riparian and wetland areas by providing education and information, county-wide planning, and cost-share assistance to implement protection and demonstration projects. The subprogram addresses such issues as water quality improvement, erosion and sediment control, flood control, recreation, and critical wildlife habitat as provided by riparian and wetland areas.
 - For FY 2008, the **agency** estimates Riparian and Wetland Protection operating expenditures of \$591,373, including \$414,478 from the State Water Plan Fund. The revised estimate is an increase of \$121,132, or 25.8 percent, above FY 2007 actual expenditures. The increase is attributed to a reappropriation from FY 2007 of \$112,696, as well as an additional increase of \$8,436 in other assistance for funding 11 Natural Resources Conservation Service (NRCS) Environmental Quality Incentive Program (EQIP) stream bank stabilization projects in four counties. The **Governor** concurs with the agency's FY 2008 revised estimate.
 - For FY 2009, the **agency** requests Riparian and Wetland Protection operating expenditures of \$469,399, including \$301,782 from the State Water Plan

Fund. The request is a decrease of \$121,974, or 20.6 percent, below the Governor's FY 2008 recommendation and the agency's revised estimate. The decrease is attributed to the reappropriated funds from FY 2007 that are budgeted for expenditure in FY 2008, as well as a decrease in federal matching funds associated with the reappropriated funding budgeted for FY 2008. The **Governor** concurs with the agency's FY 2009 request.

- **Land Reclamation.** The Land Reclamation Subprogram provides for the reclamation and conservation of land affected by the surface mining of minerals and industrial materials other than coal, oil, or gas. Aggregate producers must be licensed and each active site must be registered and have an approved reclamation plan. The subprogram is supported by fees for licenses and site registrations.
 - For FY 2008, the **agency** estimates Land Reclamation operating expenditures of \$136,368, all from special revenue funds, which is an increase of \$19,150, or 16.3 percent, above FY 2007 actual expenditures. The increase is attributed to an increase in fringe benefits and salaries and wages expenditures associated with the pay plan approved by the 2007 Legislature. In addition, the agency estimates an increase of \$10,241 in contractual services for increased travel and communication costs, as well as \$2,170 in one-time capital outlay expenditures to replace two computers, and an increase of \$1,479 in commodities for office supplies. The **Governor** concurs with the agency's FY 2008 revised request.
 - For FY 2009, the **agency** requests Land Reclamation operating expenditures of \$133,987, all from special revenue funds, which is a decrease of \$2,401, or 1.8 percent, below the FY 2008 revised estimate. The decrease is attributed to one-time capital outlay expenditures in FY 2008, as well as a decrease in salaries and wages. The **Governor** recommends FY 2009 Land Reclamation operating expenditures of \$136,616, all from special revenue funds, which is an increase of \$228, or 0.2 percent, above the Governor's FY 2008 recommendation and an increase of \$2,629, or 2.0 percent, above the agency's FY 2009 request. The increase is due to an addition in salaries and wages for the Governor's pay plan.
- **Kansas Water Quality Buffer Initiative.** The Kansas Water Quality Buffer Initiative provides bonus incentives on a per acre basis to landowners to establish riparian forest or vegetative buffer strips on acres adjacent to creeks, streams, or other areas experiencing run-off. This initiative complements the Conservation Reserve Program (CRP) and supplements federal incentive payments. The Commission enters into 10 to 15-year contracts which provide for annual payments. Annual payments are subject to annual legislative appropriations.
 - For FY 2008, the **agency** estimates Kansas Water Quality Buffer Initiative operating expenditures of \$729,060, including \$391,720 from the State Water Plan Fund. The revised estimate is an increase of \$190,089, or 35.3 percent, above FY 2007 actual expenditures. The increase includes a reappropriation of \$41,720 in the State Water Plan Fund from FY 2007, in addition to increases in federal funding for county buffer coordinators. The **Governor** concurs with the agency's FY 2008 revised estimate.
 - For FY 2009, the **agency** requests Kansas Water Quality Buffer Initiative operating expenditures of \$500,000, including \$350,000 from the State Water Plan Fund. The request is a decrease of \$229,060, or 31.4 percent, below the FY 2008 revised estimate. The decrease is attributed to a reduction

anticipated by the agency in federal funding that provides funding for the county buffer coordinators. The **Governor** concurs with the agency's FY 2009 request.

- **Water Rights Transition Assistance Program (WTAP).** The Water Rights Transition Assistance Program (WTAP) is a voluntary, incentive-based program for the permanent dismissal of irrigation water rights in focused, over-appropriated areas that are closed to new appropriations. The WTAP also includes what was formally called the Water Rights Purchase Program, which provides grant assistance to local governments and conservation districts for up to 80.0 percent of the purchase price of water rights from private individuals. After purchase, the water rights are returned to the custodial care of the state and will not be available for future purchase. The agency believes the intent of the 2007 Legislature, through appropriations to the two programs, was to combine the two programs into one program that targets the purchase and dismissal of water rights. For FY 2008, no funds are budgeted for the Water Rights Purchase Program.
 - For FY 2008, the **agency** estimates Water Rights Transition Assistance Program operating expenditures of \$2,618,705, an increase of \$2,553,849, or 3,937.3 percent, above FY 2007 actual expenditures. The increase is attributed to the merger of the WTAP and Water Rights Purchase Program in FY 2008. The increase includes a reappropriation of \$1,119,532 in FY 2007 funding from the State Water Plan Fund. The **Governor** concurs with the agency's FY 2008 revised estimate.
 - For FY 2009, the **agency** requests Water Rights Transition Assistance Program operating expenditures of \$1,498,000, a decrease of \$1,120,705, or 42.8 percent, below the FY 2008 revised estimate. The decrease is primarily attributed to the reappropriated funding from FY 2007 that is budgeted for FY 2008 expenditures. The **Governor** recommends FY 2009 Water Rights Transition Assistance Program operating expenditures of \$999,868, all from the State Water Plan Fund, which is a decrease of \$1,618,837, or 61.8 percent, below the Governor's FY 2008 recommendation, and a decrease of \$498,132, or 33.3 percent, below the agency's FY 2009 request. The decrease is attributed to a reduction in other assistance. The decrease is partially offset by an increase of \$1,868 in salaries and wages for the Governor's pay plan.

PERFORMANCE MEASURES			
	Actual FY 2007	Gov. Rec. FY 2008	Gov. Rec. FY 2009
Conservation Districts Receiving the Maximum Amount of Assistance	101	49	61
New Dams Constructed for Flood Control Protection, Grade Stabilization, and Other Purposes	3	5	5
Cost-Share Contracts Funded	914	1,875	1,875
Non-Point Source Pollution Site Evaluations Conducted	49	75	75
Counties with Approved Riparian and Wetland Protection Plans	75	78	80

Senate Subcommittee Report

Agency: State Conservation Commission

Bill No. SB 358

Bill Sec. 54

Analyst: Krahrl

Analysis Pg. No. Vol. 1-43

Budget Page No. 109

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,241,836	\$ 1,241,836	\$ 0
State Water Plan Fund	18,469,842	16,814,705	0
Other Funds	1,405,505	1,405,505	0
Subtotal - Operating	<u>\$ 21,117,183</u>	<u>\$ 19,462,046</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 21,117,183</u></u>	 <u><u>\$ 19,462,046</u></u>	 <u><u>\$ 0</u></u>
 FTE Positions	 13.0	 13.0	 0.0
Non FTE Uncl. Perm. Pos.	9.0	9.0	0.0
TOTAL	<u><u>22.0</u></u>	<u><u>22.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The State Conservation Commission estimates FY 2007 operating expenditures of \$21,117,183, an increase of \$3,403,314, or 19.2 percent, above the approved amount. The revised estimate includes State General Fund expenditures of \$1,241,836, an increase of \$59,520, or 5.0 percent, above the approved amount. The increase is due to a reappropriation of \$18,216; a pay plan adjustment of \$1,396 and a supplement request of \$39,908 for operational expenditures. The estimate also includes State Water Plan Fund expenditures of \$18,469,842, including \$2,470,137 of reappropriations. All other funds of \$1,405,505, is an increase of \$873,657, or 164.3 percent, above the approved amount and is due to increased federal funds. The estimate includes: salaries and wages of \$1,197,185 to fund 22.0 positions; \$1,686,174 for contractual services; \$17,582 for commodities; \$7,095 for capital outlay; \$4,074,512 for aid to local units and \$14,134,635 for other assistance.

Governor's Recommendation

The Governor recommends FY 2007 operating expenditures of \$19,462,046, an increase of \$1,748,177, or 9.9 percent, above the approved amount. The recommendation includes State General Fund expenditures of \$1,241,836, an increase of \$59,520, or 5.0 percent, above the approved amount and includes the supplemental request of \$39,908 for operational expenditures. State Water Plan Fund expenditures of \$16,814,705, an increase of \$815,000, or 5.1 percent, above the approved amount and includes a reappropriation of \$815,000, or a decrease of

\$1,655,177, or 67.0 percent, below the agency's estimate. All other funds of \$1,405,505, is an increase of \$873,657 or 164.3 percent above the approved amount and is due to increased federal funds. The recommendation include: \$1,197,188 for salaries and wages to fund 22.0 positions; \$1,457,735 for contractual services; \$17,582 for commodities; \$7,095 for capital outlay; \$4,074,512 for aid to local units and \$12,707,934 for other assistance.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee's recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the Senate Committee's recommendation.

House Budget Committee Report

Agency: State Conservation Commission **Bill No.** HB 2541

Bill Sec. 54

Analyst: Krah

Analysis Pg. No. Vol. 1-43

Budget Page No. 117

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,241,836	\$ 1,241,836	\$ 0
State Water Plan Fund	18,469,842	16,814,705	(5,000,000)
Other Funds	1,405,505	1,405,505	0
Subtotal - Operating	<u>\$ 21,117,183</u>	<u>\$ 19,462,046</u>	<u>\$ (5,000,000)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u>\$ 21,117,183</u>	<u>\$ 19,462,046</u>	<u>\$ (5,000,000)</u>
FTE Positions	13.0	13.0	0.0
Non FTE Uncl. Perm. Pos.	9.0	9.0	0.0
TOTAL	<u>22.0</u>	<u>22.0</u>	<u>0.0</u>

Agency Estimate

The State Conservation Commission estimates FY 2007 operating expenditures of \$21,117,183, an increase of \$3,403,314, or 19.2 percent, above the approved amount. The revised estimate includes State General Fund expenditures of \$1,241,836, an increase of \$59,520, or 5.0 percent, above the approved amount. The increase is due to a reappropriation of \$18,216, a pay plan adjustment of \$1,396, and a supplemental request of \$39,908 for operational expenditures. The estimate also includes State Water Plan Fund expenditures of \$18,469,842, including \$2,470,137 in reappropriations for FY 2006. All other funds expenditures of \$1,405,505, are an increase of \$873,657, or 164.3 percent, above the approved amount and is due to increased federal funds. The estimate includes: salaries and wages of \$1,197,185 to fund 22.0 FTE positions; \$1,686,174 for contractual services; \$17,582 for commodities; \$7,095 for capital outlay; \$4,074,512 for aid to local units and \$14,134,635 for other assistance.

Governor's Recommendation

The Governor recommends FY 2007 operating expenditures of \$19,462,046, an increase of \$1,748,177, or 9.9 percent, above the approved amount. The recommendation includes State General Fund expenditures of \$1,241,836, an increase of \$59,520, or 5.0 percent, above the approved amount and includes the supplemental request of \$39,908 for operational expenditures. State Water Plan Fund expenditures total \$16,814,705, an increase of \$815,000, or 5.1 percent, above the approved amount and includes a reappropriation of \$815,000, which is \$1,655,177, or 67.0 percent, below the agency's estimate. All other funds expenditures of \$1,405,505, are an increase of \$873,657 or 164.3 percent above the approved amount due to increased federal funds. The recommendation includes: \$1,197,188 for salaries and wages to fund 22.0 FTE positions; \$1,457,735 for contractual services; \$17,582 for commodities; \$7,095 for capital outlay; \$4,074,512 for aid to local units and \$12,707,934 for other assistance.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$5.0 million for the Conservation Reserve Enhancement Program (CREP) and review at Omnibus. The Budget Committee notes that HB 2184, which would establish CREP in statute remains in first committee.
2. Add a proviso to allow the unexpended funding for the Water Transition Assistance Program (WTAP) in FY 2007 to carry forward to FY 2008. The WTAP was authorized by the 2006 Legislature as a pilot program that will expire in five years with a spending cap of \$1.5 million per year. The regulations have been recently developed and approved and program opportunities for owners to apply for participation will not occur until September 1, 2007, well into FY 2008.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the House Committee's recommendation.

Conference Committee Recommendation

The Conference Committee concurs with the Governor's recommendation with the following adjustment:

1. Add \$1.0 million, all from the State Water Plan Fund, in FY 2007 for 20,000 acres for Conservation Reserve Enhancement Program (CREP) and added language from 2006 SB 123 which sets guidelines for CREP and requires the agency to report back on implementation of the CREP program.

Omnibus

The following adjustments were made during Omnibus:

1. Add a proviso that the numbers of acres enrolled in the Conservation Reserve Enhancement Program (CREP) shall not exceed 20,000 acres during calendar year 2007; that up to 20,000 acres may be enrolled in FY 2008 and the aggregate number of acres enrolled during FY 2007 and FY 2008 shall not exceed 40,000 acres.

Final Legislative Action

Expenditure Summary	Gov. Rec. FY 07	Legislative Approved FY 07	Omnibus Bill FY 07	Final Legislative Approved FY 07
All Funds:				
State Operations	\$ 2,679,600	\$ 2,679,600	\$ 0	\$ 2,679,600
Aid to Local Units	4,074,512	4,074,512	0	4,074,512
Other Assistance	12,707,934	8,707,934	0	8,707,934
Subtotal - Operating	\$ 19,462,046	\$ 15,462,046	\$ 0	\$ 15,462,046
Capital Improvements	0	0	0	0
TOTAL	<u>\$ 19,462,046</u>	<u>\$ 15,462,046</u>	<u>\$ 0</u>	<u>\$ 15,462,046</u>
State General Fund:				
State Operations	\$ 930,336	\$ 930,336	\$ 0	\$ 930,336
Aid to Local Units	0	0	0	0
Other Assistance	311,500	311,500	0	311,500
Subtotal - Operating	\$ 1,240,836	\$ 1,241,836	\$ 0	\$ 1,241,836
Capital Improvements	0	0	0	0
TOTAL	<u>\$ 1,240,836</u>	<u>\$ 1,241,836</u>	<u>\$ 0</u>	<u>\$ 1,241,836</u>
FTE Positions	13.0	13.0	0.0	13.0
Non FTE Uncl. Perm. Pos.	9.0	9.0	0.0	9.0
TOTAL	<u>22.0</u>	<u>22.0</u>	<u>0.0</u>	<u>22.0</u>

Senate Subcommittee Report

Agency: State Conservation Commission **Bill No.** SB 357

Bill Sec. 85

Analyst: Krahf

Analysis Pg. No. Vol. 1-43

Budget Page No. 109

<u>Expenditure Summary</u>	<u>Agency Request FY 08</u>	<u>Governor's Recommendation FY 08</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 3,411,572	\$ 1,504,923	\$ (316,120)
State Water Plan Fund	14,353,607	15,387,828	(1,162,251)
Other Funds	982,783	1,016,182	0
Subtotal - Operating	<u>\$ 18,747,962</u>	<u>\$ 17,908,933</u>	<u>\$ (1,478,371)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 18,747,962</u>	 <u>\$ 17,908,933</u>	 <u>\$ (1,478,371)</u>
 FTE Positions	 14.0	 14.0	 0.0
Non FTE Uncl. Perm. Pos.	8.0	8.0	0.0
TOTAL	<u>22.0</u>	<u>22.0</u>	<u>0.0</u>

Agency Request

The State Conservation Commission requests FY 2008 operating expenditures of \$18,747,962, a decrease of \$2,369,221, or 11.2 percent, below the FY 2007 estimate. The request include State General Fund expenditures of \$3,411,572, an increase of \$2,169,736, or 174.7 percent, above the FY 2007 estimate. The request include State Water Plan Fund expenditures of \$14,353,607, a decrease of \$4,116,235, or 22.3 percent, below the FY 2007 estimate. The FY 2008 request include enhancements of \$2,931,914 with \$2,222,769 from the State General Fund and \$709,145 from the State Water Plan Fund. The request include: \$1,241,306 for salaries and wages for 22.0 positions; \$1,190,057 for contractual services; \$12,134 for commodities; \$7,402,267 for aid to local units; and \$8,902,198 for other assistance.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$17,908,933, a decrease of \$1,553,113, or 8.0 percent, below the FY 2007 estimate and a decrease of \$839,029, or 4.5 percent, below the agency's request. State General Fund expenditures of \$1,504,923 is an increase of \$263,087, or 21.2 percent, above the FY 2007 recommendation and a decrease of \$1,906,649, or 55.9 percent, below the agency's request. State Water Plan Fund expenditures of \$15,387,828, is

a decrease of \$1,426,877, or 8.5 percent, below the FY 2007 recommendation and an increase of \$1,034,221, or 7.2 percent, above the agency's request. All other funds of \$1,016,182 is a decrease of \$389,323, or 27.7 percent, below the FY 2007 recommendation and an increase of \$33,399, or 3.4 percent, above the agency's request. The recommendation include \$1,828,605, including \$86,115 from the State General Fund and \$1,741,990 from the State Water Plan Fund for enhancement recommendations. The Governor's FY 2008 recommendation includes the addition of \$48,964, including \$29,505, from the State General Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees , a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. The recommendation also includes: \$200,000 from the State General Fund for an Army Compatible Use Buffer (ACUB) increase; and \$22,816 from all other funds for a vehicle replacement. The recommendation include: \$1,290,270 for salaries and wages to fund 22.0 positions; \$1,190,057 for contractual services; \$12,134 for commodities; \$22,816 for capital outlay; \$6,316,113 for aid to local units; and \$9,077,543 for other assistance.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$48,964, including \$29,505 from the State General Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$200,000 from the State General Fund for the Army Compatible Use Buffer (ACUB) for conservation easements. With this deletion, the funding for FY 2008 will remain consistent with FY 2007 at \$311,500.
3. Delete \$95,000 from the State Water Plan Fund for Salt Cedar projects. This provides a \$35,000 increase above the FY 2007 recommendation.
4. Delete \$453,501 from the State Water Plan Fund for the Watershed Dam Construction Program and review at Omnibus. The agency requested the enhancement for new construction projects located above federal reservoirs with public water supply function or rehabilitation and inundation mapping projects.
5. Delete \$120,000 from the State Water Plan Fund for the Conservation Restoration Enhancement Program (CREP) for well plugging and review at Omnibus.
6. Delete \$571,489 from the State Water Plan Fund for the Watershed Restoration and Protection Program (WRAPS) allowing the agency to expend \$250,000 for the program. Review at Omnibus an additional \$250,000 for the WRAPS program. The agency requested \$821,489 for WRAPS for FY 2008.
7. Delete \$86,615 from the State General Fund for the Water Transition Assistance Program and increase the State Water Plan Fund expenditures by \$86,615 for the Water Conservation Program Manager position in the Water Transition Assistance Program.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee's recommendation.

House Budget Committee Report

Agency: State Conservation Commission **Bill No.** HB 2542

Bill Sec. 85

Analyst: Krah

Analysis Pg. No. Vol. 1-43

Budget Page No. 117

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,411,572	\$ 1,504,923	\$ (229,505)
State Water Plan Fund	14,353,607	15,387,828	(3,043,589)
Other Funds	982,783	1,016,182	(32,769)
Subtotal - Operating	<u>\$ 18,747,962</u>	<u>\$ 17,908,933</u>	<u>\$ (3,305,863)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u>\$ 18,747,962</u>	<u>\$ 17,908,933</u>	<u>\$ (3,305,863)</u>
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	8.0	8.0	0.0
TOTAL	<u>22.0</u>	<u>22.0</u>	<u>0.0</u>

Agency Request

The State Conservation Commission requests FY 2008 operating expenditures of \$18,747,962, a decrease of \$2,369,221, or 11.2 percent, below the FY 2007 estimate. The request includes State General Fund expenditures of \$3,411,572, an increase of \$2,169,736, or 174.7 percent, above the FY 2007 estimate. The request includes State Water Plan Fund expenditures of \$14,353,607, a decrease of \$4,116,235, or 22.3 percent, below the FY 2007 estimate. The FY 2008 request includes enhancements of \$2,931,914 with \$2,222,769 from the State General Fund and \$709,145 from the State Water Plan Fund. The request includes: \$1,241,306 for salaries and wages for 22.0 FTE positions; \$1,190,057 for contractual services; \$12,134 for commodities; \$7,402,267 for aid to local units; and \$8,902,198 for other assistance.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$17,908,933, a decrease of \$1,553,113, or 8.0 percent, below the FY 2007 estimate and a decrease of \$839,029, or 4.5 percent, below the agency's request. State General Fund expenditures of \$1,504,923 are an increase of \$263,087, or 21.2 percent, above the FY 2007 recommendation and a decrease of \$1,906,649, or 55.9 percent, below the agency's request. State Water Plan Fund expenditures of \$15,387,828, are a decrease of \$1,426,877, or 8.5 percent, below the FY 2007 recommendation and an increase of \$1,034,221, or 7.2 percent, above the agency's request. All other funds expenditures of \$1,016,182 are a decrease of \$389,323, or 27.7 percent, below the FY 2007 recommendation and an increase of \$33,399, or 3.4 percent, above the agency's request. The recommendation includes \$1,828,605, including \$86,115 from the State General Fund and \$1,741,990 from the State Water Plan Fund for enhancement recommendations. The Governor's FY 2008 recommendation includes the addition of \$48,964, including \$29,505, from the State General Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. The recommendation also includes: \$200,000 from the State General Fund for an Army Compatible Use Buffer (ACUB) increase; and \$22,816 from all other funds for a vehicle replacement. The recommendation includes: \$1,290,270 for salaries and wages to fund 22.0 FTE positions; \$1,190,057 for contractual services; \$12,134 for commodities; \$22,816 for capital outlay; \$6,316,113 for aid to local units; and \$9,077,543 for other assistance.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$48,964, including \$29,505, from the State General Fund, \$8,876 from the State Water Plan Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$22,186, all from special revenue funds, to remove funding for the replacement of one vehicle for consideration at Omnibus.
3. Delete \$195,000 from the State Water Plan Fund and review at Omnibus the funding for the Salt Cedar projects. The Budget Committee requests information by Omnibus on what areas are targeted for salt cedar infestation in FY 2008 and if the areas are private or public land.
4. Delete \$120,000 from the State Water Plan Fund for Conservation Reserve Enhancement Program (CREP) well plugging enhancement and review at Omnibus to determine the status of HB 2184 which provides statutory authorization for CREP. Staff Note: The bill remains in first committee.
5. Delete \$2,719,713 from the State Water Plan Fund for lake restoration and review at Omnibus. The Budget Committee requests the agency provide a plan noting a solution for sedimentation problems and specifically reflecting how these funds will be utilized.

6. Delete \$200,000 from the State General Fund, and review at Omnibus the Governor's additional Army Compatible Use Buffer (ACUB) funding conservation easements. With this deletion, the funding for FY 2008 will remain consistent with FY 2007 at \$311,500. The Budget committee also requests for Omnibus information on what kind of zoning is in place and what the counties in and around Fort Riley are doing to protect and provide a buffer area.

House Committee Recommendation

The House Committee concurs with the Budget Committee's recommendation with the following adjustment:

1. Redistribute funding of \$86.4 million, including \$44.3 million from the State General Fund, in FY 2008 based on the House Committee's recommended pay plan, to be distributed by the State Finance Council. The pay plan includes the following, utilizing the same funding recommended by the Governor.
 1. A 1.0 percent base salary adjustment for all employees effective at the beginning of FY 2008;
 2. A \$1,450 one time salary bonus to be paid in two installments in FY 2008 for full-time equivalent classified employees, who earn a satisfactory or better performance rating, excluding elected officials, legislators, justices and judges;
 3. Provides \$150 for every full time equivalent employee for the employee's deferred compensation plan that must be matched dollar for dollar by the employee to receive the funds;
 4. Provides a permanent one pay grade, or a 5.0 percent increase (in addition to the 1.0 percent base salary adjustment and one time salary bonus) for job classes that are more than 25 percent behind the average market pay in the recent Hay Group Pay Study - Phase 1;
 5. Shifts funding for the recommended classified longevity bonus payment increase (from \$40 to \$50 per year) into the FY 2008 salary funding to help finance the 1.0 percent base salary adjustment and one-time salary bonus;

The House Committee recommends the creation of a State Employee Pay Philosophy Task Force which would consist of: six legislators, three members appointed by the Governor, one member appointed by the Chief Justice and one member appointed by the Chairperson of the Board of Regents. The Task Force would be required to have their work completed by June 15, 2007.

The House Committee also recommends the creation of a nine member State Employee Pay Plan Special Committee (all legislators) to begin work on the development of a new state employee pay plan for presentation to the FY 2008.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the House Committee's recommendation.

Conference Committee Recommendation

1. Delete \$48,964, including \$28,505 from the State General Fund, for the Governor's recommended pay plan adjustments. Funding for the new pay plan will be appropriated to the State Finance Council for distribution to state agencies based on the recommended pay plan. As it applies to this agency, the revised pay plan consists of:
 - Provides a 2.0 percent base salary increase for classified employees (an unclassified employee's appointing authority will receive a salary pool equivalent to the base increase). The base increase will apply to permanent and temporary employees.
 - Provides a 5.0 percent targeted increase for classified employees that are more than 25 percent behind the average market pay in the recent Hay Group Pay Study - Phase 1 (1,533 employees).
 - Provides a classified bonus payment of \$860, to be included in retirement calculations, payable on December 14, 2007 (an unclassified employee's appointing authority will receive a salary pool equivalent to the bonus payment).
 - Provides a \$10 per year increase (from \$40 to \$50 per year) for a longevity bonus for classified employees.
2. Delete \$195,000, all from the State Water Plan Fund, in FY 2008 for salt cedar eradication projects and consider at Omnibus.
3. Delete \$86,615, all from the State General Fund, and increase State Water Plan Fund expenditures by the same amount for the Water Transition Assistance Program in FY 2008.
4. Add a proviso to allow the unexpended funding for the Water Transition Assistance Program (WTAP) in FY 2007 carry forward to FY 2008.
5. Delete \$2,719,713, all from the State Water Plan Fund, for lake restoration in FY 2008 and review at Omnibus.
6. Add \$1.0 million, all from the State Water Plan Fund, in FY 2008 for 20,000 acres for Conservation Reserve Enhancement Program (CREP) and added language from 2006 SB 123 which sets guidelines for CREP and requires the agency to report back on implementation of the CREP program.

Omnibus

The following adjustments were made during Omnibus:

1. Add \$1,086,154, all from the State Water Plan Fund, for FY 2007 HB 2048 which raises the limit on authorized state assistance to conservation districts from \$10,000 per district to a maximum of \$25,000 per district beginning in FY 2008.
2. Add \$50,000, all from the State Water Plan Fund, for salt cedar eradication in FY 2008.
3. Add \$2,719,713, all from the State Water Plan Fund, for lake restoration projects in FY 2008, including the City of Horton Mission Lake project and the Washington County Rural Water District No. 1 Low Head Dam and a proviso to implement the Low Head Dam project.
4. Add \$60,000, all from the State Water Plan Fund, for Conservation Reserve Enhancement Program (CREP) well plugging in FY 2008.
5. Add a proviso that the number of acres enrolled in the Conservation Reserve Enhancement Program (CREP) shall not exceed 20,000 acres during calendar year 2007; that up to 20,000 acres may be enrolled in FY 2008 and the aggregate number of acres enrolled during FY 2007 and FY 2008 shall not exceed 40,000 acres.

State Finance Council

1. Add \$40,738, including \$31,224 from the State General Fund, for the implementation of the pay plan approved by the Legislature in HB 2368.

Final Legislative Action

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 08</u>	<u>Legislative Adjustments FY 08</u>	<u>Legislative Approved FY 08</u>	<u>Omnibus and State Finance Council FY 2008</u>	<u>Final Legislative Approved FY 2008</u>
All Funds:					
State Operations	\$ 2,515,277	\$ (71,780)	\$ 2,443,497	\$ 63,554	\$ 2,507,051
Aid to Local Units	6,313,113	(2,719,713)	3,596,400	3,805,867	7,402,267
Other Assistance	<u>9,077,543</u>	<u>485,000</u>	<u>9,562,543</u>	<u>110,000</u>	<u>9,672,543</u>
Subtotal - Operating	\$ 17,908,933	\$ (2,306,493)	\$ 15,602,440	\$ 3,979,421	\$ 19,581,861
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 17,908,933</u>	<u>\$ (2,306,493)</u>	<u>\$ 15,602,440</u>	<u>\$ 3,979,421</u>	<u>\$ 19,581,861</u>
State General Fund:					
State Operations	\$ 992,423	\$ 0	\$ 993,423	\$ 31,224	\$ 1,024,647
Aid to Local Units	0	0	0	0	0
Other Assistance	<u>511,500</u>	<u>(316,120)</u>	<u>195,380</u>	<u>0</u>	<u>195,380</u>
Subtotal - Operating	\$ 1,504,923	\$ (316,120)	\$ 1,188,803	\$ 31,224	\$ 1,220,027
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 1,504,923</u>	<u>\$ (316,120)</u>	<u>\$ 1,188,803</u>	<u>\$ 31,224</u>	<u>\$ 1,220,027</u>
FTE Positions	14.0	0.0	14.0	0.0	14.0
Non FTE Uncl. Perm. Pos.	<u>8.0</u>	<u>0.0</u>	<u>8.0</u>	<u>0.0</u>	<u>8.0</u>
TOTAL	<u>22.0</u>	<u>0.0</u>	<u>22.0</u>	<u>0.0</u>	<u>22.0</u>

Testimony on the State Conservation Commission FY 2009 Budget

to

The House Agricultural & Natural Resources Budget Committee

by Greg A. Foley
Executive Director
State Conservation Commission

February 20, 2008

Chairman Powell and members of the Committee, thank you for the opportunity to present the budget of the State Conservation Commission (SCC). The SCC implements a significant portion of the Kansas Water Plan programs. Along with this testimony, I am also providing our agency's 2007 Annual Report that addresses the goals, accomplishments, and funding for all SCC programs.

Our office has reviewed the Budget Recommendations in the Governor's FY 2009 Budget Report. Upon review of the recommendations, the State Conservation Commission (SCC) has some concerns regarding the recommendations for both Fiscal Year 2008 and 2009. Last year the Division of Budget recommended lapsing over \$1.6 million dollars of current year funding, which were eventually accepted, and the SCC was forced to cancel funds that were allocated to county Conservation Districts for on the ground conservation measures. These funds came from the Water Resources Cost-Share, Nonpoint Source Pollution Control and the Buffer Initiative Programs. These three SCC core programs are of the highest priority to the agency and the 105 County Conservation Districts. The SCC has accepted many new initiatives in recent years, such as Conservation Easements, Conservation Reserve Enhancement Program, and Watershed Restoration and Protection, and accepted those with open arms. The elected Commissioners repeatedly challenged the staff to do all we could to prevent these enhancement projects from coming at a cost to our mainstay programs. The proposed FY 2008 lapse of \$571,110 will once again impact the Water Resources Cost-Share Program (WRCSP) \$236,110, and also the Multipurpose Small Lakes Renovation Program (MPSLP) for \$335,000.

This past fall, the agency appealed the Division of Budget's proposed reductions to the SCC's budget. The appeal included a request for DOB to restore the \$571,110 of SWP funds to the FY 2008 SCC budget. These reappropriated balances have been allocated to county conservation districts in FY 2008 to implement conservation practices. A significant portion of those dollars have been contracted with landowners. The SCC would be assuming significant financial liability if the \$571,110 is extracted late in the fiscal year derailing two effective programs that reach the grassroots level.

For FY 2009, the following narrative summarizes the SCC's rationale for the multiple areas requesting a change to reinstate FY 2009 funding to the existing levels:

Aid to Conservation Districts

The Commission's FY 2009 budget submittal included a program, Aid to Conservation Districts that has been funded for the past several years from the State Water Plan (SWP). The SCC requests, and the Governor has supported, an enhancement of \$119,765 to fully match all eligible counties up to the statutory match of \$25,000 per county. Last year the Kansas Legislature changed the Conservation District Law to increase the statutory match from \$10,000 to \$25,000. Thirty-three local county governments have approved additional funding to allow their Conservation District to take advantage of this change.

This program provides financial assistance to conservation districts to implement state programs and provide one-half of the time of a full time employee for Federal program assistance. The Natural Resources Conservation Service (NRCS) provides office space, phone, and one computer in return for the clerical assistance. The financial aid authorized by Legislature are utilized by the districts for operational expenses including, but not limited to, salaries and wages; office supplies; equipment; information and education activities; and district supervisor and staff travel expenses. **The SCC respectfully requests full funding for the program.**

Water Resources Cost-Share Program (WRCSP)

The Water Resources Cost-Share Program (WRCSP) provides financial incentives to landowners for the establishment of conservation practices that reduce soil erosion, improve or protect water quality, and enhance water supplies. Major program objectives include: 1) reducing sedimentation, nutrient and pesticide runoff, and fecal coli form bacteria loading in targeted public water supply reservoirs, 2) reduce soil erosion to an average of five tons per acre on cropland and two tons per acre on grazing lands. The SCC makes an allocation to the Conservation Districts at the beginning of each state fiscal year. The Conservation Districts contract with individual landowners to install practices that address the above mentioned priorities. Thousands of these contracts are written annually, meaning we have already committed these dollars throughout the state. This explains why lapsing these funds, \$236,110 for 2008, are detrimental and will create tremendous hardship. The additional proposed reduction for FY 2009 of \$88,853 is once again taking dollars directly away from on-the-ground natural resource protection. **The SCC respectfully requests FY 2009 funding at \$3,412,218 for the WRCSP and to reinstate the \$236,110 for FY 2008.**

Nonpoint Source Pollution Control Program (NPSPCP)

The Non-Point Source Pollution Control Program (NPSPCP) is a voluntary program providing technical and financial assistance to *implement* non-point source pollution control measures for the protection and restoration of surface and ground water quality. This program is

administered in the same fashion as the WRCSP. The NPSPCP did receive an additional \$821,489 in FY 2008 to *implement* another new initiative, Watershed Restoration and Protection that provides the on-the-ground implementation dollars for pollution control practices. This new initiative has three primary phases, planning, assessment, and implementation. KDHE has used State Water Plan and EPA 319 funding dollars on planning and assessment that are primarily focused on water quality solutions. We believe funding for implementation should be a significant component of the effort. The proposed reduction of \$1,623,854 would significantly impair future efforts and raise question from the masses of "WRAPS Volunteers" that have been spending their time and resources on this process. **The SCC respectfully requests current service funding for the NPSPCP in the amount of \$3,623,854.**

Multipurpose Small Lakes Program (MPSLP)

The MPSLP has an existing contract with the City of Horton for the restoration of Horton City Lake. The SCC current contract amount is \$2,600,000; \$335,000 of FY 2007 carry-forward and \$2,265,000 from FY 2008 Legislative appropriation, to fund the state's portion of the restoration of Mission Lake. The remaining \$454,713 of FY 2008 funding was appropriated for the restoration of the Washington County Rural Water District No.1 (WS CO RWD 1) structure across the Big Blue River. The SCC is currently negotiating a contract with the respective entity to commit all remaining FY 2008 monies and a significant portion of the FY 2009 allocation. It is our understanding that the authorizing statute that transfers the Clean Water Fee funds into the State Water Plan only allows the use of those dollars as 15% for public water supply technical assistance and 85% to renovate existing public water supplies. Lapsing program dollars may not create the desired usable balance of SWP funds, under current statutory authority, therefore continuing to leave SWP budget issues. The Governor's budget proposes to LAPSE \$335,000 from FY 2008 and take an additional \$182,074 from FY 2009.

Water Transition Assistance Program

In 2006, the Legislature passed a 5 year pilot project program under the provisions of K.S.A. 2-1930 entitled "Water Right Transition Assistance Pilot Project Program", or WTAP. The purpose of this voluntary, incentive based program is to provide a structured mechanism for the permanent dismissal of irrigation water rights and the reduction of consumptive use of groundwater in focused, over appropriated areas with sustainable irrigation potential. WTAP is designed to achieve significant impact in meeting State Water Plan goals regarding aquifer depletion levels and stream recovery, as well as in maintaining interstate compact obligations. This program will primarily be available for use in central and western Kansas. FY 2008 is the first year for program implementation. Applications are accepted September 1 through November 15. The SCC received three applications, two in the Prairie Dog Creek subbasin and one in the Rattlesnake Creek subbasin. We project these applications to expend less than \$200,000. Recent record commodity prices have placed the program maximums at a significant competitive disadvantage. The SCC is reviewing the necessary changes and will propose revised regulations in the future. A detailed overview of the Pilot Project Program has been provided and is titled accordingly.

CREP – Conservation Reserve Enhancement Program

The Kansas Farm Service Agency began accepting applications to enroll land in the CREP program on December 20, 2007. Application was made in the county where the land is located, and all applications will be considered on a first-come, first-served basis. Farmers who enroll irrigated or non-irrigated cropland in the program and permanently retire their water rights will receive rental payments for 14 to 15 years at rates between \$100 and \$125 per acre per year. Cost-share funds also will be available for seeding, well plugging and tamarisk control on enrolled land. Enrolled land can also be leased for hunting. The following table reflects the accomplishments of the program as of January 8, 2008.

CREP County	Contracts Offered prior to December 31, 2007	Acres Offered prior to December 31, 2007		Contracts Offered after January 1, 2008	Acres Offered after January 1, 2008		Total Acres Offered since Program Initiation
Barton							
Edwards							
Finney	10	1,975					1,975
Ford							
Gray	27	5,138		1	242		5,380
Hamilton							
Kearny	31	5,572		1	126		5,698
Pawnee	2	241					241
Rice							
Stafford							
Total	70	12,926		2	368		13,294

The SCC is requesting the authority to carry forward any uncommitted balances for this program to allow further voluntary participation up to the limitations that have been set forth by Legislature. Further details are included in the SCC CREP Legislative Report that has been provided as a handout.

The above mentioned program areas reflect the SCC's concern with the Governor's budget recommendations. Chairman Powell, we respectfully request your consideration and full support of the SCC budget as requested. Thank you the opportunity to appear before your committee today. I will stand for questions at the appropriate time.

Enclosure

cc: Commissioners

State Water Plan Fund

Agency/Program Expenditures	Approved FY 2008*	Gov. Rec. FY 2008	Kansas Water Authority Rec. FY 2009	Agency Req. FY 2009	Gov. Rec. FY 2009
Kansas Department of Health and Environment					
Contamination Remediation	\$ 1,031,530	\$ 1,031,530	\$ 978,833	\$ 976,151	\$ 979,338
TMDLs Initiatives	340,194	342,087	297,384	299,985	301,793
Local Environmental Protection Program	1,502,852	1,502,850	1,502,737	1,502,735	1,502,735
Non-Point Source Program	338,406	336,513	292,568	292,651	299,743
Watershed Restoration and Protection Strategy	800,204	800,204	800,000	800,000	800,000
Use Attainability Analysis	-	-	-	-	-
Southeast Kansas Soil Treatment Study	120,361	120,361	-	-	-
Total - KDHE	\$ 4,133,547	\$ 4,133,545	\$ 3,871,522	\$ 3,871,522	\$ 3,883,609
University of Kansas - Geological Survey	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Department of Agriculture					
Interstate Water Issues	584,217	591,647	584,217	576,577	583,635
Subbasin Water Resources Management	759,814	759,814	739,996	739,996	761,373
Water Use	60,000	60,000	60,000	60,000	60,000
Total - Department of Agriculture	\$ 1,404,031	\$ 1,411,461	\$ 1,384,213	\$ 1,376,573	\$ 1,405,008
State Conservation Commission					
Water Resources Cost-Share	\$ 3,560,648	\$ 3,323,365	\$ 3,412,218	\$ 3,412,218	\$ 3,326,594
Non-Point Source Pollution Assistance	3,992,784	3,992,784	3,623,854	3,623,854	2,000,000
Aid to Conservation Districts	2,136,154	2,136,154	2,136,154	2,255,919	2,255,919
Watershed Dam Construction	1,140,529	1,140,529	1,055,000	1,055,000	1,055,000
Water Quality Buffer Initiative	391,720	391,720	350,000	350,000	350,000
Riparian and Wetland Program	364,478	364,478	251,782	251,782	251,782
Multipurpose Small Lakes	1,250,000	1,250,000	1,123,176	1,123,176	1,123,176
Water Transition Assistance Program	2,617,532	2,618,705	1,498,000	1,498,000	1,000,228
Salt Cedar Control Demonstrations	50,000	50,000	50,000	50,000	50,000
Conservation Reserve Enhancement Program	2,000,000	2,000,000	-	-	-
Lake Restoration/Management	3,054,713	2,719,713	2,895,836	2,895,836	2,713,762
Total - State Conservation Commission	\$ 20,558,558	\$ 19,987,448	\$ 16,396,020	\$ 16,515,785	\$ 14,126,461
Kansas Water Office					
Assessment and Evaluation	\$ 951,493	\$ 951,493	\$ 860,000	\$ 860,000	\$ 860,000
GIS Database Development	250,000	250,000	250,000	250,000	250,000
MOU - Storage Operations and Maintenance	800,635	694,060	301,418	301,418	301,418
PMIB Loan Payment for Storage	-	-	-	-	-
Technical Assistance to Water Users	642,921	642,921	646,030	646,030	624,919
Water Resource Education	91,500	91,500	84,000	84,000	84,000
Weather Stations	100,000	100,000	100,000	100,000	100,000
Weather Modification	240,000	240,000	240,000	240,000	240,000
Wichita ASR Project, Equus Beds Aquifer	-	-	-	-	1,000,000
Neosho River Basin Issues	500,000	500,000	500,000	500,000	500,000
Total - Kansas Water Office	\$ 3,576,549	\$ 3,469,974	\$ 2,981,448	\$ 2,981,448	\$ 3,960,337
Department of Wildlife and Parks					
Almena Irrigation District	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -
Minimum Pool Agreement	-	-	200,000	-	-
Stream (Biological) Monitoring	40,000	40,000	40,000	40,000	40,000
Total - Department of Wildlife and Parks	\$ 1,040,000	\$ 1,040,000	\$ 240,000	\$ 40,000	\$ 40,000
Total State Water Plan Fund Expenditures	\$ 30,752,685	\$ 30,082,428	\$ 24,913,203	\$ 24,825,328	\$ 23,455,415

* Approved FY 2008 totals include reappropriated funding from FY 2007 in the amount of \$3,510,343.

Resource Estimate				
	Actual FY 2007	Approved FY 2008*	Gov. Rec. FY 2008	Gov. Rec. FY 2009
Beginning Balance	\$ 9,591,892	\$ 6,832,968	\$ 9,052,462	\$ 1,931,151
Adjustments				
Released Encumbrances	\$ 63,989	\$ -	\$ 2,395,294	\$ -
Transfer to the KCC	(400,000)	(400,000)	(400,000)	(400,000)
Subtotal-Adjustments	(336,011)	(400,000)	1,995,294	(400,000)
Receipts				
State General Fund Transfer	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,400,000
EDIF Transfer	2,000,000	2,000,000	2,000,000	2,000,000
Water Litigation Suspense Fund Transfer	-	-	584,217	525,729
Fee Revenues	9,430,764	9,078,942	9,111,944	9,511,669
Pollution Fines and Penalties	262,070	70,000	70,000	80,000
Clean Drinking Water Fee Fund	-	3,199,662	3,199,662	3,406,866
Subtotal-Receipts	\$ 17,692,834	\$ 20,348,604	\$ 20,965,823	\$ 21,924,264
Total Available	\$ 26,948,715	\$ 26,781,572	\$ 32,013,579	\$ 23,455,415
Less: Expenditures	\$ 17,896,253	\$ 30,752,685	\$ 30,082,428	\$ 23,455,415
Ending Balance	\$ 9,052,462	\$ (3,971,113)	\$ 1,931,151	\$ -

HOUSE AG & NATURAL RESOURCES
BUDGET COMMITTEE
DATE: 2/20/08
ATTACHMENT: 3-1



MEMORANDUM TO: House Agriculture & Natural Resources Budget Committee
DATE: February 20, 2008
FROM: RoxAnne Miller
RE: Fort Riley Army Compatible Use Buffer Project (ACUB Project)

- Fort Riley and the Kansas Land Trust are partners in the ACUB Project – seeking voluntary conservation easements in a buffer area of approximately 50,000 acres adjacent to the military property.
- The Kansas Land Trust provides willing landowners in the buffer area the opportunity to sell a permanent conservation easement.
- State funds are needed for the required match to purchase conservation easements.
 - The ACUB Program requires matching funds.
 - The NRCS Farm & Ranch Lands Protection Program requires matching funds.
- We support the State Conservation Commission budgeted funds in the amount of \$311,500 to serve as a match for ACUB and FRPP approved conservation easements.
 - KLT has completed 5 conservation easements on 1,875 acres with State matching funds.
 - KLT has 3 more underway on 1,500 acres.
- Ft. Riley's goal is to limit encroachment related issues:
 - Minimize neighbor conflicts over military activities,
 - Reduce or eliminate potential for military training and testing restrictions,
 - Maximize the army's training on the military land, and
 - Support conservation objectives for open space and species habitat.
- The Kansas Land Trust's goal is to preserve important agricultural land in the buffer.
 - Approximately 45% of the buffer land is native tallgrass prairie.
 - Approximately 55% of the buffer land includes prime agricultural soils.
- The Army will have no right to use or access the buffer land.

RESOLUTION #5

FISCAL YEAR 2009 STATE CONSERVATION COMMISSION BUDGET

Finance and Development Committee

WHEREAS, financial and technical assistance needs have been identified in high priority Total Maximum Daily Load watersheds of the Kansas – Lower Republican, Lower Arkansas, Marais Des Cygnes, Missouri, Neosho, Upper Arkansas, Verdigris and Walnut, Smoky Hill/Saline, Upper Republican, and Solomon River Basins; and

WHEREAS, a need exists to assist irrigators, particularly those impacting the Ogallala Aquifer, in improving irrigation system efficiencies; and

WHEREAS, the State Water Plan has identified the priority watershed areas that need assistance to address non-point source pollution problems, reduce urban and rural flooding, and to minimize the adverse impacts of stream channelization; and

WHEREAS, conservation districts have established a need for cost-share incentives to address local concerns; and

WHEREAS, the conservation provisions of the 2002 Farm Bill have increased the demand for conservation technical assistance;

WHEREAS, a need for priority multipurpose small lakes projects and riparian and wetland protection was identified in the State Water Plan; and

WHEREAS, the State Conservation Commission is responsible for carrying out programs of state assistance to conservation districts, state assistance in watershed dam construction, water resources cost-share, riparian and wetland protection, multipurpose small lakes, non-point pollution control, water quality buffer initiative, water rights purchase and surface mining land reclamation;

THEREFORE, BE IT RESOLVED, that the Kansas Association of Conservation Districts support the State Conservation Commission FY 2009 budget request as described below, and in addition, supports the agency's request for appropriation language allowing the carry over of funds from the current fiscal year to FY 2009:

STATE GENERAL FUND:

Administrative Operations	\$	891,594	
Conservation Easements	\$	311,500	
Subtotal - State General Fund			\$ 1,203,094

STATE WATER PLAN SPECIAL REVENUE FUND:

Aid to Conservation Districts	\$	2,136,154
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Water Resources Cost-Share	\$ 3,412,218	
Multipurpose Small Lakes	\$ 4,019,012	
Non-Point Source Pollution	\$ 3,623,854	
Watershed Dam Construction	\$ 1,055,000	
Riparian and Wetland Protection	\$ 301,782	
Water Quality Buffer Initiative	\$ 350,000	
Water Rights Purchase Program\WTAP	\$ 1,498,000	
Subtotal - Special Revenue Fund		\$16,396,020
FEE FUND:		
Land Reclamation	\$ 133,987	
Subtotal - Fee Fund		\$ 133,987
FEDERAL FUNDS:		
Federal Grant Funds	\$ 460,738	
Subtotal Federal Funds		<u>\$ 460,738</u>
TOTAL - FY 2009 BUDGET REQUEST		\$18,193,839

Resolution adopted.